



Date: December 20, 2018

Report to: Board of Directors
CityHousing Hamilton Corporation

Submitted by: Tom Hunter
Chief Executive
Officer/Secretary

Prepared by: Brian Kinaschuk
Manager Maintenance;
Tom Hunter
CEO

Subject: Maintenance Program Staffing (Report #18024)

RECOMMENDATION:

- (i) That the CityHousing Hamilton (CHH) Board of Directors approve the hiring of 1 (FTE) Maintenance Servicer position to complete weekly fire pump testing and monthly generator testing.
- (ii) That the CityHousing Hamilton (CHH) Board of Directors approve the hiring of 2 (FTE) Heating Ventilation Air Conditioning (HVAC) Maintenance Servicer's to complete filter changes, monthly servicing, and seasonal start up /change over maintenance work on CHH owned HVAC equipment.

A handwritten signature in blue ink that reads "Tom Hunter".

Tom Hunter
Chief Executive Officer/Secretary

EXECUTIVE SUMMARY:

CHH is continually looking for efficiencies in its operations to improve its Maintenance Program. One of the areas identified is the preventative maintenance program. Currently, the majority of preventative maintenance work is issued to contractors. There is the opportunity for CHH to make changes to its

preventative maintenance program to improve service and be more cost effective.

CHH is proposing that 1 Maintenance Servicer and 2 HVAC Technicians be hired to perform specific preventative maintenance work that is currently being contracted out. This would result in an annualized saving of \$130,000 that would be reinvested in the Maintenance Program.

BACKGROUND:

In October 2017, a new maintenance staff model was implemented. The realignment of work has helped to increase the financial accountability of the maintenance budget, improve efficiencies by identifying and reducing duplication of work, and improve customer service for CHH residents.

As the Maintenance Program has become more established over the past year, areas for improvement have become evident. One of these areas is preventative maintenance.

Contractors are often hired to perform work that is out of scope for maintenance servicers and to address preventative maintenance work. Using external contractors to address preventative maintenance work has presented certain challenges for CHH. Some contractors are performing substandard maintenance work which results in additional costs to the maintenance budget, and some contractors are not doing enough preventative maintenance which results in higher costs due to repeat calls to contractors. Also, this causes confusion to staff and residents as service levels are inconsistent, and results in poor customer service and increased resident complaints.

DISCUSSION:

Over the past year, there has been a significant decrease in the use of contractors and a subsequent increase in the number of work orders completed by internal staff. Outlined below is a breakdown of the number of work orders completed by internal Maintenance Servicers staff versus external contractors.

	2017	2018
Internal Staff Work Orders	11,367 completed	19,866 projected
External Contractor Work Orders	15,702 completed	13,255 projected
Total	27,069 completed	33,121 projected

With the establishment of this new model of service, CHH would like to continue to strengthen the Maintenance Program and evolve a more robust preventative maintenance program. An analysis of preventative maintenance work has been completed and it has been determined that it will be more cost effective for weekly fire pump testing, monthly generating testing and HVAC work (filter servicing, and seasonal start up) to be completed by internal staff at our 45 high and middle rise buildings.

Presented below is a cost summary of the proposal:

Preventative Maintenance Work	Staff Costs	Contract Costs	Anticipated Savings
Fire Pump Testing Monthly Generator Testing	\$94,254 One Maintenance Servicer	\$125,000	\$30,000
Monthly HVAC Servicing Filter Changes Seasonal HVAC Start-Up	\$198,930 Two HVAC Technicians	\$300,000	\$100,000

The positions would be funded by decreasing the dollars in the budget for these service contracts. Once approved by the Board, the hiring for these positions would begin in January 2019.

In addition to the anticipated cost savings, this oversight allows CHH to continue to achieve greater efficiencies in the maintenance program, better meet legislative requirements and improve customer service for residents.

CONCLUSION:

The hiring of one Maintenance Servicer and two HVAC Technicians enables CHH to streamline weekly fire testing, monthly generating testing and HVAC work. Financial accountability improvements will occur and these dollars will be re-allocated to the maintenance budget which will assist in offsetting operating costs.

ALIGNMENT TO THE 2017-2021 STRATEGIC PLAN:

This report implements

Our People Our Performance

CityHousing Hamilton aims at delivering consistent and excellent service for all its residents, while searching for ways to increase efficiencies and effectiveness in how we operate. To provide the highest quality of service to our residents within current resources, we work to empower staff to deliver on our service commitments by strengthening staff competencies, standardizing operating processes, streamlining services and technology and holding staff accountable to better respond to the needs of residents.

TH/bk

Mission: We provide affordable housing that is safe, well maintained and cost effective and that supports the diverse needs of our many communities.