Public Works Committee
MINUTES
11:45 a.m.
Monday, February 1, 2010
Hamilton Convention Centre
One Summer’s Lane
Albion Room
Hamilton, Ontario

Present:
Chair S. Merulla
Vice Chair T. Jackson
Councillors B. Bratina, L. Ferguson, M. McCarthy,
D. Mitchell, C. Collins, R. Powers

Also Present:
G. Davis – General Manager, Public Works
R. Rossini – General Manager, Finance and Corporate Services
C. Murray – City Manager
J. Harnum – Senior Director, Environment and Sustainable Infrastructure
J. Mater – Senior Director, Transportation, Energy and Facilities
G. Lupton – Director, Energy, Fleet and Facilities
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

(Powers/McCarty)
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 January 25, 2010

(Bratina/Jackson)
That the Minutes of the January 25, 2010 budget meeting of the Public Works Committee be approved, as presented. CARRIED

4. CONSENT ITEMS

None

5. PRESENTATIONS

5.1 Budget Overview

Following direction from the Committee given at the January 25, 2010 budget meeting, Gerry Davis provided a power point presentation providing options to achieve a 2% reduction in the Public Works Department 2010 operating budget.

The presentation included the following:

- Budget overview
- Driving factors: External Revenues of $2.5 million shortfall made up of recycling revenues ($2 million) and user fees ($.5 million)
- Options to achieve a 2% reduction, including fuel ($825,000); winter control ($1,000,000); Hamilton Renewable Power Inc. (HRPI) dividends ($500,000)
- Operating Program Options
- Review of Council-referred items (not included in the budget)
- Incremental Operating Costs
- Infrastructure Growth (last 5 years)
- Office of Energy Initiatives – Enhancement – Staffing Priorities/Function and implementation plan

Following are comments of the Committee, including, but not limited to:

- Come up with a plan on how to deal with HRPI dividends
- Bring back a dividend policy that clearly lays out that the dividends are not automatically committed to a specific program in any year for consideration
- Multi-tasking
Geoff Lupton, Director of Energy, Fleet and Facilities, provided a power point presentation with respect to the Office of Energy Initiatives (OEI) outlining the following:

- **Areas of Savings – what it means**
  - Cumulative Energy Savings/Avoided Costs – November 2006 to September, 2009

- **Examples**
  - Actual NG Prices/GJ vs AMO Prices, May 2006 to December, 2009
  - Actual Interval Meter Price over RPP Rates
  - Budget effects from OEI Initiatives

- **Where does the money go**
  - Savings of $2.159 million from Energy Conservation go toward payback of capital funding source, rate, levy, housing
  - Savings of $2.58 million from Recovered Costs go toward Energy Reserve, Projects and in some cases, back to current fiscal year operating budgets.

- **Savings relative to Budgets and Total Savings**

Committee members expressed their sentiment that the benefits and achievements of the OEI should be better publicized.

(Powers/Ferguson)
That the 2010 budget overview presentation, be received.  CARRIED

6. **DISCUSSION ITEMS**

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

(Powers/Collins)
(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)
That the following be added as sub-sections (d) and (e):

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

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

Amendment CARRIED
Motion as amended CARRIED

NOTE: The above-noted amendment was put forward at the January 25, 2010 Public Works Committee budget meeting. Subsequently, the motion, as amended, was deferred for further deliberation.

(Powers/Ferguson)
That the recommendations respecting the “2010 Tax Supported Operating Budget – Public Works”, tabled by the Committee on November 30, 2009, be lifted from the table.

CARRIED

6.2 2010 Tax Supported Operating Budget – Public Works (FCS09120(h)) (City Wide)

(Ferguson/Powers)
(a) That the 2010 net operating levy for Public Works be approved, as amended, at $174,552,231, which meets the 2% budget guideline.

CARRIED

(Powers/Jackson)
(b) That the following Council-referred items, which have no impact on the net operating levy, be approved:

(i) Sports Field Line Painting (Impacts of Cosmetic Pesticides Act)
(ii) Diversion Options – Enhanced By-law Enforcement

CARRIED

(Ferguson/Powers)
(c) That the following Council-referred items be referred to the Committee of the Whole for consideration:

(i) Street Tree Trimming (Phase 4 of 10)
(ii) Parks and Cemeteries – Operating Impacts from Capital
(iii) Roads – Operating Impacts from Capital
(iv) Forestry and Horticulture – Operating Impacts from Capital
(v) Traffic – Operating Impacts from Capital

CARRIED
6. GENERAL INFORMATION/OTHER BUSINESS

6.1 Inquiries from the November 30, 2009 Public Works Committee Budget Presentation – Response to Item A – Budgets over 2%; and Item B – Winter Maintenance Control n Task List

(Powers/Ferguson)

(a) That the General Manager’s response to Items A and B on the Budget Task List be received and removed;

(b) That Item E on the Budget Task List be deemed complete and removed.

CARRIED

There being no further business, the Committee adjourned at 12:45 p.m.

Respectfully submitted

Councillor S. Merulla, Chair
Public Works Committee

Carolyn Biggs
Legislative Assistant
February 1, 2010