Present: Chair S. Merulla  
Vice Chair T. Jackson  
Mayor F. Eisenberger; Councillors B. Bratina, L. Ferguson, M. McCarthy, C. Collins, R. Powers

Absent with Regrets: Councillor D. Mitchell – Personal

Also Present: Councillor R. Pasuta  
G. Davis – General Manager, Public Works  
R. Rossini – General Manager, Finance and Corporate Services  
C. Murray – City Manager  
J. Harnum – Senior Director, Environment & Sustainable Infrastructure  
J. Mater – Senior Director, Transportation, Energy & Facilities  
G. Lupton – Director, Energy, Fleet, Facilities & Traffic  
B. Goodger – Senior Director, Operations and Waste Management  
A. Apkarian – A/Manager, Finance and Administration (PW)  
C. Biggs – Legislative Assistant, City Clerk’s

1. CHANGES TO THE AGENDA

None

(Jackson/Powers) That the agenda be approved, as presented. CARRIED

2. DECLARATIONS OF INTEREST

None
3. APPROVAL OF MINUTES

3.1 Minutes of the Budget Meeting held on November 30, 2009

(Powers/Collins)
That the Minutes of the November 30, 2009 budget meeting of the Public Works committee be approved, as presented. CARRIED

4. CONSENT ITEMS

None

5. PRESENTATIONS

5.1 Budget Overview

Gerry Davis provided a power point presentation on the 2010 budget and budget programs review, outlining the following:

- Public Works 2010 Proposed Budget;
  - 2010 Expenditures Overview;
  - 2010 Operating Budget Overview;
- Driving Factors: External Revenues ($2.5 million shortfall) from Recycling Revenues ($2 million) and User Fees ($0.5 million)
- Council-Refereed Items (not included in budget), as follows:
  - Service Level Impacts
    - Street Tree Trimming (Phase 4 of 10)
    - Sports Field Line Painting (Impacts of Cosmetic Pesticides Ban)
    - Diversion Options – Enhanced By-law Enforcement
  - Incremental Operating Costs from 2009 Capital Program
    - Parks and Cemeteries – Operating Impacts from Capital
    - Roads – Operating Impacts from Capital
    - Forestry and Horticulture – Operating Impacts from Capital
    - Traffic – Operating Impacts from Capital
- 2010 Operating Budget Overview
- Incremental Operating Costs
- Infrastructure Growth
- Program and Service Level Review/Options
  - Operating Program Options: Fuel – operating departments; Bulk Collection Fee – no fee currently in place
  - Revenue Generation Option: Temporary flat fee to offset reduced recycling revenues
• Service Level Impacts: Winter Control Operations - reducing the level of plowing activation on Priority 3 residential roads from 10cm to 15cm; reducing the level of plowing activation on cul-de-sacs from following removing snow following a major storm event to removing snow when maximum storage capacity is reached. (No staffing implications associated with the option for changes to winter control.)

• Service Levels for Public Works: Transit; ATS; Parks/Horticulture

Following the presentation, the following comments/concerns were expressed:

• Rather than using budget pricing of .95 to .93 cents for fuel, use .80 for diesel and .83 for unleaded; staff responded that .93 cents was used based on a five-year average

• Need to better communicate where cost savings are realized to the taxpayers and the City specific to the Office of Energy Initiatives

• Staff confirmed that the Bulk Collection Fee would be imposing a new fee

• Need to do much better job of communicating how we are achieving cost avoidance savings

• Some of the options being presented for cost reductions are not palatable

• Where is HRPI revenue and how much enhancement is there; staff responded that the HRPI revenues to into general revenues of the City as a dividend; HRPI Board of Directors working on dividend policy which will be presented to Council; not a direct flow to the Department; revenue is invested to pay off debt to ensure sustainability; profits go directly to the shareholder, which is the City of Hamilton; second source of revenue to the Department is the sale of gas and is in the neighbourhood of $460,000 for 2009 and $490,000 for 2010; net profit is used to expand corporation or pay debt

• Committee members requested to see the figures i.e., how much is sitting in HRPI savings/revenues

6. DISCUSSION ITEMS

(Eisenberger/Powers)
That the recommendations respecting “Request for Additional Energy Staff”, tabled by the Committee on November 30, 2009, be lifted from the table.

CARRIED
6.1 Request for Additional Energy Staff (PW10006) (City Wide) (Item E on Budget Task List)

(Eisenberger/Bratina)
(a) That the hiring of five new energy staff for the Office of Energy Initiatives (OEI) on a contract basis, funded from the Energy Reserve or through Project Cost Recovery with NO Tax Levy impacts, be approved;

(b) That these new energy staff be hired for a contract term of three years;

(c) That staff report back to Council prior to the completion of the contract term on the cost and benefits realized with these new positions.

(Eisenberger/Powers)
(c) That staff report back annually on the effectiveness of the Office of Energy Initiatives (OEI) in the Transportation, Energy and Facilities Division;

(d) That staff bring back a thorough and complete report on the OEI and how the savings and energy reductions are being achieved.

(Jackson/Eisenberger)
That the above-noted recommendations respecting Request for Additional Energy Staff be deferred to the next meeting of the Public Works Committee for the purpose of budget deliberations.  

CARRIED

Due to the deferral of Item 6.1, no action was taken at this time with respect to Items 6.2 and 7.1.

There being no further business, the Committee adjourned at 3:30 p.m.

Respectfully submitted

Councillor S. Merulla, Chair
Public Works Committee

Carolyn Biggs
Legislative Assistant
November 30, 2009