

By Amanda Parolise

Parolise is project manager consultant with BuildingSmart Software LLC. Reach her at amckew@yahoo.com.



Building Program Annual Operating Budget For A Treatment Clinic Within An Existing Hospital Building Project

For a building program to be successful and sustainable, it must include an operating budget as well as a construction budget. Fifteen to 20% of the cost of a building is first cost, and that remaining 80% or more of the cost is in the operation of the building over its lifetime. Unlike commercial buildings, hospitals are built for 30+ years of sustainability, so an annual operating budget is critical to the long-term success and investment of each building program project. The following is a sample of what the HVAC annual operating budget for a renovated space converted into a walk-in treatment center/clinic could look like at the conceptual phase of a building program project.

ADMINISTRATIVE				
SALARIES, WAGES & BENEFITS				
• Employee salaries & wages	(0) Manager	(0) Supervisor	(0.5) Technician	\$ 15,000
• Taxes, health care, etc.				\$ 3,000
• Retirement & benefits				\$ 1,000
OUTSOURCED O&M				
• Project management				\$ 0
• Vendor salaries & wages				\$ 0
• Supplies				\$ 1,200
SERVICE CONTRACTS				
• Refrigeration equipment	Not applicable for this project			\$ 0
• Heating equipment	Not applicable for this project			\$ 0
• Filters	Replace twice a year			\$ 100
• Emergency generator	None within the building			\$ 0
CONSULTANTS				
• CAD	None			\$ 0
• Energy	None			\$ 0
• Information technology	None within building			\$ 0
INFORMATION TECHNOLOGY				
• Computerized maintenance management software (CMMS)	None			\$ 0
• Handheld devices	Not for this space			\$ 0
EXPENSES				
• Education	Not applicable for this project			\$ 0
• Conferences	Not applicable for this project			\$ 0
• Office supplies	Not applicable for this project			\$ 0
UTILITIES				
• Electricity				\$ 3,000
• Gas				\$ 0
• Oil				\$ 0
• Propane				\$ 0
DOCUMENTATION				
• Printing	Not applicable for this project			\$ 0
PROJECT				
• Maintenance repair	Airside system (parts)			\$ 500
• In-House HVAC modifications	None			\$ 0
• Capital projects	None			\$ 0
• Energy initiatives	None			\$ 0
			TOTAL ANNUAL OPERATING COST	\$ 23,800
			TOTAL ANNUAL OPERATING COST/Sq Ft	\$ 9.92