City of Hamilton
GENERAL ISSUES COMMITTEE

Meeting #: 19-002(d)
Date: January 29, 2019
Time: 9:30 a.m.
Location: Council Chambers, Hamilton City Hall
71 Main Street West

Stephanie Paparella, Legislative Coordinator (905) 546-2424 ext. 3993

1. APPROVAL OF AGENDA
2. DECLARATIONS OF INTEREST
3. APPROVAL OF MINUTES OF PREVIOUS MEETING
4. COMMUNICATIONS
5. CONSENT ITEMS
6. STAFF PRESENTATIONS
   6.1 Public Works Department 2019 Operating Budget
7. DISCUSSION ITEMS
8. MOTIONS
9. NOTICES OF MOTION
10. ADJOURNMENT
PUBLIC WORKS
2019 OPERATING BUDGET

General Issues Committee
January 29, 2019
Public Works contributes towards the City of Hamilton’s vision to be the best place to raise a child and age successfully.

The Public Works Department supports the City’s vision by providing high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner. The department brings the City’s vision and mission to life through its core services including corporate facility management, infrastructure rehabilitation, roads operations, parks and green space maintenance, transit, and waste management which are essential to the lives of residents and visitors to the City.

Public Works provides services that are central to the lives of Hamiltonians.
### Cemeteries
- Active Cemetery Management
- Dormant Cemetery Management
- Active Cemeteries Support Services

### Facilities Management
- Accommodations
- Capital Planning and Project Management
- Golf Courses
- Facilities Operations and Maintenance
- Energy Engineering Services
- Facilities Planning and Business Support
- Stadium Operations

### Forestry
- Tree Maintenance
- Tree Planting
- Tree Maintenance and Planting Support Services

### Corporate Security

### Energy Initiatives
- Energy Engineering Services
- Utilities

### Energy Initiatives
- Energy Engineering Services
- Utilities

### Engineering Services
- Asset Management
- Construction Services
- Corridor Services
- Design Services
- Survey and Technical Services
- Waterfront Development Initiative

### Fleet Services Management
- Capital Planning and Contract Management
- Fleet Maintenance
- Materials, Fuel and Systems Management
- Regulatory Compliance and Driver Training

### Horticultural Programs
- Beautification
- Beautification Support Services

### Parks and Open Space Access
- Parks Maintenance
- Planning, Design, Development and Acquisition
- Natural Open Spaces
- Parks and Natural Open Space Support Services
### Public Transportation
- Conventional Public Transit
- Rapid Transit
- Specialized Public Transit

### Solid Waste Management
- Cleanliness Services
- Organic Waste Collection
- Leaf and Yard Waste Collection Services
- Recycling Collection
- Bulk Waste Collection Services
- Garbage Collection
- Community Recycling Centres & Waste Transfer Facilities
- Organic Waste Processing
- Recycling Processing
- Landfill Operation
- Closed Landfill Monitoring
- Solid Waste Support Services

### Storm Water Management
- Infrastructure Maintenance
- Storm Water Collection
- Storm Water Support Services
- Storm Water Treatment

### Roadway Access
- Right of Way Infrastructure Maintenance Support Services
- Right of Way Infrastructure Repairs and Maintenance

### Transportation Services
- Traffic Engineering and Road Safety
- Traffic Signals, Traffic Signs and Traffic Pavement Markings

### Water Supply and Distribution
- Water Distribution
- Water Supply
- Water Support Services

### Wastewater Collection and Treatment
- Wastewater Collection
- Wastewater Support Services
- Wastewater Treatment
BUDGET SCHEDULE: HAMILTON WATER & TRANSIT

Water – Rate Budget
December 6, 2018

Transit Day
January 25, 2019

Public Works
January 29, 2019
- Energy, Fleet & Facilities
- Engineering Services
- Environmental Services
- Roads & Traffic
2018 HIGHLIGHTS
Public Works
OUR PRIORITIES

COMMUNITY ENGAGEMENT & PARTICIPATION
Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

ECONOMIC PROSPERITY & GROWTH
Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

HEALTHY & SAFE COMMUNITIES
Hamilton is a safe and supportive city where people are active, healthy, and have a high quality of life.

CLEAN & GREEN
Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

BUILT ENVIRONMENT & INFRASTRUCTURE
Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

CULTURE & DIVERSITY
Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

OUR PEOPLE & PERFORMANCE
Hamiltonians have a high level of trust and confidence in their City government.
Clean & Green
2018 Highlights
CLEAN & GREEN HIGHLIGHTS

16,834
High pressure sodium lights converted to LED

11,731
Trees planted under the City-Wide Tree Planting Program

18
Water bottle filling stations installed at City facilities

2%
Reduction in energy consumption since 2017

8
New solar devices for pedestrian signals and school zone flashers installed

34.3%
Waste Diversion achieved

146,500
Landfill Tonnes

250,000
Plants Grown

Beautified

313
Floral traffic islands

73
Roundabouts

120
Perennial medians

79
Civic buildings

794
Hanging baskets

Diverted 44,500 tonnes of blue box materials

Diverted 13,900 tonnes of Green Bin materials

Diverted 18,100 tonnes of Leaf and Yard Waste
CLEAN & GREEN HIGHLIGHTS

- Gypsy Moth Control Program (Year 1)
- Constructed 20 hectares of new parkland
- Planning to develop a natural/green burial section at Mount Hamilton Cemetery
- Proactive enforcement of By-laws (e.g. Graffiti, Waste)
- Renewable Natural Gas Supply Agreement (BPU) (>300K annual net revenue)
- Installed storm-water management facility at Gage Park
Road Right-of-Way Infrastructure

38 Projects
Worth $81 Million

Road Repairs

Additional $20 Million for damage repair

$12 Million spent to date

Infrastructure Rehabilitation

17 km Sewers
5.4 km Water mains
15.7 km Road Reconstruction

255.9 km Paving
• From 2015 to 2018, the City invested $7.61M Net ($12.95M Gross) in LED conversions.
  • 2018 - Operating budget was reduced $750K
  • 2019 - Operating budget will be reduced another $600K
  • After investment the payback for these projects is 5.6 years conservatively.
• Major Road Reconstruction Projects:
  o Dartnall & Rymal
  o Wilson St (Ancaster)
  o Upper Sherman
  o Rymal (Garth to West 5th)
• Waterfront Development: 8 projects valued at $47M
• Glanbrook Landfill - completed Stage 3 construction (approx. 25 years remaining)
• Initiated Central Park Site Remediation & Redevelopment (value $5M)
• Shoreline mitigation work at Confederation Beach Trail & Waterfront Trail
• William Connell Park construction in progress
• Woodward upgrades in progress
• Continued Biosolids P3 project (completion in 2020)
Major facilities projects undertaken in 2018:
- Provincial Offences Administration Offices
- Bernie Morelli Recreation Centre & Serafini Splash Pad
- Gage Park Tropical Greenhouse
- Grightmire Recreation Centre (ongoing)
- Capital Lifecycle Renewal Report (Strategic Renewal of Facilities)
- Development of Master Office Space Management Plan
Rymal & Garth Reconstruction

Dartnall & Rymal Reconstruction

Governor’s Road Reconstruction

Sherman Access Remediation

James Street Reconstruction

Centennial Sewer Trunk

PUBLIC WORKS
2019 Operating Budget Presentation
**CAPITAL DELIVERY**

- Burlington Street Resurfacing
- Main Street West Resurfacing
- Mohawk Road Resurfacing
- Upper Sherman Resurfacing
- James St S Resurfacing
- Hunter St Resurfacing
Provincial Offences Administration

Glanbrook Hills Park

Heritage Green Park

William Connell Park

Maplewood Park

Beasley Skate Park
CAPITAL DELIVERY

BEFORE: Grightmire Arena
BEFORE: POA Building
BEFORE: Bernie Morelli Recreation Centre

PROGRESS: Grightmire Arena
AFTER: POA Building
AFTER: Bernie Morelli Recreation Centre
HEALTHY & SAFE COMMUNITIES HIGHLIGHTS

Traffic monitoring cameras installed through the Advanced Traffic Management System: 75

Locations with new traffic calming measures: 25

Year 6 of the Emerald Ash Borer Management Program complete: 24

Trees removed: 3000

Injected trees: 125

Intersections connected to the advanced traffic management system: 250

With wireless connectivity: 150

3rd Year of the Strategic Road Safety Program: 3

PUBLIC WORKS
2019 Operating Budget Presentation
• Development of the Corporate Security Office
• Hamilton Water Corrosion Control implemented
• Launched Traffic Safety campaign
• Installed 6 new & 4 replacement play structures in City parks
• Our People Survey – Phase 3 development of action plans (e.g. improved communications at PW Yards)
• Develop leaders through the Cutting Edge of Leadership program and Green Belt training
• City Housing Hamilton partnership for capital project delivery (est. $100M)
• Business Acumen/Change Management response to loss of corporate knowledge with staff departure (i.e. retirement, job change)
  • Sectional Annual Review Process
  • SWOT analyses
  • Divisional SPM role
  • Divisional Leadership programs
• Departmental Strategic Planning
  • Development of foundational strategic framework
  • DLT mandate
  • SWOT
  • Divisional “moon shots” and top priority sharing
• Quality Management
• Workforce Planning
• Common objectives for 2019-2022
• Balanced Scorecard
Community Engagement & Participation
2018 Highlights
• New City Hall high definition audio visual system
• Implementation of Plow Tracker App
• 11th annual Children’s Water Festival & World Toilet Day (1st event)
• Indigenous Engagement – Staff Circle & Smudging Ceremonies
• >21,000 registered participants for 164 registered Team Up to Clean Up events
OPEN FOR BUSINESS:
- Planning initiated in 2018 for major Telco upgrade to start in 2019
- ROW Access Report (FCM)

HAMILTON YOUTH IN CONSTRUCTION

SOCIAL PROCUREMENT
- Policy development
- Pilot projects

CANADIAN PREMIER SOCCER LEAGUE AT TIM HORTON’S FIELD

NEW REVENUES: FEDERAL TAX COURT TENANT IN HALL OF FAME
Continuous Improvement

2018 Highlights

PUBLIC WORKS

2019 Operating Budget Presentation
<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ideas Generated</td>
<td>90+</td>
</tr>
<tr>
<td>Projects Started</td>
<td>87</td>
</tr>
<tr>
<td>Projects Completed</td>
<td>54</td>
</tr>
<tr>
<td>Kaizen Events</td>
<td>13</td>
</tr>
<tr>
<td>Recovered Capacity</td>
<td>$1,417k</td>
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<tr>
<td>Cost Reduction</td>
<td>$912k</td>
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<tr>
<td>Cross-Dep. / Cross Div.</td>
<td>10</td>
</tr>
<tr>
<td>Collaboration</td>
<td>500+</td>
</tr>
<tr>
<td>Staff Involvement</td>
<td>8</td>
</tr>
<tr>
<td>Green Belts Trained</td>
<td>28</td>
</tr>
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</table>
METRICS
Public Works
ASSET METRICS

Facilities Management
- Manage $2.1 Billion in Assets
- 1,165 km Sanitary Sewer
- 1,175 km Storm Sewer
- 575 km Combined Sewer

Corridor Services
- Manage 45,385 Street Lights
- 2,075 km of watermains
- 150 intersections wirelessly connected to ATMS
- 70 Municipal Cemeteries
- Manage and maintain 2,445 km of sidewalks

Solid Waste Management Operate:
- 1 Open Landfill
- 12 Closed Landfills
- 1 Material Recycling Facility
- 1 Central Composting Facility
- 1 Yard Waste Composting Pad

Road Maintenance
- Manage 2,964 centerlane km of Roads
- 389 Bridges and Structures

Parks and Open Spaces
- 28 Playgrounds
- 65 Spray pads
- 521 Park Locations

Fleet Services
- Manage and Maintain 1,350 units

PUBLIC WORKS
2019 Operating Budget Presentation
Performance Metrics

215,000 km of roadway patrolled for deficiencies

165 sewer mainlines & 2000 laterals inspected

440,000 cu m of tree diameter maintained

5,649 MWh Electricity produced

1250 Internments at Hamilton Cemeteries

Solid Waste Management
Manage 223,000 tonnes of Waste
Over 27 Million Waste Pickups per year

Winter Operations
Maintain 6,478 Lane km of Road

Natural Open Space & Parkland
Manage 24,082 hectares
SERVICE REQUESTS & WORK ORDERS

2013: Service Requests - 140,246, Work Orders - 122,085
2014: Service Requests - 152,171, Work Orders - 134,306
2015: Service Requests - 143,713, Work Orders - 143,713
2016: Service Requests - 130,805, Work Orders - 218,104
2017: Service Requests - 126,465, Work Orders - 210,050
Public Works Balanced Scorecard

- Measures key objectives in four sections: Customer, Financial, Process and People
- In 2018, ~125 scorecards were identified and established for Superintendent and SPM levels
- ~800 metrics are being tracked and categorized based on our Corporate Priorities and organizational requirements
- The data collection has been optimized through the implementation of a web-based integrated tool allowing staff to enter metric/KPI data in a consistent and effective manner
## METRICS – KEY PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>Objective</th>
<th>Metric</th>
<th>Target</th>
<th>YTD</th>
<th>Health</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transit – Cancelled Service</td>
<td>Hours of Cancelled Service</td>
<td>5,740</td>
<td>2,978</td>
<td></td>
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<tr>
<td></td>
<td>% of Total Service</td>
<td>0.66%</td>
<td>0.34%</td>
<td></td>
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<tr>
<td>Development Applications</td>
<td>Response by PED due date</td>
<td>80%</td>
<td>84%</td>
<td></td>
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<tr>
<td>Capital Program – Tendering</td>
<td>% capital tendered by year end</td>
<td>95%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Objective</td>
<td>Metric</td>
<td>Target</td>
<td>YTD</td>
<td>Health</td>
</tr>
<tr>
<td>---------------------------</td>
<td>---------------------------------------------</td>
<td>--------</td>
<td>-----</td>
<td>--------</td>
</tr>
<tr>
<td>Roads – Pothole Repair</td>
<td>% Compliance to MMS</td>
<td>100%</td>
<td>97%</td>
<td></td>
</tr>
<tr>
<td>Water – Emergency Response</td>
<td>Water main/water service repair within 2 days</td>
<td>100%</td>
<td>93%</td>
<td></td>
</tr>
<tr>
<td>Cemeteries</td>
<td>Increase pre-need sales by 10%</td>
<td>$1.2M</td>
<td>$1.1M</td>
<td></td>
</tr>
<tr>
<td>Energy Intensity Comparison</td>
<td>% change total energy 2018 vs 2017 (ekWh/Sq.ft)</td>
<td>-1.8%</td>
<td>1.6%</td>
<td></td>
</tr>
</tbody>
</table>
Capitál Program Development
Making investments in assets at the most opportune time while managing tariffs, competitive market, and skilled trade shortages.

Legislation
Changes to federal and provincial legislation have an associated impact on how the City delivers its services, i.e. Construction Lien Act, Waste-Free Ontario Act, Bill 6 – Infrastructure for Jobs & Prosperity Act (i.e. impact on personal emergency leave)
Climate Change
Extreme weather events impacting operations, activities, and budget.

Technology
Innovation must leverage technological change in order to make strides in delivering projects and services.

Workforce Management
Contract negotiations, retirements, succession planning, recruitment, overtime, and absenteeism.
Energy & Fuel Markets
Hydro and fuel costs remain volatile and are impacted by factors such as global markets, supply and demand. Energy projects can lead to future savings.

Lease Contracts & Accommodations
Master Accommodation Plan to consider expiring leases for office accommodations between 2019 to 2021
MAJOR INITIATIVES 2019

• Update City’s Energy Policy and continuing to meet corporate intensity reduction targets

• Facility construction projects:
  • Police Forensics
  • City Housing Hamilton Project (500 MacNab St.)
  • Woodward Upgrades – Tertiary treatment

• Support for accommodation requirements for office leases, new developments, and yard rationalization

• Refine and implement corporate security plans for the City’s infrastructure
MAJOR INITIATIVES 2019

- Major Rehabilitation Projects include:
  - Locke Street - $7.5M
  - RHVP resurfacing – $15.5M
  - Birch Avenue – Wilson to Barton Two Way
  - Cannon Street – Road and cycle track upgrades
  - 6 Bridge structures
- Escarpment studies – City & McMaster University partnership for geological study
MAJOR INITIATIVES 2019

- Year 7 of the 10-Year Emerald Ash Borer Management Plan
- Year 2 of the 2-Year Gypsy Moth Control Program (500 hectares)
- Successful negotiation through the collective bargaining process with CUPE 5167, CUPE 1041 and ATU to avoid potential impacts to citizen facing services
- Continuation of the Our People Survey culture initiative and leadership / succession planning
- Project management standardization for Public Works in collaboration with corporate project management initiatives
- Year 4 of 10-Year Transit Strategy
Enterprise Asset Management System

- 12+ software systems being used in Public Works cost $1.06M annually
- Challenges with unaligned data and systems resulting in:
  - Inefficiencies & substantial rework
  - Risks due to lack of integration
  - Higher costs
- Adopting one system would offer:
  - Data integrity & transparency
  - Standardized processes and reporting
  - Improved cost and maintenance structure
  - Alignment with legislation, asset management best practice and IT strategy
- Significant opportunity for continuous improvement and improved service delivery to residents
Quality Management System

Continuing to introduce:
• Document control
• Process management
• Performance measurement
• Standard operating procedures
• Audits
• Emergency preparedness
• Risk management
• Continuous improvement

Will allow us to:
• Meet regulatory requirements
• Instill Trust & Confidence
• Drive ownership
• Promote agreement
• Validate processes
• Transform the way we do things
• Sustain success at all levels
Roads Capital Program Delivery

• 2019 Roads Capital program investment increased to $51.7M million (gross), $5.7M higher than 5 year average investment.

• Revised Roads budget achieves re-investment rate of 1.1%; however, it is below the recommended 2%-3% target.

• LiDAR (Light Detection and Ranging) Scanning Technology will assist with asset management strategy.

• 2019 Road Condition project is planned to determine current Overall Condition Index (OCI) and Level of Service (LOS).
OCI RESULTS

PUBLIC WORKS 2019 Operating Budget Presentation

OCI 0% to 30% (Reconstruction) - Chapple St.

OCI 30% to 45% (Major Rehabilitation) - West 3rd St

OCI 45% to 60% (Minor Rehabilitation) - Fruitland Road

OCI 60% to 100% (Good Condition) - Blossom Lane
Facilities Capital Program Delivery

• Current capital funding does not support sustainable facility condition for municipal buildings:
  • Canadian Infrastructure Report Card recommended target of 1.7% to 2.5% of the replacement value of buildings
  • City’s block funds rate of 0.47% of total replacement value

• Examples of buildings requiring rehabilitation:
  • Fire Station 13 (mechanics garage)
  • Eastwood Arena
  • Valley Park Recreation Centre
  • Brewster Pool
  • Greensville Hall
  • Forestry Quonset (in need of replacement)
FACILITY CONDITION INDEX (FCI) RATINGS

FCI >30% (Critical condition)

- Fire Station 13 (HVAC)  FCI = 33%

FCI 10% to 30% (Poor condition)

- Brewster Pool (mechanical) FCI = 22%
- Greensville Hall  FCI = 14%
- Hamilton Convention Centre  FCI = 12%
### Our Citizen Survey 2018 Report

Public Works services that were most often rated as “poor” include:
- Roads and Sidewalks (38%)
- Snow plow and Salting (21%)
- Traffic Flow, Roadway Safety (19%)
- Hamilton Street Railway (HSR) Buses 17%

<table>
<thead>
<tr>
<th>Service</th>
<th>Poor</th>
<th>Fair</th>
<th>Good/Very Good</th>
<th>Excellent</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Permits</td>
<td>15%</td>
<td>17%</td>
<td>38%</td>
<td>11%</td>
<td>n=288</td>
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<tr>
<td>Bylaw Enforcement</td>
<td>15%</td>
<td>17%</td>
<td>38%</td>
<td>11%</td>
<td>n=488</td>
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<tr>
<td>HSR Buses</td>
<td>17%</td>
<td>19%</td>
<td>38%</td>
<td>11%</td>
<td>n=384</td>
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<tr>
<td>Traffic Flow, Roadway Safety</td>
<td>19%</td>
<td>21%</td>
<td>38%</td>
<td>11%</td>
<td>n=544</td>
</tr>
<tr>
<td>Snow Plowing, Salting</td>
<td>21%</td>
<td>38%</td>
<td>38%</td>
<td>11%</td>
<td>n=548</td>
</tr>
<tr>
<td>Roads, Sidewalks</td>
<td>38%</td>
<td>38%</td>
<td>38%</td>
<td>11%</td>
<td>n=548</td>
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</tbody>
</table>

- % Don't Know (n=550)
Growth
Operating impacts from growth related activities are not readily identified or captured in real time. Budgetary constraints make it a challenge to accommodate these growth impacts.

Legislation
Continue responding to changing provincial and federal legislation. (i.e. Waste Free Ontario Act, Construction Lien Act, Bill 6 – Infrastructure for Jobs and Prosperity Act; Bill 47 which repeals Bill 148 Fair Workplaces Act)

Capital Program Delivery
Capital rehabilitation program delays leads to increased maintenance and operating costs
Urgent Request/Emergency Response
Public Works is highly reactive to urgent requests and emergencies, but this reduces capacity to manage planned activities.

Extreme Weather & Climate Change
Temperature fluctuations, increased rainfall and potential for flooding impact operations and increase activities, which can result in an unexpected budget deficit.
Energy & Fuel Markets
Electricity, diesel, gasoline and natural gas energy markets remain volatile and are impacted by factors such as global market influences, and supply and demand.

Workforce Management
Creating a healthy, engaged and supportive workplace will enable the department to attract and retain knowledgeable staff, while at the same time react to the exit of long standing and knowledgeable employees.

Contract Renewals
Possible budget pressures due to contract renewals in Winter Control and Solid Waste Management in 2020.
LEGISLATION CHANGES 2020 - 2022

Bill 66 - Restoring Ontario’s Competitiveness Act, 2018

- Bill 66, if passed, will amend several pieces of legislation (e.g. Employment Standards Act (2000), Labour Relations Act (LRA) (1995), Planning Act, Ontario Energy Board Act (1998), Long-Term Care Homes Act (2007))
- Municipal impacts related to employee work hours, construction projects, and potential changes to “open for business” zoning bylaws
- Bill 66 would amend the LRA to deem municipalities, school boards, hospitals, colleges/universities and public bodies to be non-construction employers.

Bill 47 – Making Ontario Open for Business Act, 2018

- Bill 47 repeals Bill 148, which impacts Minimum Wage standards, work scheduling, personal emergency leave
MAJOR INITIATIVES 2020 to 2022

• Develop, issue, evaluate and award Request for Proposals for the delivery of waste collection services and winter operation services.

• Explore other technology applications to address the need for more cost effective road rehabilitation strategies.

• Implementation of the strategic road safety strategy that focuses on Vision Zero and the Complete Livable Better Streets principles.
MAJOR INITIATIVES 2020 to 2022

• Prepare compliance with Infrastructure for Jobs and Prosperity Act (Bill 6) – asset management
• Public Works, through Engineering Services, is providing direction and technical support for the LRT project for all non-guideway related infrastructure
• Continue with the implementation of the 10 Year Transit Strategy with a focus on modal split and growth
Prioritization of funding needs for rehabilitation and reconstruction of infrastructures within the roadway corridor.

Continued support for City projects related to the Hamilton Harbour Remedial Action Plan targets and Waterfront Development.

Parks Waterfront Trail redevelopment, shoreline protection and erosion control.

Infrastructure rehabilitation to improve resiliency for climate change and extreme storm events.
• Continue the implementation of methodologies for sectional and divisional reporting as well as visualizing performance in a Departmental dashboard
• Engage with management staff to ensure that each metric owner has the authority and support to effect change and minimize impact
• Provide insight to staff and enable better decision management through monitoring actual performance against expected targets
2019 PRELIMINARY TAX OPERATING BUDGET

Public Works Department
2019 Gross Capital & Operating Budgets
$1.037 billion

- Rate Operating: $222.3M (FCS18087/Dec. 6)
- Rate Capital: $273.1M (FCS18087/Dec. 6)
- Gross Tax Operating: $364.4M
- Tax Capital: $177.5M (FCS18097/Dec. 7)
GROSS TAX OPERATING BUDGET

Gross Expenditures
$364.4 million

- TAX LEVY $241.8M
- REVENUE $122.6M
NATURAL GAS AND DIESEL TRENDING – VEHICLE


*2018 Forecast as of Dec/19/18

Diesel Natural Gas
General Manager
Dan McKinnon

Administration

Strategy, Continuous Improvement & Quality

Energy, Fleet & Facilities
Rom D'Angelo
(197.83 FTE)

Engineering Services
Gord McGuire
(124.33 FTE)

Environmental Services
Craig Murdoch
(496.60 FTE)

Hamilton Water*
Andrew Grice
(300.65 FTE)

Roads & Traffic
Edward Soldo
(400.66 FTE)

Transit
Debbie Dalle Vedove
(761.21 FTE)

<table>
<thead>
<tr>
<th>Complement (FTE)</th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
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<tbody>
<tr>
<td>2018</td>
<td>36.0</td>
<td>1921.63</td>
<td>1,957.63</td>
<td>53.38:1</td>
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<tr>
<td>2019</td>
<td>34.0</td>
<td>1953.63</td>
<td>1,987.63</td>
<td>57.46:1</td>
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<tr>
<td>Change</td>
<td>(2.0)</td>
<td>32.0</td>
<td>30.0</td>
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* Complement Excludes Hamilton Water
### 2019 BUDGET DRIVERS

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
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<tbody>
<tr>
<td>DARTS Contractual/Ridership</td>
<td>$4,284</td>
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<tr>
<td>Transit Strategy</td>
<td>$1,784</td>
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<td>Employee Related Costs</td>
<td>$3,146</td>
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<tr>
<td>Central Fleet Charges</td>
<td>$999</td>
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<tr>
<td>PRESTO Operating Agreement</td>
<td>$642</td>
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<tr>
<td>Transit Fleet Reserve</td>
<td>$616</td>
</tr>
<tr>
<td>In-year approval – Environmental Services</td>
<td>$211</td>
</tr>
<tr>
<td>Reduced Energy Costs for Streetlighting</td>
<td>($600)</td>
</tr>
<tr>
<td>Right Sizing Budget</td>
<td>($1,508)</td>
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</table>

Note:
- Recycling revenues has a $2.4 M pressure as a result of a world-wide collapse of mixed fiber commodities. This risk has been mitigated in 2019 by a budgeted transfer from reserve.
## HISTORICAL BUDGET INCREASES

### 2019 Operating Budget Presentation

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th></th>
<th>2018</th>
<th></th>
<th>2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ Change</td>
<td>% Change</td>
<td>$ Change</td>
<td>% Change</td>
<td>$ Change</td>
<td>% Change</td>
</tr>
<tr>
<td>from 2016</td>
<td>from 2016</td>
<td></td>
<td>from 2017</td>
<td></td>
<td>from 2018</td>
<td></td>
</tr>
<tr>
<td>Total Council</td>
<td>2.2%</td>
<td></td>
<td>3.8%</td>
<td></td>
<td>4.6%</td>
<td></td>
</tr>
<tr>
<td>Approved</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Key Drivers:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Year Strategy</td>
<td>361,000</td>
<td>0.2%</td>
<td>2,188,000</td>
<td>1.0%</td>
<td>1,784,000</td>
<td>0.8%</td>
</tr>
<tr>
<td>(Net)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRESTO</td>
<td>-</td>
<td></td>
<td>356,000</td>
<td>0.2%</td>
<td>642,000</td>
<td>0.3%</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agreement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transit Fleet</td>
<td>577,000</td>
<td>0.3%</td>
<td>-</td>
<td></td>
<td>616,000</td>
<td>0.3%</td>
</tr>
<tr>
<td>Reserve</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DARTS Contractual</td>
<td>-</td>
<td></td>
<td>1,680,000</td>
<td>0.8%</td>
<td>4,284,000</td>
<td>1.9%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excludes Key</td>
<td>1,593,000</td>
<td>0.7%</td>
<td>-</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Drivers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guideline</td>
<td>2.0%</td>
<td></td>
<td>1.5%</td>
<td></td>
<td>1.5%</td>
<td></td>
</tr>
</tbody>
</table>
## 2019 OPERATING BUDGET BY DIVISION

### Public Works - Tax

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PW-General Administration</td>
<td>1,010,640</td>
<td>715,220</td>
<td>715,220</td>
<td>(295,420) (29.2%)</td>
</tr>
<tr>
<td>Energy Fleet and Facilities</td>
<td>9,009,020</td>
<td>22,396,020</td>
<td>9,141,470</td>
<td>132,450 1.5%</td>
</tr>
<tr>
<td>Engineering Services</td>
<td>6,314,690</td>
<td>25,617,020</td>
<td>5,727,050</td>
<td>(587,640) (9.3%)</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>76,130,670</td>
<td>98,427,100</td>
<td>77,462,550</td>
<td>1,331,880 1.7%</td>
</tr>
<tr>
<td>Roads &amp; Traffic</td>
<td>73,055,070</td>
<td>85,835,910</td>
<td>73,785,620</td>
<td>730,550 1.0%</td>
</tr>
<tr>
<td>Transit</td>
<td>65,701,190</td>
<td>131,440,960</td>
<td>74,948,270</td>
<td>9,247,080 14.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>231,221,280</td>
<td>364,432,230</td>
<td>241,780,180</td>
<td>10,558,900 4.6%</td>
</tr>
</tbody>
</table>

### Transit - Key Drivers

- DARTS Contractual: 4,284,000
- Annual 10 Year Strategy (Net): 1,784,000
- PRESTO Maint. Agreement: 642,000
- Transit Fleet Reserve: 616,120
- **Public Works - Tax excluding Key Transit Drivers**: 3,232,780 1.4%
### Multi-Year Outlook

<table>
<thead>
<tr>
<th>Preliminary</th>
<th>Multi-Year Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
</tr>
<tr>
<td>Budget $</td>
<td>235,070,180</td>
</tr>
</tbody>
</table>

**Public Works - (Excludes Transit Key Drivers)**

- Transit Key Drivers:
  - DARTS Contractual Increase: 4,284,000
  - Annual 10 Year Strategy (Net): 1,784,000
  - PRESTO Maintenance Agreement: 642,000
  - Transit Fleet Reserve: 616,120

**Total Public Works - Tax**

- 242,396,300
- 255,350,560
- 267,702,100
- 280,121,220

---

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ENERGY, FLEET & FACILITIES MANAGEMENT

Director
Rom D'Angelo

Central Fleet (57.00 FTE)
Energy Initiatives (6.00 FTE)
Facility Planning & Business Support (15.66 FTE)
Facilities Operations & Maintenance (Corporate) (29.30 FTE)
Facilities Operations & Maintenance (Community) (22.70 FTE)
Sports & Entertainment Facilities (43.32 FTE)
Strategic Planning, Capital & Compliance (20.30 FTE)

Administration (1.55 FTE)
SPM Quality Management (1 FTE)

Complement (FTE) | Management | Other | Total | Staff to Mgt Ratio
--- | --- | --- | --- | ---
2018 | 8 | 189.83 | 197.83 | 23.7:1
2019 | 8 | 189.83 | 197.83 | 23.7:1
Change | 0 | 0 | 0 | 0
## Energy Fleet and Facilities

<table>
<thead>
<tr>
<th></th>
<th>2018 Restated Net</th>
<th>2019 Preliminary Gross</th>
<th>2019 Preliminary Net</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Facility Ops &amp; Tech</td>
<td>1,255,880</td>
<td>4,216,160</td>
<td>1,290,310</td>
<td>34,430</td>
<td>2.7%</td>
</tr>
<tr>
<td>Central Fleet</td>
<td>386,010</td>
<td>2,167,790</td>
<td>500,430</td>
<td>114,420</td>
<td>29.6%</td>
</tr>
<tr>
<td>Community Facility Ops &amp; Tech Serv</td>
<td>3,191,050</td>
<td>3,205,180</td>
<td>3,205,180</td>
<td>14,130</td>
<td>0.4%</td>
</tr>
<tr>
<td>Director EFF</td>
<td>262,840</td>
<td>327,110</td>
<td>306,300</td>
<td>43,460</td>
<td>16.5%</td>
</tr>
<tr>
<td>Energy Initiatives</td>
<td>37,420</td>
<td>1,348,760</td>
<td>37,040</td>
<td>(380)</td>
<td>(1.0%)</td>
</tr>
<tr>
<td>Facilities Planning and Business Support</td>
<td>419,530</td>
<td>1,108,760</td>
<td>716,160</td>
<td>296,630</td>
<td>70.7%</td>
</tr>
<tr>
<td>Golf &amp; Stadium Ops</td>
<td>3,166,760</td>
<td>7,987,690</td>
<td>3,087,560</td>
<td>(79,200)</td>
<td>(2.5%)</td>
</tr>
<tr>
<td>Strategic Plan &amp; Capital Compliance</td>
<td>289,530</td>
<td>2,034,570</td>
<td>(1,510)</td>
<td>(291,040)</td>
<td>(100.5%)</td>
</tr>
<tr>
<td><strong>Total Energy Fleet and Facilities</strong></td>
<td><strong>9,009,020</strong></td>
<td><strong>22,396,020</strong></td>
<td><strong>9,141,470</strong></td>
<td><strong>132,450</strong></td>
<td><strong>1.5%</strong></td>
</tr>
</tbody>
</table>
## 2019 BUDGET DRIVERS – ENERGY, FLEET & FACILITIES

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chedoke Golf Course Revenue decrease:</td>
<td>$185</td>
</tr>
<tr>
<td>Food services revenue reduction</td>
<td></td>
</tr>
<tr>
<td>Fleet Revenue decrease:</td>
<td>$112</td>
</tr>
<tr>
<td>Darts fuel reduction</td>
<td></td>
</tr>
<tr>
<td>Tim Hortons Field Revenue:</td>
<td>($75)</td>
</tr>
<tr>
<td>• Movie Shoots</td>
<td></td>
</tr>
<tr>
<td>• Soccer</td>
<td>($50)</td>
</tr>
</tbody>
</table>
ENGINEERING SERVICES

<table>
<thead>
<tr>
<th>Complement (FTE)</th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>6</td>
<td>118.33</td>
<td>124.33</td>
<td>19.72:1</td>
</tr>
<tr>
<td>2019</td>
<td>6</td>
<td>118.33</td>
<td>124.33</td>
<td>19.72:1</td>
</tr>
<tr>
<td>Change</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
## Engineering Services

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Management</td>
<td>-</td>
<td>2,763,880</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Construction</td>
<td>-</td>
<td>4,607,810</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Design Services</td>
<td>-</td>
<td>2,935,810</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Director of Engineering Services</td>
<td>(10,190)</td>
<td>1,679,920</td>
<td>-</td>
<td>10,190</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Geomatics and Corridor Management</td>
<td>6,324,880</td>
<td>12,852,110</td>
<td>5,727,050</td>
<td>(597,830)</td>
<td>(9.5%)</td>
</tr>
<tr>
<td>Waterfront Development</td>
<td>-</td>
<td>777,490</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Engineering Services</strong></td>
<td>6,314,690</td>
<td>25,617,020</td>
<td>5,727,050</td>
<td>(587,640)</td>
<td>(9.3%)</td>
</tr>
</tbody>
</table>
## 2019 Budget Drivers – Engineering Services

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Costs</td>
<td>$369</td>
</tr>
<tr>
<td>Reduced Energy Costs for Streetlighting</td>
<td>($600)</td>
</tr>
<tr>
<td>Recoveries from Capital – increased recoveries to match costs associated with Capital projects</td>
<td>($360)</td>
</tr>
</tbody>
</table>
### Environment Services

**Director:** Craig Murdoch

**Administration** (1 FTE)

- **Forestry & Horticulture** (106.1 FTE)
- **Parks & Cemeteries** (252.68 FTE)
- **Landscape Architectural Services** (12.34 FTE)

**SPM Quality Management** (1 FTE)

- **Recycling & Waste Disposal** (16.00 FTE)
- **Waste Collections** (93.41 FTE)
- **Business Programs** (12.43 FTE)

### Staff Complement (FTE) Comparison

<table>
<thead>
<tr>
<th>Year</th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>7</td>
<td>489.60</td>
<td>496.60</td>
<td>69.94:1</td>
</tr>
<tr>
<td>2019</td>
<td>7</td>
<td>489.60</td>
<td>496.60</td>
<td>69.94:1</td>
</tr>
<tr>
<td>Change</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
## Environmental Services

### -2019 vs 2018 Net Change-

<table>
<thead>
<tr>
<th>Service</th>
<th>2018 Restated Net</th>
<th>2019 Preliminary Net</th>
<th>2019 Preliminary Net</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycling &amp; Waste Disposal</td>
<td>6,979,710</td>
<td>21,955,260</td>
<td>7,095,390</td>
<td>115,680</td>
<td>1.7%</td>
</tr>
<tr>
<td>Waste Collections</td>
<td>30,610,300</td>
<td>31,888,970</td>
<td>31,844,970</td>
<td>1,234,670</td>
<td>4.0%</td>
</tr>
<tr>
<td>Business Programs</td>
<td>1,706,670</td>
<td>1,689,930</td>
<td>1,576,760</td>
<td>(129,910)</td>
<td>(7.6%)</td>
</tr>
<tr>
<td>Director Environ Services</td>
<td>(701,070)</td>
<td>(701,070)</td>
<td>(701,070)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Forestry &amp; Horticulture</td>
<td>12,840,530</td>
<td>14,141,390</td>
<td>12,783,290</td>
<td>(57,240)</td>
<td>(0.4%)</td>
</tr>
<tr>
<td>Landscape &amp; Architectural Serv</td>
<td>5,000</td>
<td>1,928,060</td>
<td>-</td>
<td>(5,000)</td>
<td>(100.0%)</td>
</tr>
<tr>
<td>Parks &amp; Cemeteries</td>
<td>24,689,530</td>
<td>27,524,560</td>
<td>24,863,210</td>
<td>173,680</td>
<td>0.7%</td>
</tr>
<tr>
<td><strong>Total Environmental Services</strong></td>
<td><strong>76,130,670</strong></td>
<td><strong>98,427,100</strong></td>
<td><strong>77,462,550</strong></td>
<td><strong>1,331,880</strong></td>
<td><strong>1.7%</strong></td>
</tr>
</tbody>
</table>

|                | 2018 Restated Net | 2019 Preliminary Net | 2019 Preliminary Net | $  | %  |
| Excludes In Year Approval  |                |                      |                      |    |    |
|                                |                |                      |                      | 1,120,880 | 1.5% |
### 2019 BUDGET DRIVERS - ENVIRONMENTAL SERVICES

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Costs</td>
<td>$772</td>
</tr>
<tr>
<td>Central Fleet Charges</td>
<td>$473</td>
</tr>
<tr>
<td>In Year Approval</td>
<td>$211</td>
</tr>
</tbody>
</table>

**Right Sizing Budget - Various Operating Material & Supplies**
- Parks & Cemeteries: $(465)$
- Forestry & Horticulture: $(220)$

- Note: Recycling revenues has a $2.4 M pressure as a result of a world-wide collapse of mixed fiber commodities.
- This risk has been mitigated in 2019 by a budgeted transfer from reserve.
Recycling Program Impacts

- China National Sword policy has greatly impacted global recycling markets
- Higher contamination results in lower recycling revenues
- City is in litigation with the current MRF operator
- Future changes to Municipal Blue Box programs due to the Waste-Free Ontario Act
ROADS & TRAFFIC

Director
Edward Soldo

Administration (1 FTE)

SPM Quality Management (1 FTE)

Policy & Programs (6.00 FTE)
Capital Rehabilitation & Technical Operations (14.68 FTE)
Traffic Operations & Engineering (98.82 FTE)
Roads Maintenance (278.16 FTE)

<table>
<thead>
<tr>
<th>Complement (FTE)</th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>5</td>
<td>395.66</td>
<td>400.66</td>
<td>79.13:1</td>
</tr>
<tr>
<td>2019</td>
<td>5</td>
<td>395.66</td>
<td>400.66</td>
<td>79.13:1</td>
</tr>
<tr>
<td>Change</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
## Roads & Traffic

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019 Preliminary</th>
<th>2019 Preliminary</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Restated Net</td>
<td>Gross</td>
<td>Net</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads Maintenance</td>
<td>61,385,310</td>
<td>63,324,150</td>
<td>62,020,780</td>
<td>635,470</td>
<td>1.0%</td>
</tr>
<tr>
<td>Capital Rehab and Technical Ops</td>
<td>1,834,660</td>
<td>2,032,030</td>
<td>1,837,790</td>
<td>3,130</td>
<td>0.2%</td>
</tr>
<tr>
<td>Policy &amp; Programs</td>
<td>1,878,710</td>
<td>1,944,300</td>
<td>1,884,900</td>
<td>6,190</td>
<td>0.3%</td>
</tr>
<tr>
<td>Director - Roads &amp; Traffic</td>
<td>(619,790)</td>
<td>(619,790)</td>
<td>(619,790)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Traffic Operations &amp; Engineering</td>
<td>8,576,180</td>
<td>19,155,220</td>
<td>8,661,940</td>
<td>85,760</td>
<td>1.0%</td>
</tr>
<tr>
<td><strong>Total Roads &amp; Traffic</strong></td>
<td><strong>73,055,070</strong></td>
<td><strong>85,835,910</strong></td>
<td><strong>73,785,620</strong></td>
<td><strong>730,550</strong></td>
<td><strong>1.0%</strong></td>
</tr>
</tbody>
</table>
## 2019 BUDGET DRIVERS – ROADS & TRAFFIC

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Related Expenses</td>
<td>$774</td>
</tr>
<tr>
<td>Central Fleet Charges</td>
<td>$526</td>
</tr>
<tr>
<td>Right Sizing Budget - Summer Roads Maintenance Program</td>
<td>($468)</td>
</tr>
<tr>
<td>Right Sizing Budget - Winter Season Sweeper Rental, Storm Water Management Contracts</td>
<td>($308)</td>
</tr>
</tbody>
</table>
### 2019 Operating Budget Presentation

**Director**
- Debbie Dalle Vedove

#### Complement (FTE)

<table>
<thead>
<tr>
<th></th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transit Operations</strong> (572.30 FTE)</td>
<td>7.0</td>
<td>724.21</td>
<td>731.21</td>
<td>103.46:1</td>
</tr>
<tr>
<td><strong>Transit Fleet Maintenance</strong> (133.07 FTE)</td>
<td>7.0</td>
<td>754.21</td>
<td>761.21</td>
<td>107.74:1</td>
</tr>
<tr>
<td><strong>Customer Experience &amp; Innovation</strong> (22.34 FTE)</td>
<td>7.0</td>
<td>754.21</td>
<td>761.21</td>
<td>107.74:1</td>
</tr>
<tr>
<td><strong>Transit Support Services</strong> (15.00 FTE)</td>
<td>7.0</td>
<td>754.21</td>
<td>761.21</td>
<td>107.74:1</td>
</tr>
<tr>
<td><strong>Transit Planning &amp; Infrastructure</strong> (15.50 FTE)</td>
<td>7.0</td>
<td>754.21</td>
<td>761.21</td>
<td>107.74:1</td>
</tr>
</tbody>
</table>

**Change**

<table>
<thead>
<tr>
<th></th>
<th>Management</th>
<th>Other</th>
<th>Total</th>
<th>Staff to Mgt Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Change</strong></td>
<td>0.0</td>
<td>30.0</td>
<td>30.00</td>
<td></td>
</tr>
</tbody>
</table>
## 2019 OPERATING BUDGET – TRANSIT

### Transit

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Restated Net</th>
<th>2019 Preliminary Gross</th>
<th>2019 Preliminary Net</th>
<th>$</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Experience and Innovation</td>
<td>3,492,300</td>
<td>5,135,000</td>
<td>3,784,800</td>
<td>292,500</td>
<td>8.4%</td>
</tr>
<tr>
<td>Transit Planning and Infrastructure</td>
<td>19,128,300</td>
<td>24,822,840</td>
<td>23,474,440</td>
<td>4,346,140</td>
<td>22.7%</td>
</tr>
<tr>
<td>Support Services</td>
<td>2,361,200</td>
<td>2,442,120</td>
<td>2,441,120</td>
<td>79,920</td>
<td>3.4%</td>
</tr>
<tr>
<td>Director of Transit</td>
<td>147,030</td>
<td>120,010</td>
<td>120,010</td>
<td>(27,020)</td>
<td>(18.4%)</td>
</tr>
<tr>
<td>Financial Charges &amp; General Revenue</td>
<td>(34,024,790)</td>
<td>13,007,840</td>
<td>(33,671,350)</td>
<td>353,440</td>
<td>(1.0%)</td>
</tr>
<tr>
<td>Operations HSR</td>
<td>43,767,580</td>
<td>53,963,600</td>
<td>47,059,540</td>
<td>3,291,960</td>
<td>7.5%</td>
</tr>
<tr>
<td>Transit Fleet</td>
<td>30,829,570</td>
<td>31,949,550</td>
<td>31,739,710</td>
<td>910,140</td>
<td>3.0%</td>
</tr>
<tr>
<td><strong>Total Transit</strong></td>
<td>65,701,190</td>
<td>131,440,960</td>
<td>74,948,270</td>
<td>9,247,080</td>
<td>14.1%</td>
</tr>
</tbody>
</table>

### Exclude Key Drivers

- **DARTS Contractual**: 4,284,000
- **Annual 10 Year Strategy (Net)**: 1,784,000
- **PRESTO Maint. Agreement**: 642,000
- **Transit Fleet Reserve**: 616,120

**Total**: 1,920,960, **2.9%**
## 2019 BUDGET DRIVERS - TRANSIT

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost ($000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DARTS Contractual Increase</td>
<td>$4,284</td>
</tr>
<tr>
<td>Year 4 of 10 Year Strategy</td>
<td>$1,784</td>
</tr>
<tr>
<td>PRESTO Operating Agreement</td>
<td>$642</td>
</tr>
<tr>
<td>Employee Related Costs</td>
<td>$1,554</td>
</tr>
<tr>
<td>Fleet Reserve Contribution:</td>
<td></td>
</tr>
<tr>
<td>Year 7 of 8 loss of OBRP Funding</td>
<td>$616</td>
</tr>
</tbody>
</table>
Questions?
THANK YOU