



**City of Pittsburgh
Financial Management Policies**

Policy: New Construction and Major Repairs/Improvements to City Facilities.	Original Date: January 1, 2016
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PURPOSE: To ensure that new construction and major repairs and improvements to City facilities are being planned and budgeted appropriately by Departments, and that the proposal aligns with the Mayor’s Strategic Maintenance and Investment Plan. To require that all proposals for new construction and major repairs/improvements on City facilities, with reasonable exceptions, be submitted to the Office of Management and Budget with project plans and proposed budgets and approved prior to any expenditure or commitment of funds.

POLICY: All proposals exceeding \$10,000 (including staff time, materials, etc.) for new construction and major repairs/improvements on City facilities, with reasonable exceptions, must be submitted to the Office of Management and Budget for review and approval. Departments may not engage in any major work on City facilities without the notification of the Office of Management and Budget.

DEFINITIONS

New Construction: Refers to site preparation for, and construction of, entirely new structures and/or significant extensions to existing structures whether or not the site was previously occupied.

Major Repairs/Improvements to City Facilities: Refers to any construction or renovation activity that changes the function, use or occupancy of a physical space, or eliminates/relocates services, utilities or architectural components. Projects may originate from the need to create, expand or alter a space due to program growth, changes in City processes or service delivery, advances in technology, or the need to replace a space, structure, or system that has reached the end of its useful life.

Emergency Repairs: Work that is required to eliminate imminent hazards to life, health, and safety, to prevent imminent damage to equipment or property, to restore security, or to prevent disruption of an essential activity.

Preventative Maintenance: The care and servicing by personnel for the purpose of maintaining equipment and facilities in satisfactory operating condition by providing for systematic inspection, detection, and correction of initial stage failures either before they occur or before they develop into major defects. Examples in this category include emergency generators, air conditioning equipment, elevators, and fire suppression systems.

Routine Maintenance/Improvements: The recurrent, day-to-day, periodic, or scheduled work required to preserve a facility from failure and decline, to restore a facility to good working condition, as well as minor workplace improvements. Examples in this category include processing a work order to fix a toilet or sink in the restroom, painting an office, or moving a cubicle partition to reorganize office space.

PROCEDURES: Any Department considering the initiation of new construction or performing major repairs/improvements to any City facility in excess of \$10,000 outside of the normal annual budget procedure must present to the Office of Management and Budget project plans and proposed budgets. Office of

Management and Budget staff will review the project plans and budget within the context of the existing budget and the Strategic Maintenance and Investment Plan, and determine the appropriateness of the request. Office of Management and Budget staff will provide that determination in writing to the Department outlining the support or noted deficiencies of the plans.

Emergency repairs, preventative maintenance, and routine maintenance tasks are excluded from this policy. However, if a department has any questions or concerns about a potential project and its applicability to this policy, they should contact OMB Assistant Director Jennifer Presutti.