

## Facilities Management

### Overview FY 12

In preparing for State funding cuts, U Services conducted a four-year business plan with scenarios cutting up to 20% during that time. Facilities Management planned and is implementing a 10% reduction in operations, reinvesting half of this in R&R to replenish what has been cut during the last three years. The following summarizes a number of our larger efforts.

#### O&M Cost Pool Reductions

As stewards of both the University's physical assets and budget dollars FM is getting more efficient through several new initiatives which allow us to take care of more space with fewer employees.

O&M Cost Pool (FM costs only, before the impact of the double step-down methodology)						
<u>Rate Per</u>	<u>FY07 Budget</u>	<u>FY08 Budget</u>	<u>FY09 Budget</u>	<u>FY10 Budget</u>	<u>FY11 Budget</u>	<u>FY12 Budget</u>
Cost/ASF	\$ 9.45	\$ 9.71	\$ 10.03	\$ 9.92	\$ 9.93	\$ 9.67
% Change		2.75%	3.3%	-1.1%	0.1%	-2.6%
ASF	7,786,268	7,847,412	8,062,989	8,100,541	8,192,177	8,256,673

#### Team Cleaning - \$3M in savings

On August 15 FM will switch custodial services to a team cleaning approach. Traditionally FM has employed "area cleaning" where a single FM custodian has been responsible for all duties within an assigned area. Budget pressures combined with our culture of continuous improvement have led us to adopt the team cleaning technique where a squad divides the work into specialties. Team cleaning offers a number of benefits:

- Increased production rates – because custodians specialize they don't need to make as many trips to custodial closets for all the different equipment and can spend more time cleaning.
- Consistent service – Under area cleaning we had 477 individuals cleaning space in their own way, which led to inconsistent service delivery especially during an absence. FM has an average of 13% missing during any given day, team cleaning ensures that at least one person familiar with your space will be on duty at all times. Team cleaning is a systematic approach which also allows FM to train and clean in a uniform method with the remaining 425 custodians.
- Reduced costs – Because custodians specialize, each individual no longer needs to have every single piece of equipment with reduces both equipment and repair costs.
- Targeted investment – FM is investing in new equipment such as riding scrubbers, backpack vacuums and microfiber, all of which clean more effectively and help increase production rates.

#### Fire Alarm Testing - \$300,000 in savings

FM issued an RFP to provide services to both test and document campus fire alarms. Three companies were selected and will be using highly qualified staff to both test fire alarm systems throughout campus and document the results.

### Administrative reductions - \$445,000 in savings

FM consolidated its administrative structure moving from four service districts to three and is conducting business reviews of its Central Services units. These moves allowed us to reduce two directors and streamline operations. In addition, travel and training budgets were also reduced.

### **Utility Cost Pools**

Utility Pool - Direct Billed to RRCs Monthly							
Utility	Rate Per	FY07 Budget	FY08 Budget	FY09 Budget	FY10 Budget	FY11 Budget	FY12 Budget
Steam	Mlb	\$ 19.81	\$ 20.74	\$ 20.20	\$ 22.50	\$ 22.32	\$ 21.95
% Change			4.7%	-2.6%	11.4%	-0.8%	-1.7%
Electric	Kwhr	\$ 0.0793	\$ 0.0784	\$ 0.0767	\$ 0.0817	\$ 0.0976	\$ 0.0991
% Change			-1.1%	-2.2%	6.5%	19.5%	1.5%
GSF		21,515,933	21,641,813	21,599,024	22,694,329	22,288,388	22,288,388
BTU/GSF		165,254	170,801	165,421	147,359	162,899	160,052

### It All Adds Up - \$4 M in annual cost avoidance

FM launched the It All Adds Up campaign with a goal of reducing energy consumption by 5%. The main focus of the campaign was recommissioning buildings (similar to tuning a car's engine) to optimize performance. In addition individuals were asked to take small steps, such as turning off the lights, as well as taking an energy conservation pledge. More than 11,000 students, faculty and staff took the pledge. Building on that success, FM successfully completed another 5% reduction this past year for a total of more than \$4 M in avoided annual energy costs. When combined with lower than expected natural gas rates, this has allowed FM to reduce its steam rates while minimally increasing electric rates paid by RRC (electricity is purchased from Xcel).

### Tracking your buildings

It is important for you to be able to monitor utility consumption within your building(s). FM has a number of reports to help you. Following this link for three critical reports:

<http://www.facm.umn.edu/about/energy-management/building-dashboards/index.htm>

- Live Dashboards  
This report allows you to see the current demand for electricity, steam and chilled water.  
<http://www.facm.umn.edu/about/energy-management/building-dashboards/alphabetical/a-d/index.htm>
- Monthly Consumption  
This report compares monthly consumption to previous month and same month the prior year.  
[http://www.facm.umn.edu/prod/groups/userservices/@pub/@userservices/@fm/documents/content/userservices\\_content\\_291702.pdf](http://www.facm.umn.edu/prod/groups/userservices/@pub/@userservices/@fm/documents/content/userservices_content_291702.pdf)
- Energy Report  
Ranks each building's consumption based on State of Minnesota's B3 bench marking tool  
[http://www.facm.umn.edu/prod/groups/userservices/@pub/@userservices/@fm/documents/content/userservices\\_content\\_305721.pdf](http://www.facm.umn.edu/prod/groups/userservices/@pub/@userservices/@fm/documents/content/userservices_content_305721.pdf)