

Facilities Management Action Plan

Presentation to the Customer Review Panel

March 12, 2014

Background

- SPU owns, operates and leases about 400 buildings and structures including office space, pump stations, parking lots, shops, and yards
- Overall Problem: SPU lacks a strategic approach for planning, managing, maintaining, and retiring our facility assets, resulting in higher O+M costs, inadequate space for staff and equipment, and health and safety issues

Examples



Proposed Actions

Three-pronged proposed approach:

1. Facilities Construction (CIP) – Add \$17.2M in 2015-2020 for master planning, design and construction to address space needs for SPU staff and equipment at the South Operations Complex, North Operations Complex and Cedar Falls Phase II [\$64M baseline]
2. Facilities Management (O&M) – Add \$85K per year and 1.0 FTE for a centralized facilities management program [\$0 baseline]
3. Decommissioning (O&M) – Add \$150K per year to retire above-ground structures that are no longer in use or necessary for SPU [\$0 baseline]

1. Facilities Construction

Problem: SPU lacks adequate space for operational functions for staff, equipment, tools, and materials. Many facilities do not meet current regulatory, environmental and space allocation standards.

Aerial: Charles Street Yard



1. Facilities Construction

Proposed Action: Add \$17.2M in the 2015-2020 CIP to complete facilities master plan, design and construction for the South Operations Complex, North Operations Complex, and Cedar Falls Phase II for SPU field staff, with the focus on resolving the chronic space shortage for the south end DWW Operations

Benefits: Provides adequate space for staff, equipment, tools and materials; improves employee productivity and safety conditions; reduces costs for leased space; meets environmental and regulatory requirements; and reduces life cycle costs

1. Facilities Construction

Proposed Cash Flow:

		(in thousands of dollars)						
	Facility	2015	2016	2017	2018	2019	2020	Total
1a	DWW Interim Relocation	\$500	\$1,500					\$2,000
1b	S Ops Complex, Master Plan	\$500						\$500
1c	S Ops Design, Construction		\$2,000	\$3,000	\$3,000	\$3,000	\$1,850	\$12,850
1d	N Ops Complex, Master Plan			\$150	\$250			\$400
1e	N Ops Design					\$500	\$500	\$1,000
1f	Cedar Falls Ph 2, Master Plan					\$200	\$250	\$450
		\$1,000	\$3,500	\$3,150	\$3,250	\$3,700	\$2,600	\$17,200

2. Facilities Management

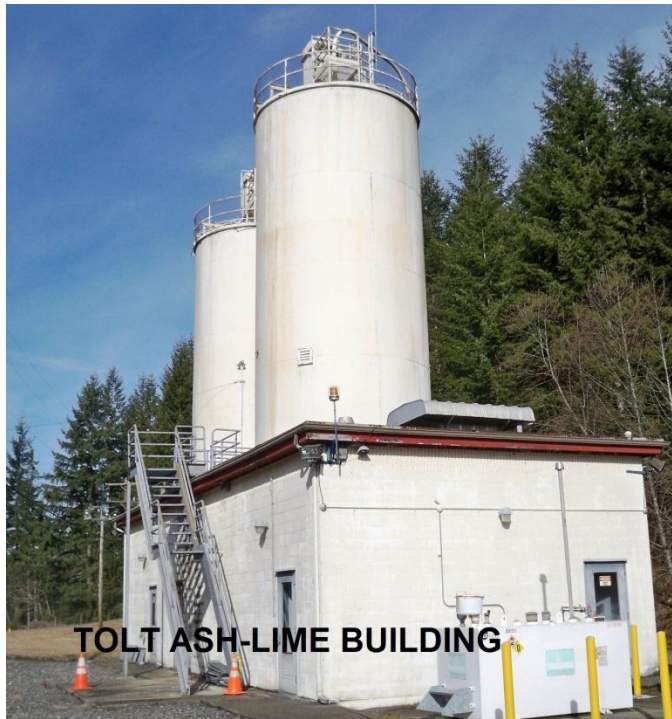
Problem: SPU takes a decentralized approach to managing its facilities with no single point of accountability

Proposed Action: Add 1.0 FTE (\$85K) to implement a centralized facilities management program for SPU's operational complexes, including: developing Strategic Maintenance Plans; establishing uniform building maintenance practices; monitoring utilities consumption

Benefits: Lowers energy costs, reduces risk (vandalism/damage to facility) liability, & improves utility system utilization

3. Decommissioning

Problem: SPU lacks a discrete budget to proactively decommission facilities that are no longer in use



3. Decommissioning

Proposed Action: Add \$150K per year in the O&M to complete a Condition Assessment of non-functioning buildings and structures, develop decommissioning strategies, and provide funds to deconstruct, demolish, recycle or mothball above-ground structures

Benefits: Reduces life cycle costs, vandalism, theft of materials, limits liabilities, and allows SPU to meet industry standards for safety requirements and permissible hazardous material levels