



Q1 2024 Reconciliation of Preventive Maintenance/Demand Repair Programs and Elevator Contracts

Item 9D

May 28, 2024

Building Investment, Finance and Audit Committee

Report: BIFAC:2024-50

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Vice President, Facilities Management

Date: May 10, 2024

PURPOSE:

This report provides the Building Investment, Finance and Audit Committee with an update on the Q1 2024 results of the Preventive Maintenance/Demand Repair programs and elevator contracts managed by Facilities Management.

RECOMMENDATION:

It is recommended that the Building Investment, Finance and Audit Committee receive this report for information.

REASONS FOR RECOMMENDATION:

Background

At the November 3, 2021, BIFAC meeting, Facilities Management committed to completing a quarterly reconciliation of the Preventive Maintenance/Demand Repair programs and Elevator contracts to ensure the programs were in compliance with the approved awards and to take corrective action, when required, to ensure ongoing compliance.

These programs ensure that TCHC's grounds, roofs, elevators, fire life safety, mechanical, electrical, and heating, ventilation and air conditioning ("HVAC") equipment are properly maintained through best-in-class

preventive maintenance programs, and that demand repairs are completed, when required, to maintain buildings in a state of good repair and ensure tenant comfort. The Toronto Seniors Housing Corporation, Facilities Management, Client Care, Maintenance Dispatch, building staff, and Risk Management and Insurance utilize these programs.

This review details findings of the reconciliation completed as of the end of Q1 2024.

Q1 2024 Program Results

As of March 31, 2024, all Preventive Maintenance/Demand Repair programs and elevator contracts have been reconciled using a manual reconciliation process. The results of that reconciliation found that all program spends for Q1 were within approved amounts and thus in compliance. This report also includes details of the Corporate and Commercial HVAC Equipment Preventive Maintenance & Demand Repairs Program (“DGR”). DGR Program has been removed from this report as TCHC is undertaking a comprehensive reconciliation of the program’s expenditures against the approved amounts. The results arising from the reconciliation will be subsequently reported to BIFAC.

A preliminary financial review indicates that spending is within overall budgets.

Automated reporting from HoMES is not yet available to assist in the reconciliation process.

IMPLICATIONS AND RISKS:

TCHC is obligated to complete work to support Preventive Maintenance/Demand Repair programs and elevator contracts to either ensure compliance with various code requirements (e.g. Ontario Fire Code, Technical Standards and Safety Authority) and/or ensure its buildings are properly maintained. Properly maintained buildings preserve TCHC’s assets, help achieve a state of good repair for the portfolio, and help provide healthy, comfortable and safe homes for our tenants.

Preventive maintenance is regularly occurring work that has a set cost determined during the procurement award process.

Demand repairs are completed on an as needed basis at a volume that can vary from year to year. This can present challenges when determining the

required approval amounts. Historic data, industry knowledge, plus current market conditions are used to try to predict future spends.

As with any work performed, there is a risk that the work may not be performed satisfactorily or represent value for money. To mitigate these risks, these programs are procured through a public procurement process and once awarded, any work arising from the preventive maintenance activities must be authorized by Facilities Management staff. Facilities Management staff also perform random reviews of completed work to ensure the work was completed satisfactorily. For work generated from demand requests, site staff must confirm that the work was performed satisfactorily before approving the invoice for payment by Finance staff.

The inspection process that is in place is consistent with recommendations made by the Auditor General to ensure work is being performed satisfactorily and that there is value for money.

Facilities Management will continue to provide a quarterly reconciliation to ensure that programs are closely monitored and that any additional approvals required can be obtained in a timely manner to ensure there is no interruption with the completion of this required work.

SIGNATURE:

“Allen Murray”

Allen Murray
Vice President, Facilities Management

ATTACHMENT:

1. Q1 2024 Preventive Maintenance/Demand Repair and Elevator Programs Summary

STAFF CONTACT:

Allen Murray, Vice President, Facilities Management
416-981-6955
Allen.Murray@torontohousing.ca

Item 9D – Q1 2024 Preventive Maintenance and Demand Repairs Program Reconciliation
 Public BIFAC Meeting – May 28, 2024
 Report #: BIFAC:2024-50
Attachment 1

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Roof Maintenance & Roof Anchor Inspection	Jul-20/Jul-24 Jan-22/Dec-26	\$23,459,388 Orig VAC: \$23,567,295 C/O: (\$107,907) Orig VAC: \$457,500	2020-2023 2024 2025 2026	\$944,228 \$266,605 \$109,785 \$96,270	\$783,520 \$32,351	\$18,000,000 \$4,500,000	\$11,289,363 \$875,900	Q1 2024 reconciliation complete. No action required.
Grounds & Snow Maintenance	May-20/Apr-25, Oct-21/Apr-25	\$70,561,702 Orig VAC: \$56,200,470 C/O's & DA: \$14,423,671 CO1: (\$5,850) CO2: \$10,000 CO3: (\$66,589)	2021-2023 2024 2025	\$41,157,833 \$14,701,935 \$14,701,935	\$39,710,985 \$3,662,305	Not Applicable	Not Applicable	Q1 2024 reconciliation complete. No action required.
Fire Life Safety	Apr-22 May-22/Dec-22 Jan-23/Dec-23	\$21,877,517 Original DA: \$847,335 CO1: \$8,427,591 CO2: \$11,440,000 CO3: \$1,200,000 CO: (\$37,409)	2022-2023	\$3,793,517	\$3,385,532	\$18,084,000	\$15,556,425	Q1 2024 reconciliation complete. No action required.
Fire Life Safety NEW CONTRACT	Jan-24/Dec-26	\$44,074,530 Original VAC: \$44,074,530	2024 2025 2026	\$2,084,901 \$2,406,829 \$2,382,800	\$99,628	\$12,599,739 \$12,300,131 \$12,300,131	\$1,657,022	Q1 2024 reconciliation complete. No action required.
Generator	July-22/Dec-24	\$2,937,231 Orig VAC: \$2,932,073 CO: \$5,158	2022-2023 2024	\$323,581 \$413,649	\$321,709 \$50,369	\$1,320,000 \$880,000	\$779,324 \$95,468	Q1 2024 reconciliation complete. No action required.

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Chillers	Jan-23/Dec-27	\$3,871,792 Orig VAC: \$3,871,792	2023	\$391,469	\$391,469	\$152,423	\$107,710	Q1 2024 reconciliation complete. No action required.
			2024	\$397,399	\$99,350	\$146,493	\$47,223	
			2025	\$397,399		\$146,493		
			2026	\$397,399		\$146,493		
			2027	\$397,399		\$146,493		
			2028	\$418,191		\$157,975		
			2029	\$418,191		\$157,975		
PTAC/Fan Coil	Jan-23/Dec-27	\$8,711,892 Orig VAC: \$8,711,892	2023	\$1,840,333	\$1,590,480	\$75,000	\$40,210	Q1 2024 reconciliation complete. No action required.
			2024	\$1,611,130	\$407,954	\$75,000	\$9,048	
			2025	\$1,611,130		\$75,000		
			2026	\$1,627,241		\$76,318		
			2027	\$1,644,422		\$76,318		
Elevator A/C	Jan-21/Dec-25	\$632,225 Orig VAC: \$498,225 C/O: \$134,000	2021-2023	\$137,920	\$79,499	\$225,000	\$142,590	Q1 2024 reconciliation complete. No action required.
			2024	\$57,140	\$7,015	\$76,500	\$2,930	
			2025	\$57,140		\$78,525		
Booster/Sump Pump	Jan-21/Dec-25	\$1,253,359 Orig VAC: \$1,046,084 C/O: \$207,275	2021-2023	\$417,571	\$404,141	\$305,000	\$147,304	Q1 2024 reconciliation complete. No action required.
			2024	\$155,394	\$35,666	\$110,000	\$3,285	
			2025	\$155,394		\$110,000		
Laundry Room Exhaust	Jan-23/Dec-27	\$402,500 Orig VAC: \$402,500	2023	\$30,200	\$29,600	\$50,000	\$37,720	Q1 2024 reconciliation complete. No action required.
			2024	\$30,200	\$7,400	\$50,000	\$2,535	
			2025	\$30,200		\$50,000		
			2026	\$30,200		\$50,750		
			2027	\$30,200		\$50,750		
Thermographs	Jan-23/Dec-25	\$2,338,800 Orig VAC: \$2,338,800	2023	\$289,800	\$283,920	\$100,000	\$97,511	Q1 2024 reconciliation complete. No action required.
			2024	\$289,800	\$0	\$100,000	\$27,117	
			2025	\$289,800		\$100,000		
			2026	\$289,800		\$100,000		
			2027	\$289,800		\$100,000		
			2028	\$289,800		\$100,000		

Q1 2024 Preventive Maintenance and Demand Repairs Program Reconciliation

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Duct cleaning	Jan-23/Dec-27	\$7,986,375 Orig VAC: \$7,986,375	2023	Not Applicable	Not Applicable	\$1,550,000	\$1,426,905	Q1 2024 reconciliation complete. No action required.
			2024			\$1,550,000	\$200,886	
			2025			\$1,550,000		
			2026			\$1,668,187		
			2027			\$1,668,188		
Chemical Treatment	Feb-21/Dec-25	\$576,772 Orig VAC: \$502,692 C/O: \$74,080	2021-2023	\$295,362	\$283,028	\$40,040	\$20,144	Q1 2024 reconciliation complete. No action required.
			2024	\$105,472	\$17,334	\$15,200	\$0	
			2025	\$105,472		\$15,226		
Demand Plumbing	Feb-23/Jan-28	\$75,000,000 Orig VAC: \$75,000,000	2023	Not Applicable	Not Applicable	\$15,000,000	\$14,881,328	Q1 2024 reconciliation complete. No action required.
			2024			\$15,000,000	\$2,425,693	
			2025			\$15,000,000		
			2026			\$15,000,000		
			2027			\$15,000,000		
Demand Heating	Feb-23/Jan-28	\$35,000,000 Orig VAC: \$35,000,000	2023	Not Applicable	Not Applicable	\$7,000,000	\$3,140,855	Q1 2024 reconciliation complete. No action required.
			2024			\$7,000,000	\$379,997	
			2025			\$7,000,000		
			2026			\$7,000,000		
			2027			\$7,000,000		
Air Conditioning and Ventilation (previously HVAC over and under ton) 5 ton)	Feb-23/Jan-28	\$30,000,000 Orig VAC: \$30,000,000	2023	Not Applicable	Not Applicable	\$6,000,000	\$1,655,580	Q1 2024 reconciliation complete. No action required.
			2024			\$6,000,000	\$189,630	
			2025			\$6,000,000		
			2026			\$6,000,000		
			2027			\$6,000,000		
Furnace PM	Jan-22/Dec-26	\$7,559,440 Orig VAC: \$6,909,440 C/O: \$650,000	2022-2023	\$2,873,776	\$2,721,843	\$150,000	\$129,359	Q1 2024 reconciliation complete. No action required.
			2024	\$1,436,888	\$307,832	\$75,000	\$9,656	
			2025	\$1,436,888		\$75,000		
			2026	\$1,436,888		\$75,000		

Q1 2024 Preventive Maintenance and Demand Repairs Program Reconciliation

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Furnace Replacements <small>(NOTE: Approved replacement spend/actuals shown in the PM columns)</small>	Jan-22/Dec-26	\$10,284,480 Orig VAC \$9,533,600 C/O: \$750,880	2022-2023	\$4,144,320	\$3,379,720	\$520,000	\$391,833	Q1 2024 reconciliation complete. No action required.
			2024	\$1,771,720	\$192,690	\$135,000	\$3,160	
			2025	\$1,771,720		\$85,000		
			2026	\$1,771,720		\$85,000		
PTAC Replacements <small>(NOTE: Approved replacement</small>	Apr-22/Mar-28	\$7,568,492 Orig VAC: \$7,568,492	2022-2023	\$1,939,884	\$393,372	\$37,000	\$2,671	Q1 2024 reconciliation complete. No action required.
			2024	\$1,108,505	\$40,139	\$37,000	\$0	
			2025	\$1,108,505		\$37,000		
			2026	\$1,274,781		\$37,370		
			2027	\$1,338,520		\$37,931		
			2028	\$574,067		\$37,931		
Backflow	Jan-24/Dec-28	\$918,475 Orig VAC: \$918,475	2024	\$60,480	\$15,036	\$119,935	\$4,135	Q1 2024 reconciliation complete. No action required.
			2025	\$60,480		\$119,935		
			2026	\$60,480		\$119,935		
			2027	\$62,294		\$126,320		
			2028	\$64,163		\$124,452		
Demand Pressure Vessels	Jan-21/Dec-25	\$2,184,050 Orig VAC: \$1,960,450 C/O: \$223,600	2021-2023	Not Applicable	Not Applicable	\$1,385,831	\$1,167,016	Q1 2024 reconciliation complete. No action required.
			2024			\$395,158	\$59,958	
			2025			\$403,061		
Elevators	Jun-17/May-28	\$32,384,170 VACs for PM/: \$27,743,258 CO1 for Demand: \$4,300,911 CO2 for Demand: \$340,000	N/A Award on total term	\$19,876,588	\$14,138,008 \$14,688,874	\$12,507,581	\$5,847,519 \$6,323,595	Q1 2024 reconciliation complete. No action required.

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Elevators	Jun-17/May-28	\$32,384,170 VACs PM/Demand: \$27,743,258 CO1 for Demand: \$4,300,911 CO2 for Demand: \$340,000	N/A Award on total term	\$19,876,588	\$14,138,008 \$14,688,874	\$12,507,581	\$5,847,519 \$6,323,595	Q1 2024 reconciliation complete. No action required.
Kitchen Drains Treatment	Aug-22/Aug-30	\$8,007,585 Orig VAC: \$8,007,585	2022-2023 2024 2025 2026 2027 2028 2029 2030	\$1,273,777 \$827,068 \$827,068 \$974,828 \$974,828 \$974,828 \$974,828 \$380,359	\$1,265,801 \$66,777	\$150,000 \$100,000 \$100,000 \$100,000 \$100,000 \$100,000 \$100,000 \$50,000	\$7,090 \$0	Q1 2024 reconciliation complete. No action required.
Electrical	Oct-22/Sept-27	\$18,000,000 Orig VAC: \$18,000,000	2022-2023 2024 2025 2026 2027	Not Applicable	Not Applicable	\$4,500,000 \$3,600,000 \$3,600,000 \$3,600,000 \$2,700,000	\$3,601,494 \$592,351	Q1 2024 reconciliation complete. No action required.
TCHC Corporate and Commercial HVAC Equipment PM & Demand Repairs	May-23/Apr-28	\$1,198,654	2023 2024 2025 2026 2027 2028	\$42,850 \$85,700 \$85,700 \$86,986 \$89,595 \$45,460	\$41,667 \$22,488	\$99,833 \$149,750 \$149,750 \$152,745 \$157,327 \$52,957	\$60,593 \$24,459	Q1 2024 reconciliation complete. No action required.

Q1 2024 Preventive Maintenance and Demand Repairs Program Reconciliation

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2024 Q1 Reconciliation Comments
			Year	PM Approved	PM Actual Spend 2024 Q1	Demand Approved	Demand Actual Spend 2024 Q1	
Garage CO System	Aug-23/Aug-27	\$355,134 Orig VAC \$355,134	2023	\$37,700	\$37,700	\$32,500	\$25,266	Q1 2024 reconciliation complete. No action required.
			2024	\$37,700	\$0	\$32,500	\$1,385	
			2025	\$37,700		\$32,500		
			2026	\$38,454		\$33,813		
			2027	\$38,454		\$33,813		
DM Services for CCTV, access control, Electromagnetic locks, intercom systems & alarm intrusion systems	Oct-23/Oct-28	Orig. VAC: \$10,400,000	2023	Not Applicable	Not Applicable	\$1,883,333	\$599,845	Q1 2024 reconciliation complete. No action required.
			2024			\$1,883,333	\$455,854	
			2025			\$1,883,333		
			2026			\$2,375,000		
			2027			\$2,375,000		
Electrical Safety Authority Continuous Safety Program	Jan-24/Dec-28	VAC: \$4,160,487.00	2024	\$768,908	\$768,908	Not Applicable	\$14,382	Q1 2024 reconciliation Complete. No action required.
			2025	\$799,279				
			2026	\$830,850				
			2027	\$863,668				