



Q3 2023 Reconciliation of Preventive Maintenance/Demand Repair Programs and Elevator Contracts

Item 9C

January 25, 2024

Building Investment, Finance and Audit Committee

Report: BIFAC:2024-12

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

From: Vice President, Facilities Management

Date: January 3, 2024

PURPOSE:

The purpose of this report is to provide the BIFAC with an update on the Q3 2023 results of the Preventive Maintenance/Demand Repair Programs and Elevator Contracts managed by Facilities Management.

RECOMMENDATION:

It is recommended that the BIFAC 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 ensure 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 Q3 2023.

Q3 2023 PROGRAM RESULTS:

As of September 30, 2023, all Preventive Maintenance/Demand Repair programs and elevator contracts have been reconciled using a manual reconciliation process. The results of the reconciliation found that all program spends for Q3 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 as well as the Demand General Repairs (“DGR”) Program, which is managed and reconciled by the Operations Division.

Additionally, preliminary financial review indicates that spends are within overall budgets.

The automated reporting from HoMES to assist in the reconciliation is not yet available.

IMPLICATIONS AND RISKS:

TCHC is obligated to complete this work 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 home 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 and 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 quarterly reconciliation of the programs to ensure that they 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. Q3 2023 Preventive Maintenance/Corporate and Commercial HVAC Equipment Preventive Maintenance & Demand General Repairs Programs Summary

STAFF CONTACT:

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Q3 2023 Preventive Maintenance and Demand Repairs Program Reconciliation

Item 9C - BIFAC:2024-12 - Attachment 1

Service	Start Date/ End Date	Total Approved Award by VAC	Preventive Maintenance (PM)			Demand Repairs		2023 Q3 Reconciliation Comments		
			Year	PM Approved	PM Actual Spend (2023 Q1 & Q2 & Q3)	Demand Approved	Demand Actual Spend (2023 Q1 & Q2 & Q3)			
Roof Maintenance	Jul-20/Jul-24	\$23,459,388 Orig VAC: \$23,567,295 C/O: (\$107,907)	2020-2022	\$604,408	\$526,151	\$13,500,000	\$8,575,613	Q3 2023 reconciliation completed. No action required.		
			2023	\$177,490	\$153,414	\$4,500,000	\$2,514,090			
			2024	\$177,490		\$4,500,000				
Roof Anchor Inspection	Jan-22/Dec-26	Orig VAC: \$457,500	2022	\$81,165	\$79,660	Not Applicable	Not Applicable	Q3 2023 reconciliation completed. No action required.		
			2023	\$81,165	\$45,655					
			2024	\$89,115						
			2025	\$109,785						
			2026	\$96,270						
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)	2021-2022	\$26,765,813	\$25,455,659	Not Applicable	Not Applicable	Q3 2023 reconciliation completed. No action required.		
			2023	\$14,392,020	\$10,659,681					
			2024	\$14,701,935						
			2025	\$14,701,935						
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	\$1,340,926	\$1,294,443	\$7,934,000	\$7,151,181	Q3 2023 reconciliation completed. No action required.		
			2023	\$2,452,591	\$1,227,839				\$10,150,000	\$6,199,836
Generator	July-22/Dec-24	\$2,936,196 Orig VAC: \$2,932,073 CO: \$4,123	2022	\$107,803	\$106,608	\$440,000	\$266,940	Q3 2023 reconciliation completed. No action required.		
			2023	\$214,743	\$118,530	\$880,000	\$366,188			
			2024	\$413,649		\$880,000				

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			Year	PM Approved	PM Actual Spend (2023 Q1 & Q2 & Q3)	Demand Approved	Demand Actual Spend (2023 Q1 & Q2 & Q3)	
Chillers	Jan-23/Dec-27	\$3,871,792 Orig VAC: \$3,871,792	2023	\$391,469	\$295,579	\$152,423	\$58,058	Q3 2023 reconciliation completed. No action required.
			2024	\$391,469		\$152,423		
			2025	\$391,469		\$152,423		
			2026	\$391,469		\$152,423		
			2027	\$391,469		\$152,423		
			2028	\$412,261		\$163,905		
			2029	\$412,261		\$163,905		
PTAC/Fan Coil	Jan-23/Dec-27	\$8,711,892 Orig VAC: \$8,711,892	2023	\$1,840,333	\$1,192,860	\$75,000	\$28,610	Q3 2023 reconciliation completed. No action required.
			2024	\$1,611,130		\$75,000		
			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	2021-2022	\$80,780	\$51,570 \$20,947	\$150,000	\$97,850 \$36,515	Q3 2023 reconciliation completed. No action required.
			2023	\$57,140		\$75,000		
			2024	\$57,140		\$76,500		
			2025	\$57,140		\$78,525		
Booster/Sump Pump	Jan-21/Dec-25	\$1,253,359 Orig VAC: \$1,046,084 C/O: \$207,275	2021-2022	\$262,177	\$262,177 \$106,473	\$195,000	\$101,589 \$33,255	Q3 2023 reconciliation completed. No action required.
			2023	\$155,394		\$110,000		
			2024	\$155,394		\$110,000		
			2025	\$155,394		\$110,000		
Laundry Room Exhaust	Jan-23/Dec-27	\$402,500 Orig VAC: \$402,500	2023	\$30,200	\$22,200	\$50,000	\$32,340	Q3 2023 reconciliation completed. No action required.
			2024	\$30,200		\$50,000		
			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	\$147,970	\$100,000	\$84,734	Q3 2023 reconciliation completed. No action required.
			2024	\$289,800		\$100,000		
			2025	\$289,800		\$100,000		
			2026	\$289,800		\$100,000		
			2027	\$289,800		\$100,000		
			2028	\$289,800		\$100,000		

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			Year	PM Approved	PM Actual Spend (2023 Q1 & Q2 & Q3)	Demand Approved	Demand Actual Spend (2023 Q1 & Q2 & Q3)	
Duct cleaning	Jan-23/Dec-27	\$7,986,375 Orig VAC: \$7,986,375	2023	Not Applicable	Not Applicable	\$1,550,000	\$1,210,099	Q3 2023 reconciliation completed. No action required.
			2024			\$1,550,000		
			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	\$88,285	\$88,285	\$12,420	\$9,786	Q3 2023 reconciliation completed. No action required.
			2022	\$101,605	\$93,138	\$12,420	\$8,738	
			2023	\$105,472	\$76,204	\$15,200	\$1,620	
			2024	\$105,472	\$15,200			
			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	\$10,666,663	Q3 2023 reconciliation completed. No action required.
			2024			\$15,000,000		
			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	\$1,897,228	Q3 2023 reconciliation completed. No action required.
			2024			\$7,000,000		
			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	\$1,279,179	Q3 2023 reconciliation completed. No action required.
			2024			\$6,000,000		
			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	\$1,436,888	\$1,381,955 \$1,004,916	\$75,000	\$64,352 \$50,609	Q3 2023 reconciliation completed. No action required.
			2023	\$1,436,888		\$75,000		
			2024	\$1,436,888		\$75,000		
			2025	\$1,436,888		\$75,000		
			2026	\$1,436,888		\$75,000		

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			Year	PM Approved	PM Actual Spend (2023 Q1 & Q2 & Q3)	Demand Approved	Demand Actual Spend (2023 Q1 & Q2 & Q3)			
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	\$2,072,160	\$2,033,450	\$260,000	\$242,123	Q3 2023 reconciliation completed. No action required.		
			2023	\$2,072,160		\$1,062,250			\$260,000	\$137,445
			2024	\$1,771,720		\$135,000				
			2025	\$1,771,720		\$85,000				
			2026	\$1,771,720		\$85,000				
PTAC Replacements <small>(NOTE: Approved replacement spend/actuals shown in the PM columns)</small>	Apr-22/Mar-28	\$7,568,492 Orig VAC: \$7,568,492	2022	\$831,379	\$121,710	\$27,750	\$778	Q3 2023 reconciliation completed. No action required.		
			2023	\$1,108,505		\$222,972			\$9,250	\$1,893
			2024	\$1,108,505		\$37,000				
			2025	\$1,108,505		\$37,000				
			2026	\$1,274,781		\$37,370				
			2027	\$1,338,520		\$37,931				
Backflow	July-20/June-25	\$954,825 Orig VAC: \$904,539 C/O: \$50,286	2020-2022	\$112,540	\$112,540	\$257,802	\$137,974	Q3 2023 reconciliation completed. No action required. New contract will start in January 2024.		
			2023	\$60,520		\$30,260			\$166,727	\$15,866
Demand Pressure Vessels	Jan-21/Dec-25	\$2,184,050 Orig VAC: \$1,960,450 C/O: \$223,600	2021-2022	Not Applicable	Not Applicable	\$898,421	\$831,797	Q3 2023 reconciliation completed. No action required.		
			2023			\$487,410				
			2024			\$395,158				
			2025			\$403,061				
Elevators	Jun-17/May-28	\$32,384,170 Orig VACs for PM/Demand: \$27,743,258 CO1 VACs for Demand: \$4,300,911 CO2 VACs for Demand: \$340,000	N/A Award based on total term	\$19,876,588	\$13,421,943	\$12,507,581	\$5,549,143	Q3 2023 reconciliation completed. No action required.		

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			Year	PM Approved	PM Actual Spend (2023 Q1 & Q2 & Q3)	Demand Approved	Demand Actual Spend (2023 Q1 & Q2 & Q3)	
Kitchen Drains Treatment	Aug-22/Aug-30	\$8,007,585 Orig VAC: \$8,007,585	2022	\$446,709	\$446,709	\$50,000	\$0	Q3 2023 reconciliation completed. No action required.
			2023	\$827,068	\$767,955	\$100,000	\$2,620	
			2024	\$827,068		\$100,000		
			2025	\$827,068		\$100,000		
			2026	\$974,828		\$100,000		
			2027	\$974,828		\$100,000		
			2028	\$974,828		\$100,000		
			2029	\$974,828		\$100,000		
			2030	\$380,359		\$50,000		
			Electrical	Oct-22/Sept-27	\$18,000,000 Orig VAC: \$18,000,000	2022	Not Applicable	
2023						\$3,600,000	\$1,637,586	
2024						\$3,600,000		
2025						\$3,600,000		
2026						\$3,600,000		
2027						\$2,700,000		
TCHC Corporate and Commercial HVAC Equipment PM & Demand Repairs	May-23/Apr-28	\$1,198,654	2023	\$42,850	\$19,101	\$99,833	\$29,875	Q3 2023 reconciliation completed. No action required.
			2024	\$85,700		\$149,750		
			2025	\$85,700		\$149,750		
			2026	\$86,986		\$152,745		
			2027	\$89,595		\$157,327		
			2028	\$45,460		\$52,957		
Garage CO System	Aug-23/Aug-27	\$355,134 Orig VAC \$355,134	2023	\$37,700	\$0	\$32,500	\$0	Q3 2023 reconciliation completed. No action required.
			2024	\$37,700		\$32,500		
			2025	\$37,700		\$32,500		
			2026	\$38,454		\$33,813		
			2027	\$38,454		\$33,813		
Demand General Repairs (DGR)*	Sep-21/Sep-26	\$191,720,000 Orig. VAC: \$170,600,000 C/O: \$11,740,000 C/O: \$9,380,000	2021-2022	Not Applicable	Not Applicable	\$31,170,000	\$19,733,321	Q3 2023 reconciliation completed. No action required.
			2023			\$44,350,000	\$42,463,212	
			2024			\$33,500,000		
			2025			\$38,500,000		
			2026			\$44,200,000		

*DGR program is managed by Operations