

2011 TAX OPERATING BUDGET

PUBLIC WORKS DEPARTMENT

2011 OPERATING BUDGET

PUBLIC WORKS COMMITTEE

March 7, 2011



2011 TAX OPERATING BUDGET

AGENDA

1. PRESENTATIONS (O/S FROM FEB 16)
 - ROAD & SIDEWALK SAFETY MAINTENANCE
 - STORM WATER MANAGEMENT PROGRAM
2. 2011 OPERATING BUDGET
 - PUBLIC WORKS DEPARTMENT OVERVIEW
 - ADDITIONAL INFORMATION REQUEST FROM COMMITTEE
 - UPDATED OPERATING BUDGET POSITION
 - COUNCIL REFERRED ITEMS
 - PROGRAM ENHANCEMENT OPTIONS
 - RISKS WITHIN OPERATING BUDGET
3. NEXT STEPS



2011 TAX OPERATING BUDGET

PRESENTATIONS

Road & Sidewalk Safety Maintenance

Storm Water Management Program

Bryan Shynal, Director of Operations



**Road and Sidewalk Safety Maintenance
Requested Program Enhancement –
2011 Budget**

**Public Works Committee
March 7, 2011**

Road & Sidewalk Safety Maintenance Program

Road and Sidewalk Maintenance Activities

Objective

- Maintain the City's roadways and sidewalks in a safe condition within the provincially legislated Minimum Maintenance Standards (MMS)

Strategy

- Use best practices to ensure effective & efficient program delivery
- Establish adequate program funding to ensure achievement of approved service levels
- Encourage continual program improvements



Road & Sidewalk Safety Maintenance Program

Road and Sidewalk Asset Inventory – Citywide

Asset

Quantity

- Roadways = 6,522 lane km
- Sidewalks = 2,367 km (approx. 1.57 million bays)
- Bridges/Structures = 390



Road & Sidewalk Safety Maintenance Program

Minimum Maintenance Standards

Ontario Regulation 239/02 establishes MMS for municipal roadway maintenance and operation including:

- Frequencies for routine road patrolling
- Maintenance of bridge decks and approaches
- Specifies maximum response times for:
 - Repairing potholes, cracks, discontinuities and shoulder drop offs
 - Sidewalk discontinuity deficiencies

MMS regulations were amended in 2010 relating to Winter and Summer Patrolling and Trip & Falls on Sidewalks, which impacts service delivery requirements.



Road & Sidewalk Safety Maintenance Program

Roads & Sidewalks – Infrastructure Condition

Asset value*:

Approximate replacement value of the City's roads and traffic infrastructure is \$4.3 billion (2009)

Asset Condition Rating*:

- *Overall condition rating of “D” for Roads and Sidewalk Infrastructure*

*Source – State of the Infrastructure Report 2009



Roads & Sidewalks – Program Status

Existing Service level:

Reactive approach to address concerns

Risks:

Risks – The City received approximately 2,700 claims related to roads infrastructure between 2001 to 2010, resulting in an expenditure of approximately \$14.2M in claims resolution.

Proposed Service Levels:

Outlined in the following slides



Road & Sidewalk 2011 Budget Enhancement

Road & Sidewalk Maintenance Program

Proposed budget enhancement request:

| Item | Amount (\$K) |
|---------------------------------------|-------------------------|
| Sidewalk Discontinuity Repairs | \$600 |
| Road Patrol | \$100 |
| Bridge Repairs (Decks and Approaches) | \$500 |
| Total | \$1,200 |

Road & Sidewalk 2011 Budget Enhancement

Sidewalk Inspection & Repairs

Existing Program:

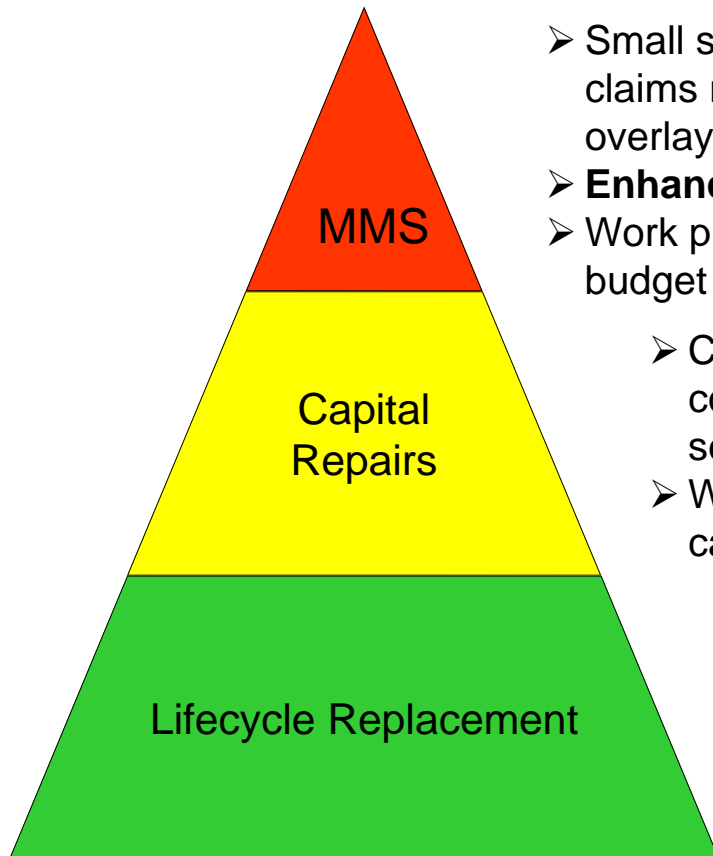
- Service Level:
 - Annual sidewalk condition inspection and reporting structure to identify hazardous conditions, i.e. cracks, trip hazards
 - 2010 inspection report identified approx. 43,000 defective sidewalk bays
- Budget: \$2.1 Million (operating)

Proposed Program:

- Service Level:
 - Annual inspection and timely repairs of deficiencies
- Budget:
 - Additional \$600,000 will provide the necessary funding to meet the proposed service level
- Return on Investment:
 - Improved public safety, risk management and claims defence



Sidewalk Asset Management Overview



- Small scale repairs for public safety & claims management, e.g. sheeting, overlays, etc.
- **Enhancement request to meet MMS**
- Work provided through OWM operating budget
- Capital repairs for public concerns, e.g. replacement of several sidewalk bays
- Work provided through OWM capital budget
- Larger scale sidewalk replacement
- Work provided through ESI capital budget



Road & Sidewalk 2011 Budget Enhancement

Road Patrol

Existing Program:

- Service Level:
 - Road patrol activities include monitoring roadway conditions and record keeping (24/7 during the winter season) to determine activity response
- Budget:
 - Current resources (approx. \$442,000 operating) are embedded within the Roads program budget and will be managed going forward through separate activity codes for accountability purposes

Proposed Program:

- Service Level
 - Per the Minimum Maintenance Standards
- Budget:
 - Additional \$100,000 will fund patrol service level and data collection technology (e.g. upgrades to meet the amended MMS patrolling requirements)
- Return on Investment:
 - Compliance with the MMS regulations for patrolling which will improve overall program compliance and the City's ability to successfully defend against claims



Road & Sidewalk 2011 Budget Enhancement

Bridge Repairs (Approaches and Decks)


Existing Program:

- Service Level:
 - No approved service level, reactive repairs as resources permit.
 - Current inspections identify 10 structures which have elements requiring immediate attention, 32 structures which require repairs within 1 year, and 133 structures which require repairs within 1 to 5 years.
- Budget:
 - Approximately \$600,000 (capital)

Proposed Program:

- Service Level
 - Address inspection deficiencies in a timely manner
- Budget:
 - \$500,000 will provide sustainable program funding for maintenance repairs to bridge decks and roadway approaches, surfaces and appurtenances such as guard rail repair/replacement, drainage etc
- Return on Investment:
 - Achieve compliance with the MMS regulations, improve public safety, roadway readability, and to reduce claims and improve claims defense





**Storm Water Management Program
Requested Program Enhancement –
2011 Budget**

**Public Works Committee
March 7, 2011**

Storm Water Management Program

Storm Water Facility Maintenance Program

Overview:

To provide effective management of surface municipal storm water system through the inspection, evaluation, maintenance and rehabilitation of municipally owned storm water infrastructure facilities including:

- Culverts
- Catch Basins
- Creeks
- Drainage Channels
- Inlet/Outfall
- Storm Ponds Facilities
- Storm Water Treatment System



Storm Water Management Program

Storm Water System – Infrastructure Value & Condition

Asset value:

- Approximate replacement value of the City's storm water system is \$1.6 billion, which includes \$53 million for storm ponds and inlet/outfall structures

Asset Condition Rating:

- *Overall condition rating of "D"* for storm ponds, inlet/outfall structures, stormceptors

Source: State of the Infrastructure Report (2009):



Storm Water Management Program

Storm Water Facility Maintenance Program Status

Existing Service level:

Reactive approach to address concerns

Risks:

Potential infrastructure failure or substandard operation of existing system; legal implications with non-compliance with Environmental Protection Act (EPA)

Proposed Service Levels:

Outlined in the following slides



Storm Water 2011 Budget Enhancement

Storm Water Facility Maintenance Program

Proposed budget enhancement request:

| Item | Amount (\$K) |
|--|----------------|
| Annual catch basin cleaning | \$735 |
| Catch basin repairs | \$150 |
| Storm water maintenance ponds (SWMP) - facility capital repairs and lifecycle rehabilitation | \$650 |
| Maintenance of culverts, outfalls, and structures | \$270 |
| Annual inspection and maintenance of stormceptors | \$75 |
| Program development and monitoring system | \$75 |
| Asset inventory & condition data management | \$45 |
| Total | \$2,000 |

Storm Water 2011 Budget Enhancement

Catch Basin Cleaning

Existing Program:

- Service Level:
 - No approved Service Level
 - Current practice is to clean approximately 5,000 catch basins on a rotating schedule
- Budget:
 - \$234K (Approx. 65% of the budget is for planned maintenance activities, 35% is for emergency cleaning)

Proposed Program:

- Service Level
 - Annual inspection and cleaning of entire inventory
- Budget:
 - Request for an additional \$735,000 to fund the service level.
- Return on Investment:
 - Avoidance of nuisance flooding due to sedimentation and litter



Storm Water 2011 Budget Enhancement

Catch Basin Repairs

Existing Program:

- Service Level:
 - No approved Service Level
 - Increasing backlog of repairs due to aging infrastructure
- Budget:
 - Current annual budget ~ \$370K

Proposed Program:

- Service Level:
 - Timely repair of all damaged and substandard catch basin structures.
- Budget:
 - Request for an additional \$150,000 to fund the service level.
- Return on Investment:
 - Improvement to road surface condition, safety and risk management



Storm Water 2011 Budget Enhancement

SWMP Facility Maintenance

Existing Program:

- Service Level:
 - No approved Service Level
 - Inventory: 145 sites (wet ponds, dry ponds, constructed wetlands)
- Budget:
 - No available current budget for preventative maintenance

Proposed Program:

- Service Level
 - Planned annual inspection, ongoing asset management program including planned maintenance and lifecycle rehabilitation works. (approx. 12 year rehab cycle)
- Budget:
 - Request for an additional \$150,000 to fund the service level.
- Return on Investment:
 - Benefits of the enhancement include optimized functionality of the system which may mitigate the possibility of downstream flooding and improved water quality effluent, e.g. silt and other contaminants



Storm Water 2011 Budget Enhancement

Culverts, Outfalls, and Structures

Existing Program:

- Service Level:
 - No approved service level for the preventative maintenance of road crossing culverts, box culverts, entrance culverts, creeks and tributaries (City-owned)
- Budget
 - No Existing operating budget

Proposed Program:

- Service Level:
 - Develop a full inventory of assets and maintain current condition assessments
 - Perform priority capital maintenance and planned lifecycle rehabilitation works
- Budget:
 - Requested enhancement of \$270K
- Return on Investment:
 - Optimal and reliable performance of critical infrastructure for improved service, safety and risk management.



Storm Water 2011 Budget Enhancement

Stormceptor

Existing Program:

- Service Level:
 - No approved service level for the maintenance of underground on line eng. structures that are subject to M.O.E. regulations
- Budget:
 - No current budget

Proposed Program:

- Service Level:
 - Annual inspection and cleaning of the existing inventory of 46 municipally-owned stormceptors
- Budget:
 - \$ 75,000 to fund the service level
- Return on Investment:
 - Optimal infrastructure performance yielding improved water quality



Storm Water 2011 Budget Enhancement

Program Support

- Requested enhancement of \$75K to support monitoring requirements for the storm water management program and for technical assistance with development and implementation of maintenance programs, i.e. ditching maintenance

Asset Inventory & Condition Data Management

- Enhancement request of \$45K to develop inventory and infrastructure condition assessment data bases and acquire technology to support program management



2011 TAX OPERATING BUDGET

2011 BUDGET OVERVIEW



PUBLIC WORKS OVERVIEW

1. PUBLIC WORKS DEPARTMENT
2. TIMELINE FOR IMPLEMENTATION
3. MANAGEMENT COMPLEMENT
4. RETURN ON INVESTMENT
5. FTE ADJUSTMENTS IN 2010
6. FTE - PRESSURE ON PRODUCTIVITY



Public Works Department Overview

- **MORE STRATEGIC MANAGEMENT TEAM TO ENABLE INNOVATION WITHIN PUBLIC WORKS OPERATIONS**
- **CAPACITY BUILDING – COLLABORATION AND BUILDING ON DEMONSTRATED STRENGTHS WITHIN PUBLIC WORKS**
- **CONTINUOUS IMPROVEMENT / STREAMLINING OPERATIONS**
- **CUSTOMER FOCUS – EVERYONE USING SERVICES, FUTURE GENERATIONS**
- **COMMUNICATION – RELATIONSHIPS**
- **WORKFORCE MANAGEMENT – PRODUCTIVITY ENHANCEMENTS**
- **CULTURE – LET EMPLOYEES EXCEL / SUCCESSION PLANNING**

“WANT TO KEEP CITY HEALTHY, CLEAN, SAFE”

Public Works

Public Works Department Overview - Timeline

- **September 3, 2009 - SMT Review of Public Works Department**
- **September 14, 2009 – Communication - Public Works Department**
- **September 14, 2009 - Appointment of 3 Senior Directors**
- **September 15, 2009 – Communication – Public Works Department**
- **Directors with existing portfolios identified**
- **New Director positions identified and filled through competition**
- **Revised Department structure incorporated with the 2010 Budget Process**



Public Works

Public Works Management Complement

| | Total | General Manager | Senior Director* | Directors** | Managers*** |
|--------------------|-----------|-----------------|------------------|-------------|-------------|
| <u>2009</u> | | | | | |
| Tax | 31 | 1 | 1 | 5 | 24 |
| Rate | 7 | 0 | 1 | 2 | 4 |
| | 38 | 1 | 2 | 7 | 28 |
| <u>2010</u> | | | | | |
| Tax | 35 | 1 | 2 | 7 | 25 |
| Rate | 8 | 0 | 1 | 2 | 5 |
| | 43 | 1 | 3 | 9 | 30 |
| <u>2011</u> | | | | | |
| Tax | 35 | 1 | 2 | 7 | 25 |
| Rate | 8 | 0 | 1 | 2 | 5 |
| | 43 | 1 | 3 | 9 | 30 |

* 2 Senior Director Positions existing within Department – 1 new position added

** 7 Director Positions existing within Department – 2 new positions added

*** 28 Manager Positions existing within Department – 2 new positions added

Public Works

Public Works Department Overview - ROI

| | |
|---------------------------------|------------------------------|
| INVESTMENT IN DEPARTMENT | \$400,000 |
| 2010 MAINTENANCE BUDGET SAVINGS | (\$5,396,000) |
| 2010 ADDITIONAL BUDGET SAVINGS | (\$2,325,000) |
| 2011 MAINTENANCE BUDGET SAVINGS | (\$2,954,705) |
| 2011 ADDITIONAL BUDGET SAVINGS | <u>(\$2,980,120)</u> |
| TOTAL BUDGET SAVINGS | <u>(\$13,655,825)</u> |
| EFFICIENCIES WITHIN BUDGET | (\$1,581,050) |

PAYBACK ON INVESTMENT WAS IMMEDIATE – SIMILAR TO THE OFFICE OF ENERGY INITIATIVES IMPLEMENTED IN 2006

“SERVICE LEVELS HAVE BEEN MAINTAINED”

Public Works

Public Works FTE Adjustments in 2010

- 4 FTE Deleted as part of 2010 Budget Process
- 4 FTE Transferred to PED – Efficiencies between Departments
- 3 FTE Transferred to City Manager's Office
 - Return to Work Program
 - Organizational Behaviour Program
 - Support Staff
 - Base savings of \$130,000 transferred to fund program
- 2 FTE Transferred from Distributed Model Complement

Public Works

FTE Management

FTE - Pressure on Productivity

- Vacation
- Sick
- WSIB / Long Term Disability
- Leave of Absences
- Training
 - Legislated (Traffic Control, WHMIS, Operator Training, Violence in the Workplace, Health and Safety Inspections)
 - Corporate (AODA, Equity and Inclusion Policy, BCOS, Confined Space Entry, Contaminated Sites Management)
 - Divisional (Incident / Accident Investigation, Pre-Trip Inspection of Vehicles)
 - Sectional (Customer Service, HANSEN Computer Software)

2011 TAX OPERATING BUDGET

2011 BUDGET OVERVIEW

FOLLOW UP FROM FEB 16, 2011 – BUDGET MEETING



Request for Information – Feb 16th PW Committee

1. Fleet Reserve – e-mail sent to committee Feb 25th
2. Public Works reorganization, related savings, staffing changes and updated organizational charts – e-mail sent to committee Feb 18th
3. Management staff ratios/comparable municipalities – Corporate response
4. Budgetary impacts of possible wage increases – e-mail sent to committee Feb 22nd
5. Historical cost of graffiti removal – e-mail sent to committee Feb 25th
6. Risk Management claims and costs – Corporate response
7. Ten Year history of HSR fare increases – e-mail sent to committee Feb 25th
8. Leaf vacuuming services - e-mail sent to committee Feb 28th
9. Red Light Cameras - e-mail sent to committee Feb 25th
10. Power Washing of downtown sidewalks enhancement options - e-mail sent to committee Feb 25th
11. Energy efficiencies, revenues, reductions - e-mail sent to committee Feb 25th
12. Energy Office staffing options - e-mail sent to committee Feb 25th
13. Review fuel rate – Corporate response

RECOMMENDED SAVINGS OPTIONS*

| | 2010 Budget | 2011 Draft Budget | \$ Change | % Change |
|--|----------------------|----------------------|--------------------|-------------|
| Gross Expenditures | \$265,135,306 | 275,843,999 | \$10,708,693 | 4.0% |
| Gross Revenues | \$89,204,323 | \$93,883,648 | \$4,679,325 | (5.2%) |
| Net Levy | \$175,930,983 | \$181,960,351 | \$6,029,368 | 3.4% |
| Options | | | | |
| Winter Control (Page 33) | | (\$500,000) | (\$500,000) | N/A |
| | \$175,930,983 | \$181,460,351 | \$5,529,368 | 3.1% |
| Additional Options (presented at Feb 16 committee) | | (\$2,980,120) | (\$2,980,120) | N/A |
| Revised Net Levy | \$175,930,983 | \$178,480,231 | \$2,549,248 | 1.4% |

ADDITIONAL SAVINGS OPTIONS*

| | 2010 Budget | 2011 Draft Budget | \$ Change | % Change |
|--------------------------------------|----------------------|----------------------|--------------------|-------------|
| Net Levy | \$175,930,983 | \$178,480,231 | \$2,549,248 | 1.4% |
| *Proposed Initiatives | | | | |
| Transfer Station Revenues | | (\$550,000) | \$1,999,248 | |
| Revised Net Levy | \$175,930,983 | \$177,930,231 | \$1,999,248 | 1.1% |



2011 TAX OPERATING BUDGET

COUNCIL REFERRED ITEMS

PROGRAM ENHANCEMENT OPTIONS



2011 COUNCIL REFERRED ITEMS

| Not Recommended | \$ Gross Impact | \$ Net Impact | FTE Impact |
|--|--------------------|--------------------|------------|
| Waste Collection for Festivals and Special Events (FCS11023a, page 34) | \$70,000 | \$40,000 | 0.0 |
| Drywall Recycling (FCS11023a, page 36) | \$297,000 | \$297,000 | 0.0 |
| Street Tree Trimming Program | \$785,000 | \$785,000 | 9.0 |
| Recommended | \$1,152,000 | \$1,122,000 | 9.0 |
| Diversion Option – Street Sweeping Recycling | \$320,000 | \$320,000 | 0.0 |
| Transit Service Level Enhancement | \$2,670,000 | \$0 | 29.0 |
| Transit Training | \$330,000 | \$0 | 3.0 |
| | \$3,320,000 | \$320,000 | 32 |

2011 PROGRAM ENHANCEMENT OPTIONS

| Not Recommended | \$ Gross Impact | \$ Net Impact | FTE Impact |
|--|--------------------|--------------------|------------|
| Surveys | 110,000 | \$0 | 1.0 |
| Downtown Cleanliness | 0 | 0 | 2.0 |
| Composting Facility and Leaf and Yard Waste Program Optimization | (23,000) | (23,000) | 0.0 |
| For Consideration | \$87,000 | (\$23,000) | 3.0 |
| Storm Water Facility Maintenance | 2,000,000 | 2,000,000 | TBD |
| Road & Sidewalk Safety Maintenance | 1,200,000 | 1,200,000 | TBD |
| | \$3,200,000 | \$3,200,000 | |

Risk In the 2011 Budget

- Fuel - Budget at \$0.87
 - Fuel pricing impacts on budget:
 - Diesel – one cent per litre = \$100,000
 - Gasoline – one cent per litre = \$20,000
- Electricity Costs – Global Adjustment
- Road Capital Funding not Sustainable



Questions?

