

# **PUBLIC WORKS DEPARTMENT**

**2010 Budget Presentation  
Public Works Committee  
Nov 30, 2009**

## OVERVIEW

### Purpose / Function

- The General Administration area manages and coordinates all Divisions within the Public Works Department ensuring one intended vision - to provide safe, strategic and environmentally conscientious services that bring our communities to life.

### Services Provided

- Environment & Sustainable Infrastructure
- Operations & Waste Management
- Transportation, Energy & Facilities

<b>2009 NET BUDGET</b>	\$171,057,202
<b>2010 NET REQUESTED BUDGET</b>	\$176,877,231
<b>2010 NET CHANGE</b>	\$5,820,029
<b>2010 FTE</b>	1,746.48
2010 FTE (Water and Wastewater)	286.0
<b>2010 FTE TOTAL</b>	<b>2,032.48</b>

## OVERVIEW

### Major CHALLENGES the Department is facing, today...

- Implementation of September 2009 Public Works reorganization
- 2010 Budget Process
  - shortfall in recycling revenues, reduced water rates, reduced block funding for roads, decline in fare revenues
- Labour Costs
- Impact on community from economic downturn
- Implementation of stimulus funding projects and the effects on other work in the organization - timelines
- Prioritization of strategic initiatives based on existing resources
- Deteriorating Infrastructure
- Changing weather patterns
- Legislative requirements
- Market prices for commodities



## OVERVIEW

### Strategic Plan – 2010 Initiatives/Objectives

- Achieve an overall diversion target of 47% through approved programs including the implementation of the one container limit for waste collection in April 2010 F6-DER6.1
- Review of Solid Waste Management Master Plan and options to achieve the City's target of 65% diversion from landfill F6-DER6.1
- Develop an Urban Forest Sustainability Plan and ongoing implementation of the Street Tree Trimming Program (Phase 4) with goal to reach 35% Urban Forest Canopy Cover by 2030 F-DER6.5
- Manage impact of infrastructure growth and condition
- Balance program service levels with resources F2-DER2.1
- Ensure succession readiness F1-DER1.6
- Implement Stormwater Management Master Plan F6-DER6.3
- Implement Transportation Master Plan F7-DER 7.4
- Develop design standards to adopt new 'green' technologies F6-DER6.7

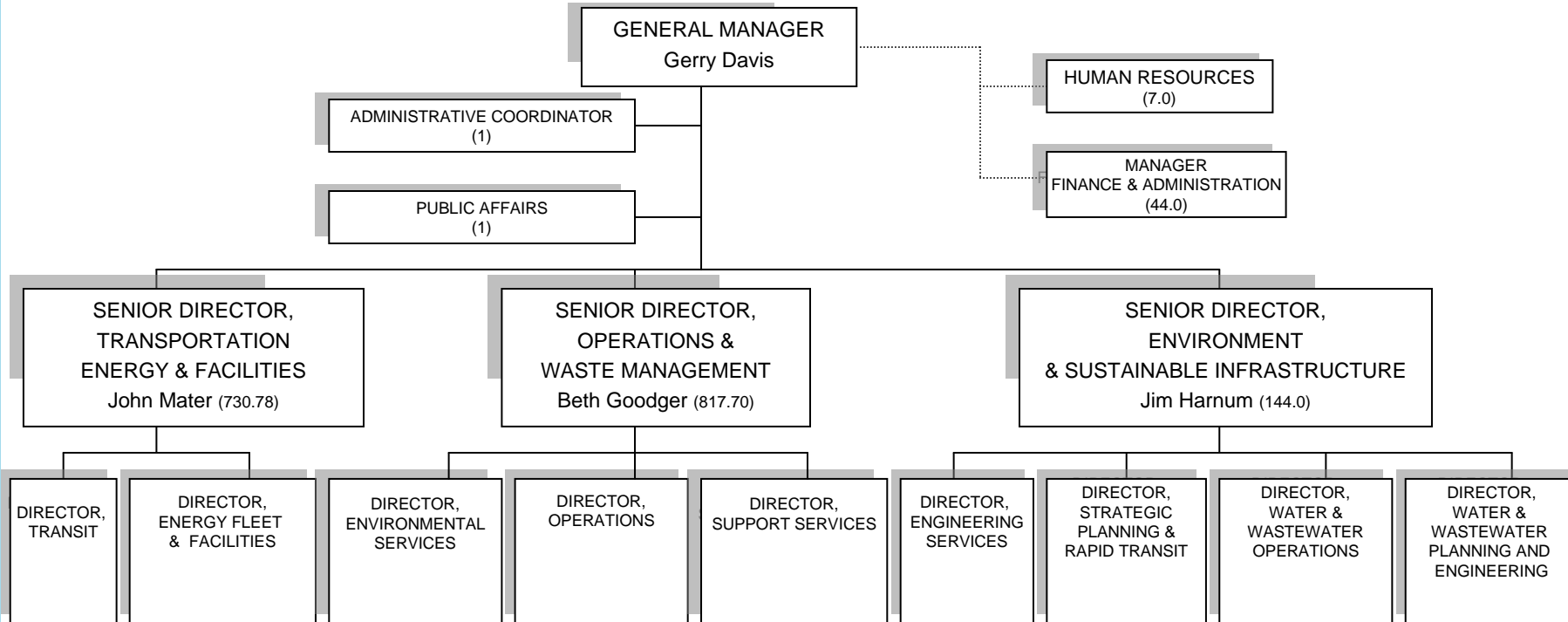
### Strategic Plan - 2010 Initiatives/Objectives

- Implement the Departmental restructuring to increase collaboration and create efficiencies
- Airport Employment Growth District Land Use and Servicing Studies F4-DER4.9
- Improve work flow from Class EA stage to detailed design and implementation
- Develop long term sustainable revenue plans for infrastructure programs F2-DER2.6
- Accessible Transportation Services – Eligibility Policy F7-DER7.4
- Council endorsement of Transit 5-year operations plan update F7-DER7.4
- Implement Presto Fare System F7-DER7.4
- Complete District Cooling System including district energy to City Hall and the Lister Block F6-DER6.7
- Occupational Health & Safety Training F1-DER1.3
- Replace Fleet reserve fund with alternative financing to ensure sustainable vehicle replacement funding

## Public Works – Asset Value (\$Billions)

<b>Asset</b>	<b>Value \$ Billion</b>
Roads & Bridges	\$4.40
Wastewater	\$3.85
Water	\$2.29
Storm	\$1.57
Corporate Facilities	\$0.35
Parks	\$0.31
Cemeteries	\$0.25
Waste Management	\$0.15
Transit	\$0.13
Fleet	\$0.09
<b>TOTAL</b>	<b>\$13.39</b>

## OVERVIEW



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2009	31.0	1,719.48	1,750.48	55.47
2010	31.0	1,715.48	1,746.48	55.34
Change		(4.0)	(4.0)	



# Public Works

2010 Operating Budget by Division  
Gross Expenditures

<b>Division</b>	<b>2009 Restated</b>	<b>2010 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>General Administration</b>	\$220,937	\$223,748	\$2,811	1.3%
<b>Capital Planning &amp; Implementation</b>	\$15,735,250	\$16,122,227	\$386,977	2.5%
<b>Energy, Fleet &amp; Facilities</b>	\$13,714,679	\$13,723,109	\$8,430	0.1%
<b>Operations &amp; Maintenance</b>	\$99,814,842	\$101,581,696	\$1,766,854	1.8%
<b>Transit</b>	\$84,862,259	\$86,424,918	\$1,562,659	1.8%
<b>Waste Management</b>	\$44,876,494	\$45,758,679	\$882,185	2.0%
<b>TOTAL PW Tax</b>	<b>\$259,224,461</b>	<b>\$263,834,378</b>	<b>\$4,609,917</b>	<b>1.8%</b>

# Public Works

## 2010 Operating Budget by Division Gross Revenues

<b>Division</b>	<b>2009 Restated</b>	<b>2010 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>General Administration</b>	\$0	\$0	\$0	0.0%
<b>Capital Planning &amp; Implementation</b>	(\$15,735,252)	(\$16,122,228)	(\$386,976)	2.5%
<b>Energy, Fleet &amp; Facilities</b>	(\$6,746,113)	(\$6,729,560)	\$16,553	(0.2)%
<b>Operations &amp; Maintenance</b>	(\$8,997,304)	(\$8,924,984)	\$72,320	(0.8)%
<b>Transit</b>	(\$42,653,870)	(\$42,941,515)	(\$287,645)	0.7%
<b>Waste Management</b>	(\$14,034,720)	(\$12,238,860)	\$1,795,860	(12.8)%
<b>TOTAL</b>	<b>(\$88,167,259)</b>	<b>(\$86,957,147)</b>	<b>\$1,210,112</b>	<b>(1.4)%</b>

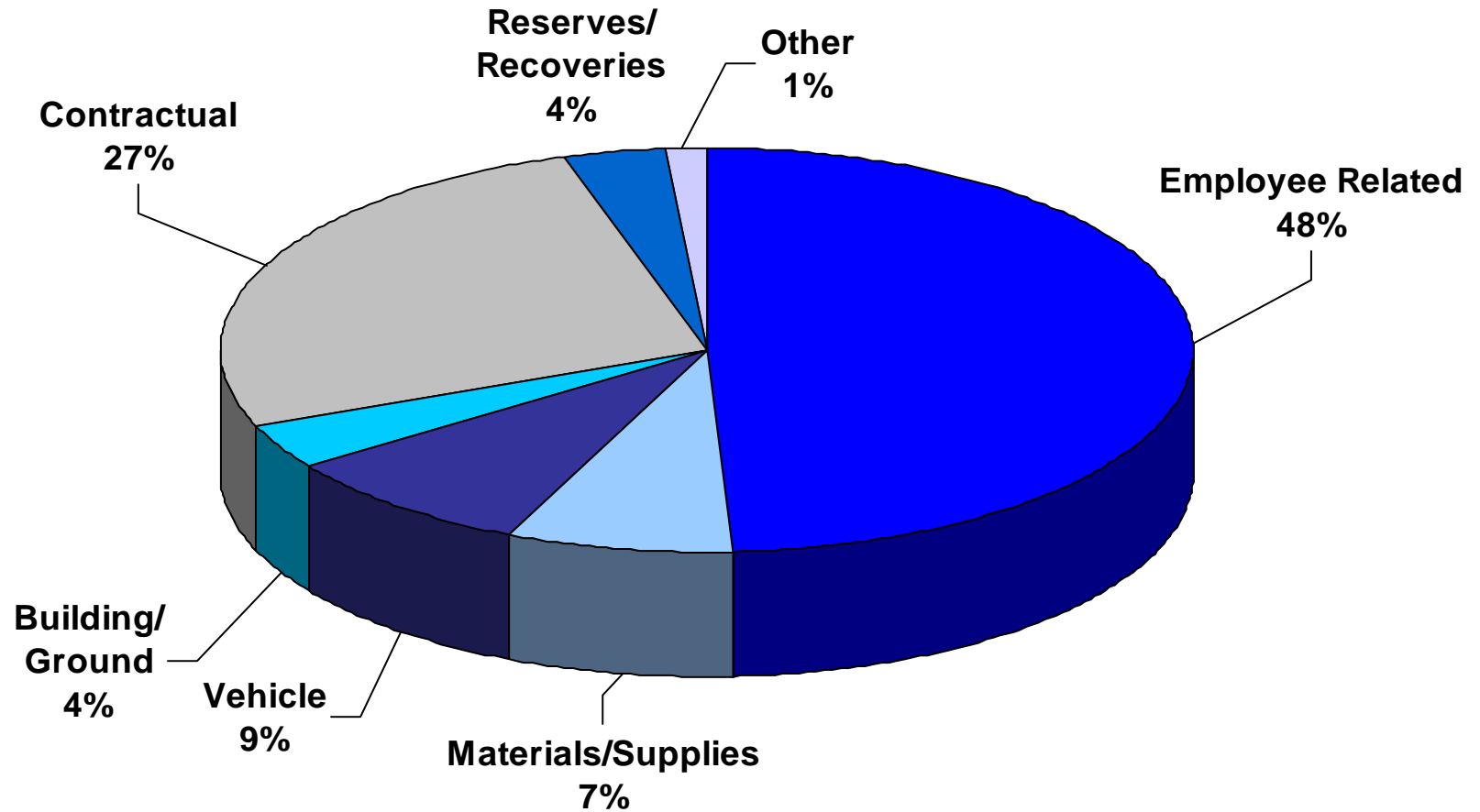


# Public Works

## 2010 Operating Budget by Division Net Levy

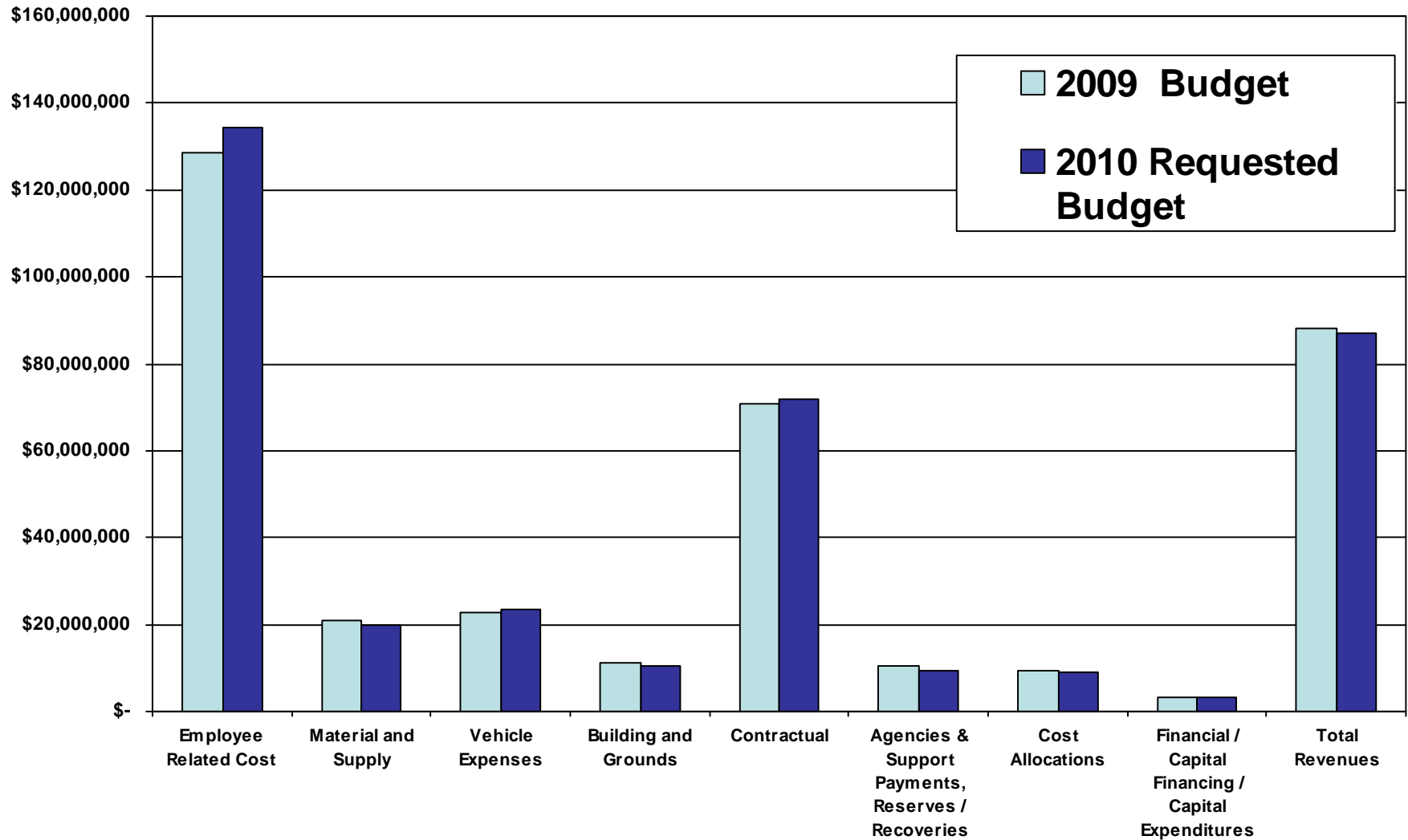
<b>Division</b>	<b>2009 Restated</b>	<b>2010 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
<b>General Administration</b>	\$220,937	\$223,748	\$2,811	1.3%
<b>Capital Planning &amp; Implementation</b>	\$0	\$0	\$0	0%
<b>Energy, Fleet &amp; Facilities</b>	\$6,968,566	\$6,993,549	\$24,983	0.4%
<b>Operations &amp; Maintenance</b>	\$90,817,538	\$92,656,712	\$1,839,174	2.0%
<b>Transit</b>	\$42,208,389	\$43,483,403	\$1,275,014	3.0%
<b>Waste Management</b>	\$30,841,774	\$33,519,819	\$2,678,045	8.7%
<b>TOTAL</b>	<b>\$171,057,202</b>	<b>\$176,877,231</b>	<b>\$5,820,029</b>	<b>3.4%</b>

## Gross Expenditures



<sup>1</sup> excludes cost allocations; rounded

2009 BUDGET VS. 2010 REQUESTED BUDGET – by cost category



**2010 Submission vs. Budget Guideline**

**2010 Submission vs. Budget Guideline**

<b>2009 Budget</b>		<b>\$171,057,200</b>	
	<b>2010 Levy Change</b>		
	\$		
<b>2010 Base Levy Change</b>	<b>\$5,820,000</b>		
<b>2010 Savings Options</b>	<b>\$0</b>		
<b>2010 Budget Excluding Provincial Impact <sup>1</sup></b>		<b>\$176,877,200</b>	<b>3.4%</b>
<b>2010 Provincially Mandated</b>	<b>\$0</b>		
<b>2010 Requested Budget</b>	<b>\$5,820,000</b>	<b>\$176,877,200</b>	<b>3.4%</b>

1 - Council Guideline is 2% or less excluding provincial impacts.

## Public Works – 2010 Gross Expenditures

<b>Maintenance Budget</b>		<b>\$10,645,590</b>	<b>4.1%</b>
Departmental Restructuring Savings	(\$500,000)		
Fleet Cost Control Initiatives	(\$750,000)		
Street Sweeping Recycling – Reduce streetsweepings being landfilled per report PW07151(b)	(\$250,000)		
Restructuring Efficiencies (Hansen Maintenance)	(\$148,000)		
Winter Control – efficiencies in standby and materials application	(\$650,000)		
Street Lighting - Use of energy Reserve to Mitigate OEB Increases	(\$350,000)		
Energy Cost Savings	(\$280,000)		
Transit – efficiencies	(\$625,000)		
Waste – reductions in collection/disposal contracts	(\$441,000)		
Holding Expenses at 2% and reducing expenses to reflect actuals	(\$1,402,000)		
<b>Total Reductions</b>	<b>(\$5,396,000)</b>		
<b>Council Guideline</b>		<b>\$5,249,590</b>	<b>2.0%</b>

**2010 Cost Drivers in Excess of 2%**

- External Revenues

# Environment & Sustainable Infrastructure



## Environment and Sustainable Infrastructure

### Purpose / Function

The Environment and Sustainable Infrastructure Division is responsible for planning, design and construction management services for an estimated \$250 million in annual water and wastewater treatment, road, bridges, sewer mains, water mains, waste, parks, facility, fleet and transit projects, including Rapid Transit, supporting approximately \$12 billion in assets. The Division also provides Clean safe drinking water to the community and effectively collects and treats wastewater from the community through the operation and maintenance of over 150 water and wastewater facilities and over 300 km of water and sewer mains.

### Services Provided

Water Distribution	Water Treatment	Wastewater Collection
Source Water Protection	Laboratory Services	Wastewater Treatment
Environmental Monitoring and Enforcement	Stormwater Services	Environmental Planning
Customer Service and Community Outreach	Asset Management Program	Rapid Transit Office
Survey's and Technical Services	Design Services	Strategic Planning
Open Space Development & Parks Planning	Infrastructure Planning	Construction Services

<b>CAPITAL PLANNING &amp; IMPLEMENTATION (CPI) – TAX</b>	
<b>2009 NET BUDGET</b>	\$0
<b>2010 NET REQUESTED BUDGET</b>	\$0
<b>2010 NET CHANGE</b>	\$0
<b>2010 FTE</b>	144

<b>WATER AND WASTEWATER (WWW) - RATE</b>	
<b>2009 NET BUDGET</b>	\$0
<b>2010 NET REQUESTED BUDGET</b>	\$0
<b>2010 NET CHANGE</b>	\$0
<b>2010 FTE</b>	286



## Environment and Sustainable Infrastructure

### 2009 Accomplishments

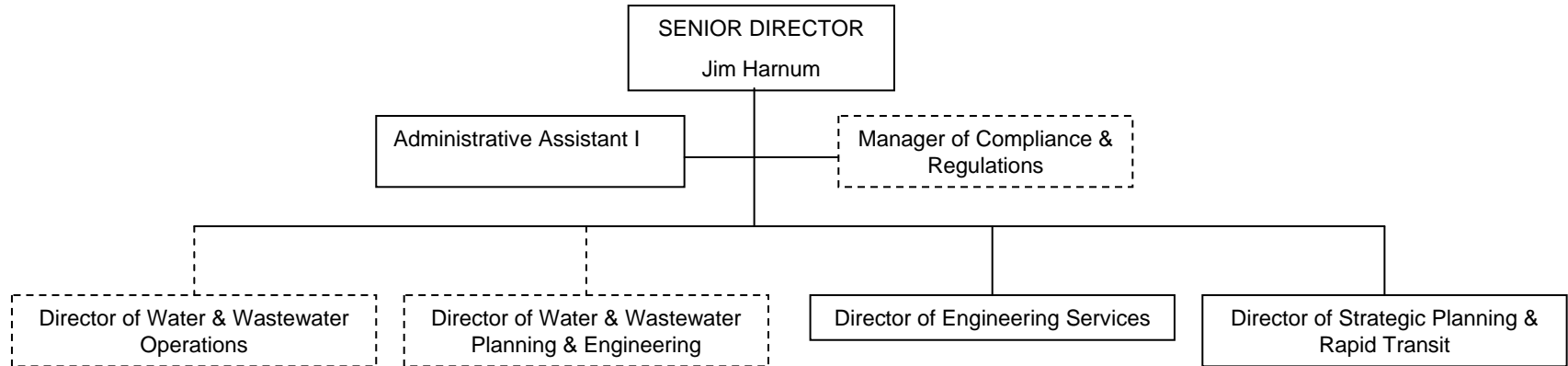
- State of the Infrastructure Report
- PSAB TCAA project – all Public Works assets recorded
- Parks Asset Management program development
- iLOOKabout deployment Project Wise roll out
- Construction over runs and Utility related costs recovered in 2009 - \$100K
- Co-ordination with MOE and Conservation Authorities to resolve permit issues. (combined sewer replacements, Permit to take Water, Endangered Species etc.)
- Delivery of 90% approved projects with 80% in-house design
- Co-ordination with other departments for the implementation of Water/Wastewater Master plan projects , Shovel Ready lands
- Development of Contractor Performance Standards and Evaluations
- Implementation of Stimulus Funded Facilities projects
- Support for Pan Am Games (traffic assessment, environmental site assessments)
- West Harbour Waterfront Recreation Master Plan and Class EA
- Waterdown/Aldershot Phase 3&4 Class EAs
- Redevelopment of significant parks including Victoria, Gage, Joe Sams Leisure, Courtcliffe and Dundas Driving Parks, Turner Skateboard Park – 22 tenders
- 2 New City Parks plus 5 Developer Built Parks (completed in 2009)

### 2009 Accomplishments

- Completed Phases 2 & 3 of Rapid Transit Feasibility Study, which included an enhanced Public Consultation component
- Metrolinx B-Line Benefits Case Analysis initiated & completed (results to be presented to Board Fall 2009)
- Metrolinx Quick Wins A-Line Implementation BRT Study completed (initial BRT-lite service initiated by Transit Sept 2009)
- Secured \$3M in funding for PDE of B-Line & Feasibility Study for A-Line
- Secured over \$100 M in funding for Infrastructure Stimulus Funding for Water Reservoirs and the Water Treatment Plant
- Secured \$20 M in funding to pre-treat biosolids to produce more gas to run Water and Wastewater vehicles on Bio-methane
- Received our Drinking Water License and completed the first phase of the DWQMS
- Managed over \$150 M in WWW Treatment Capital improvements
- Received 99.8% to 100% rating from the MOE on the quality of our Drinking Water
- Wastewater Treatment Plant produced some of the best effluent over the course of the year



## Environment and Sustainable Infrastructure



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
<b>Capital Planning and Implementation</b>				
2009 (restated)	10.0	134.0	144.0	13.4
2010	10.0	134.0	144.0	13.4
Change	0.0	0.0	0.0	

Water and Wastewater (WWW) - Rate

2009	9.0	277.0	286.0	30.8
2010	9.0	277.0	286.0	30.8
Change	0.0	0.0	0.0	

## 2009 NET OPERATING BUDGET BY PROGRAM

<b>Division</b>	<b>2009 Budget</b>	<b>2010 Requested Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Capital Planning & Implementation Division (Gross)	\$15,735,250	\$16,122,227	\$386,977	2.5%
<b>NET TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>

# Transportation, Energy & Facilities



**TRANSPORTATION, ENERGY & FACILITIES**

**Purpose / Function**

The Transportation, Energy & Facilities Division provides services to the community and corporately in the following areas:

- Transit Services to the community (both HSR and ATS);
- Facilities Management services corporately which integrates People, Process, & the Physical Workplace;
- Energy services to light, heat and cool city facilities and operations more energy and cost efficiently;
- Fleet vehicle and motorized equipment services and maintenance;
- Fuel (diesel and unleaded) to run our Transit and Fleet;
- Traffic operation services to ensure our community moves safely.

**Services Provided**

- Transit Operations
- Central Fleet
- Corporate Facilities Management
- The Office of Energy Initiatives
- Traffic Operations

<b>ENERGY, FLEET AND FACILITIES (EFF)</b>	
<b>2009 NET BUDGET</b>	\$6,968,566
<b>2010 NET REQUESTED BUDGET</b>	\$6,993,549
<b>2010 NET CHANGE</b>	\$24,983
<b>2010 FTE</b>	133.57

<b>TRANSIT</b>	
<b>2009 NET BUDGET</b>	\$42,208,389
<b>2010 NET REQUESTED BUDGET</b>	\$43,483,403
<b>2010 NET CHANGE</b>	\$1,275,014
<b>2010 FTE</b>	597.21

## TRANSPORTATION, ENERGY & FACILITIES

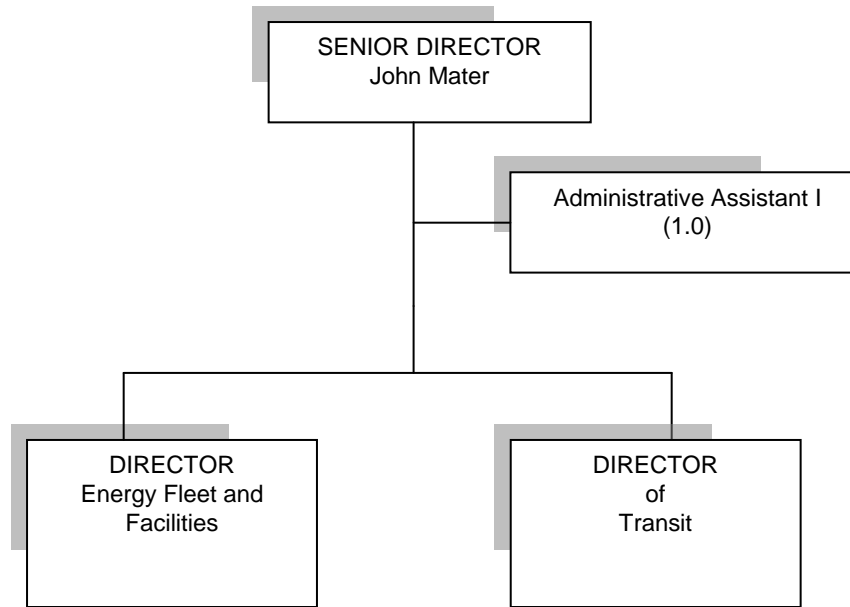
### 2009 Accomplishments

- Green Fleet Expo IV hosted with City of Toronto.
- Green Fleet Implementation Plan Phase Two approved
- Earth Hour & Count Me In Community Challenge
- Facilities Award Winning Wireless Work Order Automation system
- District Chilling Project - Phase 1 is Complete – Phases 2 and 3 underway and to be completed in 2010
- Latex Road Painting – continued refinement of program
- Electronic Traffic Signal Control Unit Protection
- The estimate Corporate Energy Savings for 2009 are expected to reach about \$4.5 million.
- New fuel supply contracts, which will allow for hedging diesel, if market conditions are favourable.
- Secured \$1.2 M in ISF funding for the Lister District Energy expansion and \$4.5 M for Woodward Energy Projects.

### 2009 Accomplishments

- Golden Age Pass, Summer Youth Pass, Passport to Hamilton, University/College Transit Pass
- Darts Service Hours
- Eastgate to Ancaster Business Park
- A-Line, Downtown to Airport
- B-Line rebranding
- A-Line/B-Line Articulated Bus
- Downtown Terminal / GO Hunter
- ATS IVR and Web Information
- Google Transit
- Transit Security
- Public Works GPS/AVL Phase II
- Wind Down Program

**TRANSPORTATION, ENERGY & FACILITIES**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2009	9.0	722.78	731.78	80.31
2010	9.0	721.78	730.78	80.20
Change		(1.0)	(1.0)	

# Energy, Fleet & Facilities

## 2010 Net Operating Budget by Program

<b>Division</b>	<b>2009 Restated</b>	<b>2010 Draft Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Energy Management	\$568,102	\$568,105	\$3	0.0%
Fleet	\$4,163	(\$4)	(\$4,167)	(100.0)%
Facilities	\$6,396,301	\$6,425,449	\$29,148	0.5%
<b>TOTAL</b>	<b>\$6,968,566</b>	<b>\$6,993,549</b>	<b>\$24,983</b>	<b>0.4%</b>



# Transit

## 2010 Net Operating Budget by Program

Division	2009 Restated	2010 Draft Budget	\$ Change	% Change
ATS	\$12,003,012	\$11,975,869	(\$27,143)	(0.2)%
HSR	\$30,205,377	\$31,507,534	\$1,302,157	4.3%
<b>TOTAL</b>	<b>\$42,208,389</b>	<b>\$43,483,403</b>	<b>\$1,275,014</b>	<b>3.0%</b>

## Commodity Pricing

- Natural Gas Price Reduced 10% unit cost for 2010 (Corporate Savings \$420,000)
- Diesel: \$0.95/litre (no change from 2009)
- Unleaded: \$0.95/litre (\$0.87 2009)

# Operations & Waste Management



**OPERATIONS & WASTE MANAGEMENT**

**Purpose / Function**

- The Division's services make a significant contribution in realizing Council's vision for Hamilton as a safe, healthy, sustainable community and a great place in which to work, live and play by ensuring that critical public infrastructure is available in a safe and accessible condition and that services are delivered in a manner that protects people and the environment..

**Services Provided**

Cemeteries  
 Forestry  
 Horticulture

Parks  
 Roads  
 Waste Management

OPERATIONS AND MAINTENANCE	
<b>2009 NET BUDGET</b>	\$90,817,538
<b>2010 NET REQUESTED BUDGET</b>	\$92,656,712
<b>2010 NET CHANGE</b>	\$1,839,174
<b>2010 FTE</b>	708.21

WASTE MANAGEMENT	
<b>2009 NET BUDGET</b>	\$30,841,774
<b>2010 NET REQUESTED BUDGET</b>	\$33,519,819
<b>2010 NET CHANGE</b>	\$2,678,045
<b>2010 FTE</b>	109.49

## OPERATIONS & WASTE MANAGEMENT

### 2009 Accomplishments

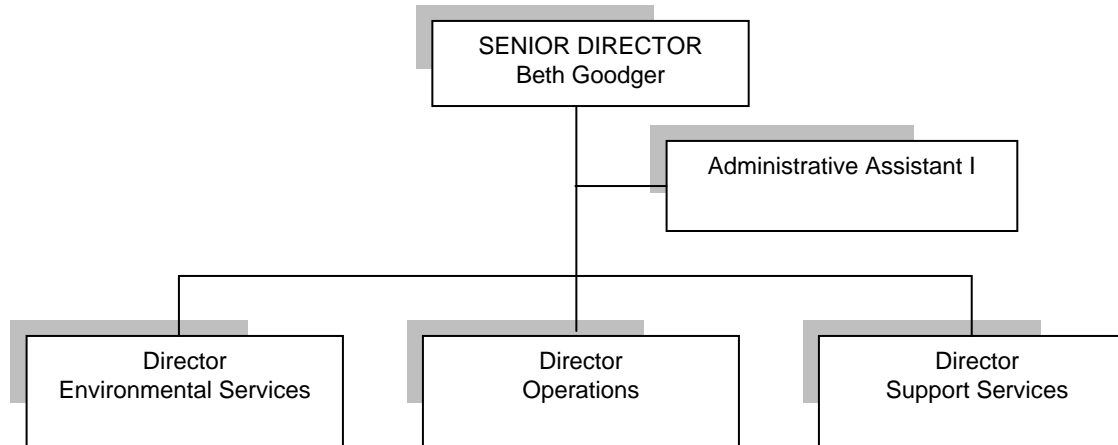
- Completed the Urban Forest Canopy Cover aerial survey
- Implemented Phase 3 (of 19) of the Street Tree Trimming Program Enhancement
- Planted 4,000 trees as part of the Annual Tree Planting Program
- Increased participation in Adopt-a-Park program, enhanced by the purchase of the Community Clean Trailer for use by volunteers
- Record involvement in 2009 Parks Month including 26 Adopt-a-Parks groups, 309 volunteers from 7 Wards, 192 garbage bags and 212 recycling/yard bags collected, 25 graffiti sites cleaned and \$18,000 received in donations/sponsorships from community partners
- Installed the City's 1st outdoor GreenGym at Woodlands Park providing an outdoor fitness activity opportunity for all ages
- Implemented the Wildlife Management Program
- Ensured compliance with Pesticides Ban
- Ongoing ecological restoration of the Red Hill Valley, achieving approximately 80% completion, with nearly 330,000 plants (trees, shrubs and herbs) installed

### 2009 Accomplishments

- Maximizing the life of the Glanbrook Landfill Site (~25 years based on current diversion rate)
- Maintaining diversion rates – projected year end diversion rate of 41% (target was 45% diversion based on approved additional diversion options)
- Continued One Container Limit Phase In – one plus one clear bag for 2009
- Completed roll-out of organics collection to multi-residential facilities (1,000+ buildings/53,000 units)
- Completed review of additional diversion options to get to 65% and pay-as-you-throw options
- Prepared for contract transition for the operation of the Transfer Stations/Community Recycling Centres/Landfill operations on January 1, 2010
- Reduced costs to implement the Multi-Residential Green Cart program through efficiencies in staffing in litter container collection (Estimated savings of \$141,500)
- Awards from the Ontario Public Works Association (Chedoke Creek Remediation and Red Hill Valley Projects) and Solid Waste Association of North America (Glanbrook Gas to Energy Project, Learning Room and Materials Recycling Facility)



## OPERATIONS & WASTE MANAGEMENT



Complement (FTE)	Management	Other	Total	Staff/Mgt Ratio
2009	10.0	810.70	820.70	81.07
2010	10.0	807.70	817.70	80.77
Change	0.0	(3.0)	(3.0)	

# Operations & Maintenance

## 2010 Net Operating Budget by Program

Division	2009 Restated	2010 Draft Budget	\$ Change	% Change
Support Services – O&M	\$2,666,240	\$2,517,753	(\$148,487)	(5.6)%
Forestry & Horticulture	\$9,037,116	\$9,175,268	\$138,152	1.5%
Parks & Cemeteries	\$15,813,555	\$16,100,596	\$287,041	1.8%
Roads	\$52,103,225	\$53,032,336	\$929,111	1.8%
Traffic	\$11,197,402	\$11,806,339	\$608,937	5.4%
<b>TOTAL</b>	<b>\$90,817,538</b>	<b>\$92,656,712</b>	<b>\$1,839,174</b>	<b>2.0%</b>

# Waste Management

## 2010 Net Operating Budget by Program

Division	2009 Restated	2010 Draft Budget	\$ Change	% Change
Collection	\$20,764,540	\$23,617,393	\$2,852,853	13.7%
Disposal	\$8,224,019	\$7,931,585	(\$292,434)	(3.6)%
Support Services	\$1,853,215	\$1,970,842	\$117,627	6.3%
<b>TOTAL</b>	<b>\$30,841,774</b>	<b>\$33,519,819</b>	<b>\$2,678,045</b>	<b>8.7%</b>



## Recycling Program Revenues (\$000's)

	2009 Revenue (Budget)	2009 Revenue (Projected)	2010 Projected Revenue	2009/ 2010 Change (\$) to Budget	2009/ 2010 %Change
Mixed Fibre	3,946	1,609	2,815	1,173	29.4%
Steel	402	120	163	239	59.4%
Aluminum	1,034	743	754	280	27.1%
PET	447	319	437	10	2.3%
HDPE	369	224	257	112	30.3%
Mixed Plastics	28	1	37	(9)	(32.1)%
Film	n/a	n/a	n/a	n/a	n/a
Gable Top	5	3	8	(3)	(60.0)%
Polystyrene	2	0	1	1	50.0%
Contribution from Recycling Reserve	640		0	640	100%
<b>Totals</b>	<b>6,233</b>	<b>3,019</b>	<b>4,472</b>	<b>1,761</b>	<b>28.2%</b>

# Council Referred Items

(Not included in Requested Levy)



## 2010 Council Referred Items

<b>SERVICE</b>	<b>FTE</b>	<b>Gross \$(000's)</b>	<b>Net \$(000's)</b>
Parks & Cemeteries - Operating Impacts from Capital	9.15	\$418	\$418
Roads - Operating Impacts from Capital	1.45	\$263	\$263
Forestry & Horticulture - Operating Impacts from Capital	0.0	\$51	\$51
Traffic - Operating Impacts from Capital	0.0	\$59	\$59
<b>TOTAL</b>	<b>10.6</b>	<b>\$791</b>	<b>\$791</b>

## 2010 Council Referred Items

<b>SERVICE</b>	<b>FTE</b>	<b>Gross \$(000's)</b>	<b>Net \$(000's)</b>
Street Tree Trimming (phase 4 of 10) PW05015(b)	5.0	\$530	\$530
Sports Field Line Painting (Impacts of Cosmetic Pesticides Act) PW08143(b)	0.0	\$150	\$150
Diversion Options – enhanced By- Law enforcement PW07151(b)	0.0	\$0	\$0
<b>TOTAL</b>	<b>5.0</b>	<b>\$680</b>	<b>\$680</b>



Thank you.

*Proposal/ Rationale for Additional Energy Staff*

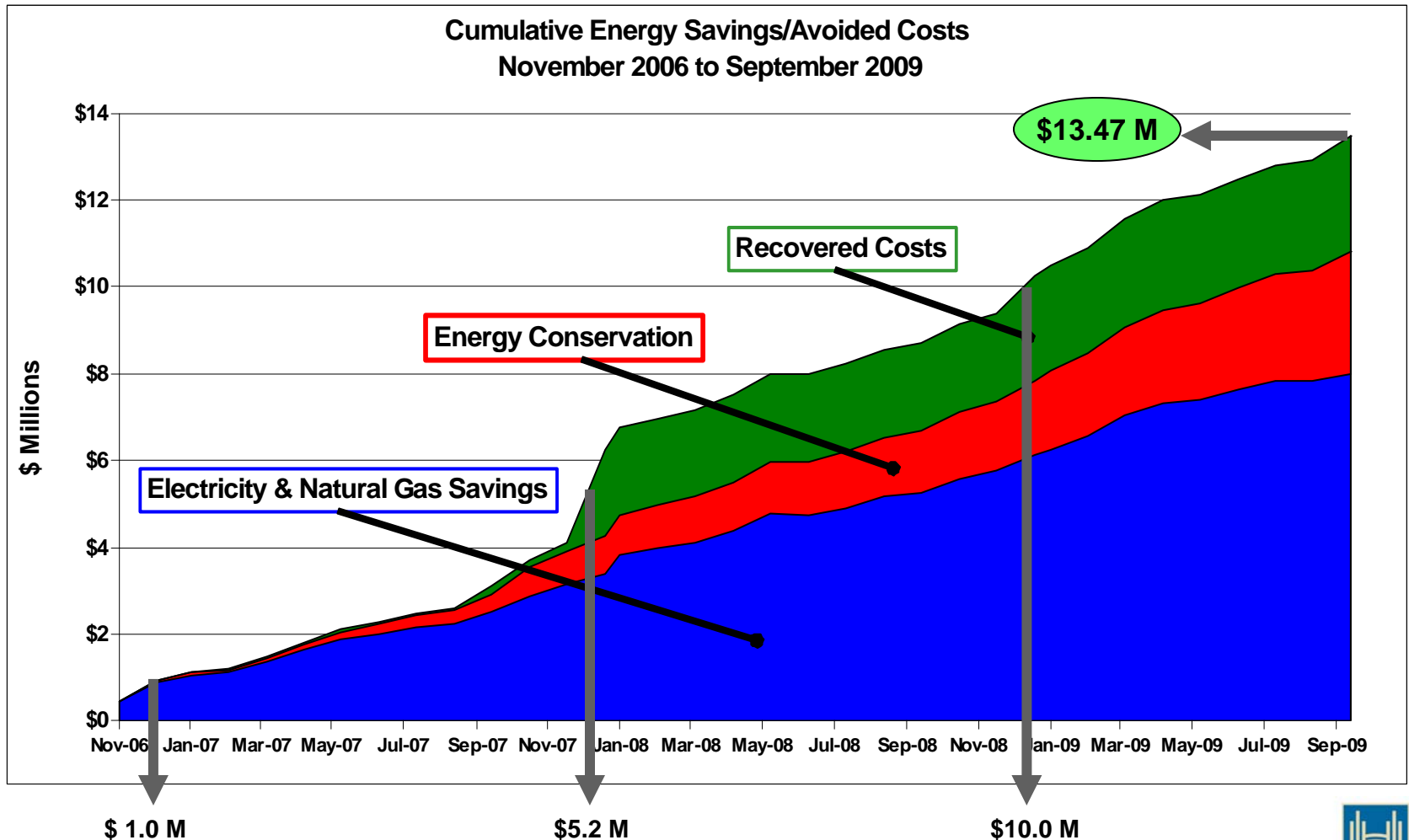
**Office Of Energy Initiatives  
Transportation, Energy & Facilities**

**COUNCIL DIRECTION**

At August 11, 2009 **Committee of the Whole** staff were asked by Council to present a rationale for additional staff for the Public Works - Office of Energy Initiatives as part of the 2010 budget process.



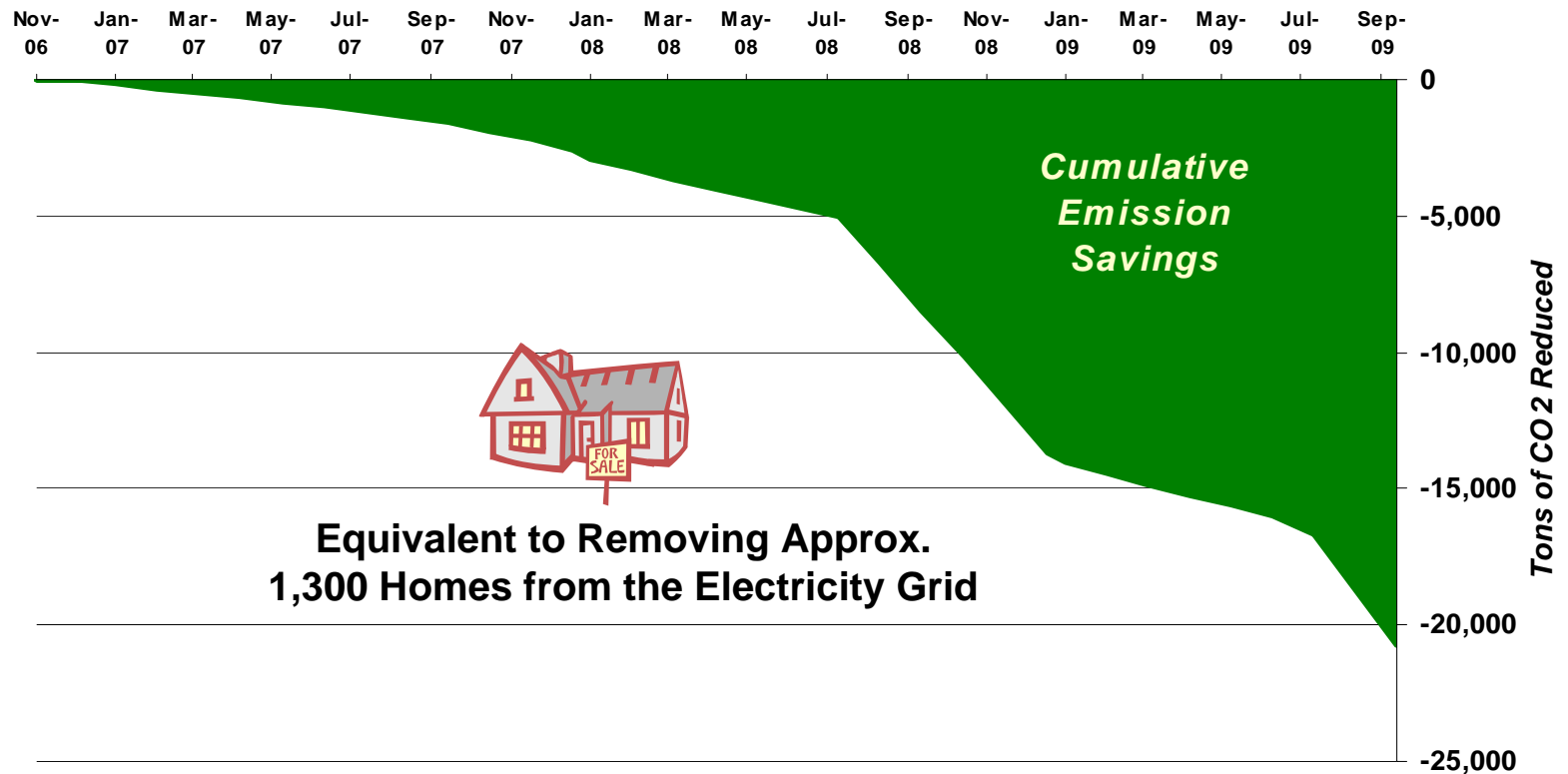
CORPORATE CUMULATIVE \$ SAVINGS



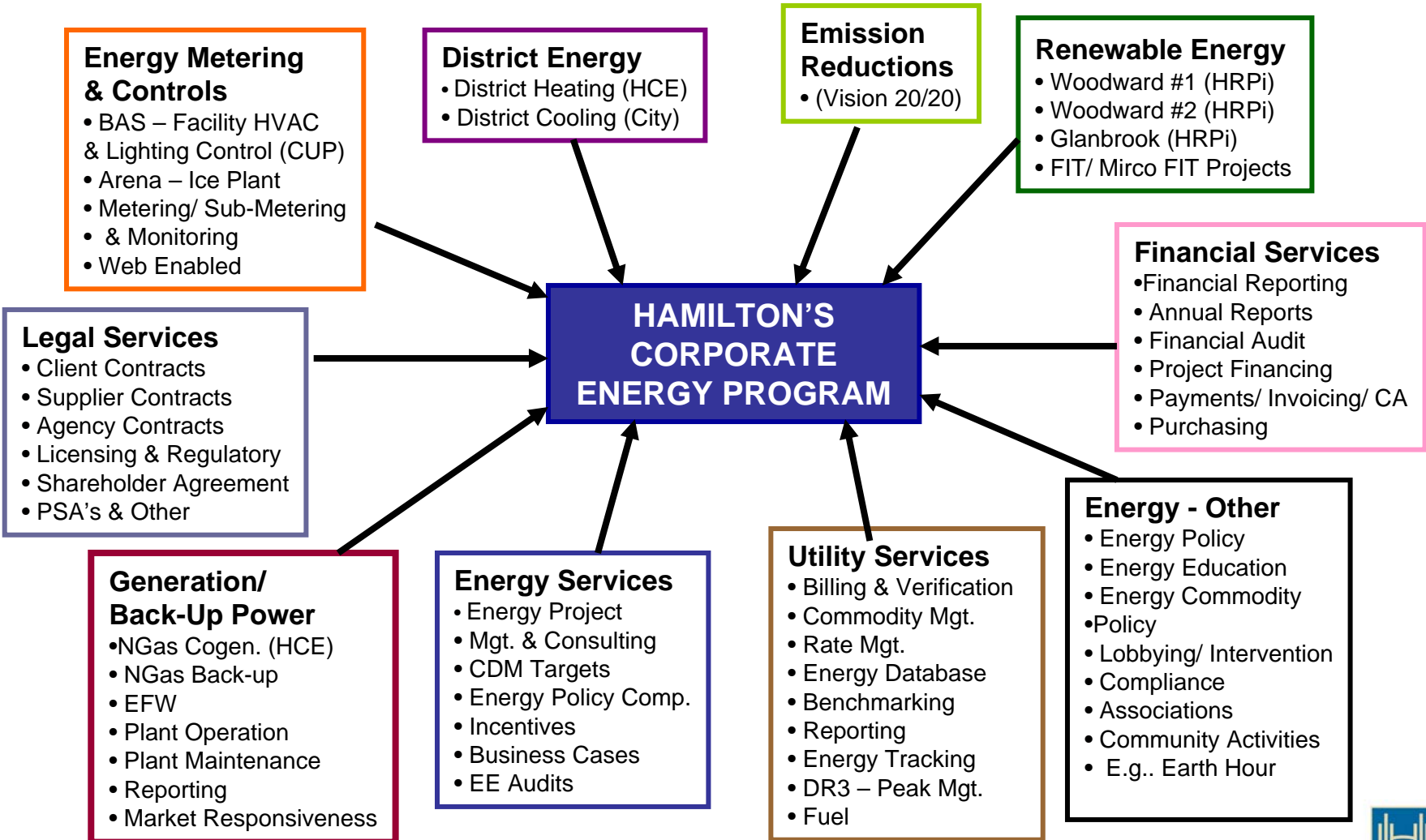


CORPORATE EMISSION REDUCTIONS

**GHG Emission Reductions from Energy Conservation**  
**November 2006 to September 2009**



**ENERGY PROGRAM BUILDING BLOCKS**



November 2009




**BENEFITS OF ADDITIONAL ENERGY STAFF**

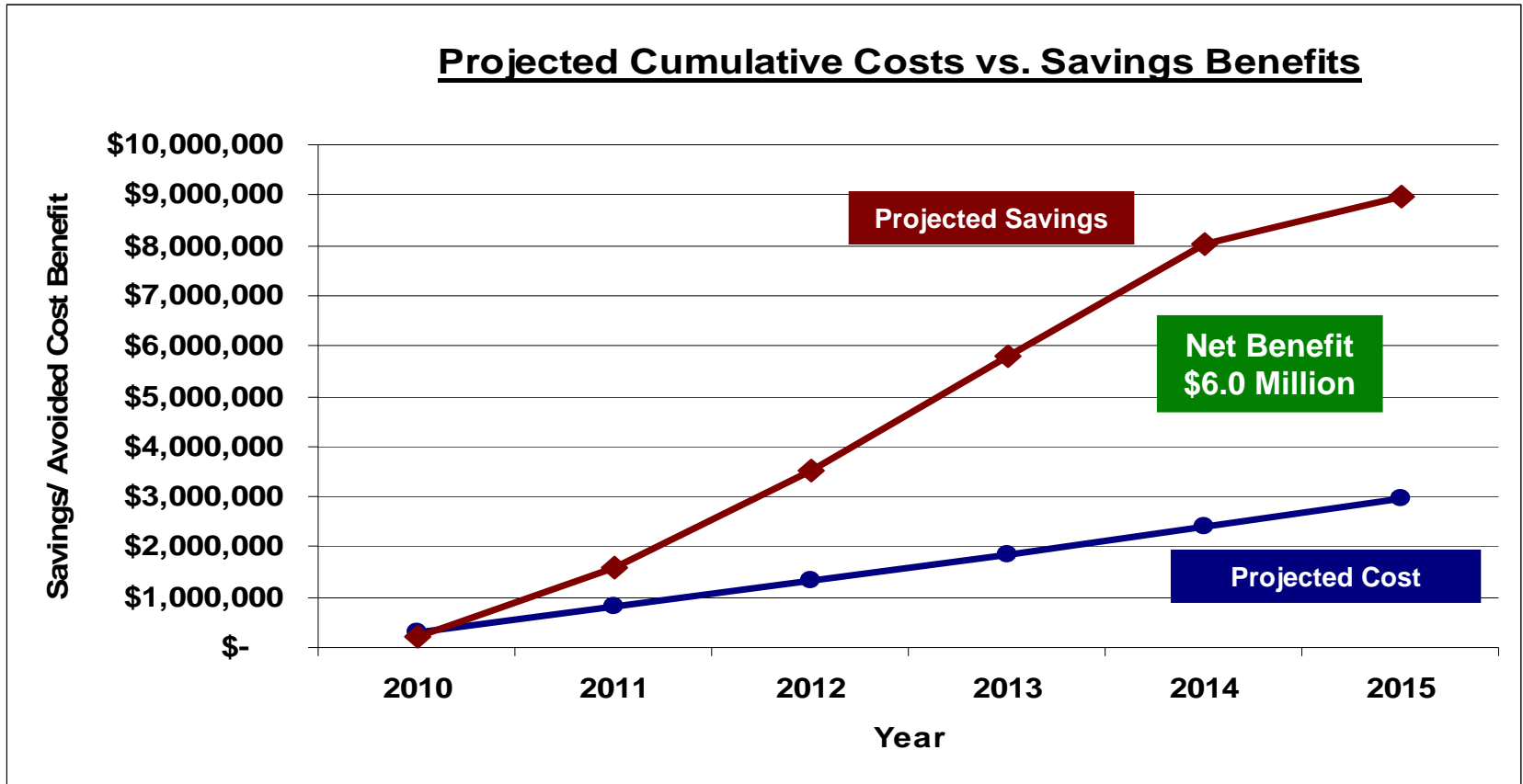
1. Achieve Energy Reductions Outlined In the City's Energy Policy (20% by 2020)
2. Improved Environment – Reduced Emissions (Vision 20/20)
3. Levy & Rate Benefits – Energy Savings/ Cost Avoidance
4. Green Energy Act Opportunities – Renewable Energy
5. Improved Metering, Monitoring & Reporting Capabilities
6. Increased Education Capabilities for Staff & the Community
7. Corporate/ Departmental Support & Energy Project Expertise
8. Infrastructure/ Capital Improvements - Life-Cycle Costing
9. Positive Contributor to the City's Triple Bottom Line
10. Reflects Principles Aligned With City's and Public Works Goals & Strategies



**RETURN ON INVESTMENT**

<u>FUNCTION / EXPERTISE</u>	<u>STAFF</u>	<u>PROJECTED 5-YEAR NET BENEFIT</u>	<u>GHG REDUCTIONS</u>
Energy Database Maintenance			
Capital Renewal & Retrofit Projects (Senior)	<b>5.0</b>	<b>\$6.0 M</b>	
Capital Renewal & Retrofit Projects			
Metering & Controls			
Renewable Energy & Demand Response			

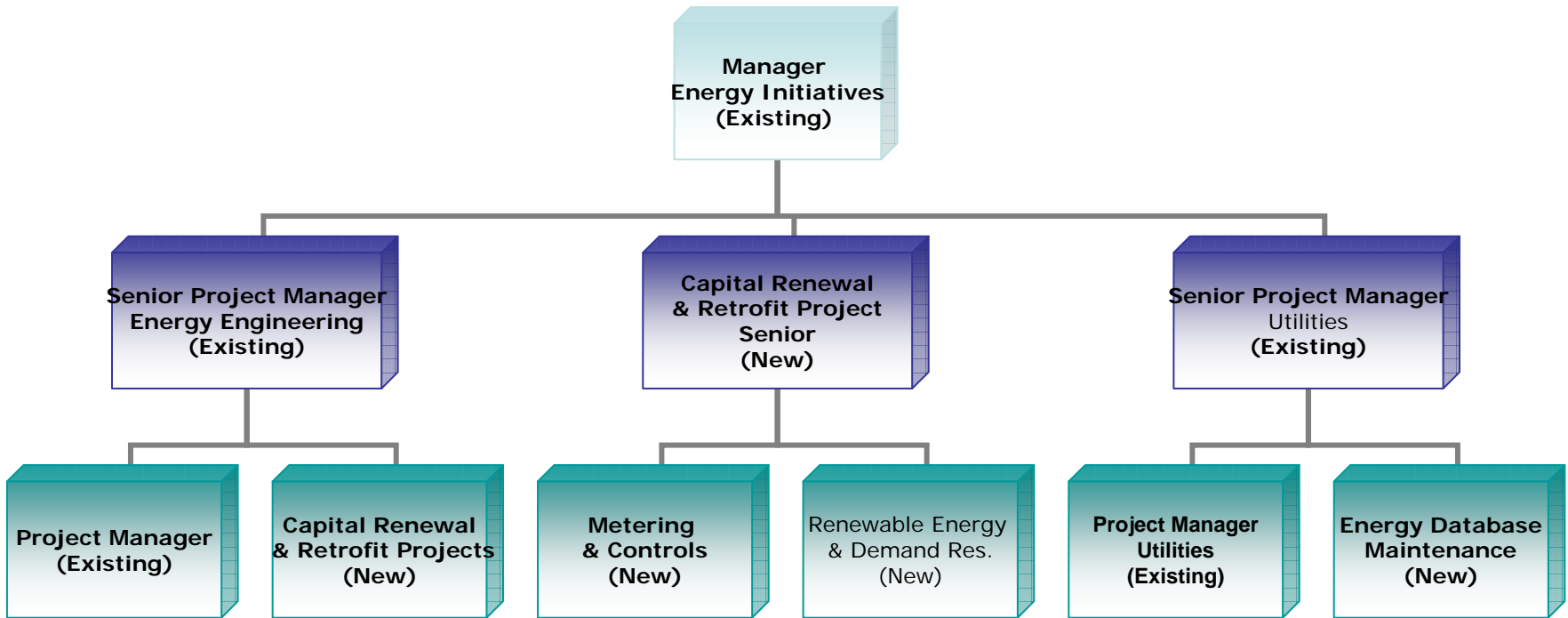
CUMULATIVE COSTS VS. SAVINGS



Notes:

- 1) Based on a June 2010 start.
- 2) Based on a May 2015 finish.
- 3) Cumulative cost escalated 2.5% annually

OFFICE OF ENERGY INITIATIVES



## RECOMMENDATIONS

- 1) Approval to hire five new staff for the Office of Energy Initiatives (OEI) on a contract basis, funded from the Energy Reserve or Project Cost Recovery with NO Tax Levy impacts.
- 2) That the new OEI staff be hired for a 3-year contract term.
- 3) That Staff report back to council prior to the completion of the contract term on the impact of these positions, where Council may consider a contract extension or making these positions permanent. Information on performance will also be part of ongoing energy reporting.



Questions?

