

HAMILTON WATER
2024 RATE SUPPORTED STAFFING SUMMARY

Section	2023 RESTATED	2024 MAINTENANCE	2024 PROGRAM CHANGES	2024 REQUESTED	2024 REQUESTED vs. 2023 RESTATED
Divisional Administration & Support	12.00	12.00	0.00	12.00	0.00
Woodward Upgrades	13.00	13.00	0.00	13.00	0.00
Customer Service & Community Outreach	39.65	39.65	19.00	58.65	19.00
Compliance & Regulations	57.00	57.00	1.00	58.00	1.00
Water Distribution & Wastewater Collection	105.00	105.00	0.00	105.00	0.00
Plant Operations	57.00	57.00	0.00	57.00	0.00
Plant Maintenance	44.00	44.00	0.00	44.00	0.00
Capital Planning & Delivery	34.00	35.00	2.00	37.00	3.00
Watershed Management	7.00	6.00	2.00	8.00	1.00
Total RATE Supported Staff	368.65	368.65	24.00	392.65	24.00

Rate Budget - Business Case Summary

DEPARTMENT: Public Works

SERVICE / PROGRAM	DESCRIPTION OF PROGRAM ENHANCEMENT	2024 IMPACT			ANNUALIZED IMPACT
		\$ GROSS	\$ NET	FTE Impact	\$ NET
Compliance & Regulations	Technologist - Surface Water Quality Program Phase II to execute the augmented Surface Water Quality Program, an action stemming from the Chedoke Order.	\$ 109,943	\$ 73,295	1.00	\$ 109,943
Capital Planning & Delivery	Sr Project Manager - Hydraulic Modeling to increase capacity in water/wastewater system modelling to direct support Hamilton's growth and development approvals.	\$ 170,080	\$ 113,387	1.00	\$ 170,080
Capital Planning & Delivery	Project Manager - Storm Water Planning to complete Environmental Assessments from the Flooding and Drainage Improvement Framework, Master Plan to reduce wastewater discharges to the natural environment and evaluate neighbourhoods for new green infrastructure.	\$ 138,650	\$ 46,217	1.00	\$ 69,325
Watershed Management	Two Project Managers to implement projects, programs, policy development, and community outreach from the Term of Council Priority - City of Hamilton Watershed Action Plan.	\$ 277,300	\$ 231,084	2.00	\$ 277,300
Locates Office	An Internal Locates Office to reduce costs, increase compliance, and create efficiencies with utility locates.	\$ 2,051,676	\$ -	19.00	\$ (3,300,000)
Division Subtotal		\$ 2,747,650	\$ 463,983	24.00	\$ (2,673,351)
DEPARTMENT TOTAL		\$ 2,747,650	\$ 463,983	24.00	\$ (2,673,351)

CITY OF HAMILTON 2024 RATES OPERATING BUDGET BUSINESS CASE #1

BUSINESS CASE OVERVIEW	
Request Title	Surface Water Quality Technologist
Department	Public Works
Division	Hamilton Water
Request Driver	Council Directed Program - Surface Water Quality Program
Proposed Start Date	1-May-2024
Strategic Plan Priorities	Built Environment and Infrastructure

FINANCIAL IMPACT 2024 OPERATING BUDGET		\$'000
DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	\$73.3	\$109.9
Total Revenue	\$0.0	\$0.0
Net Levy	\$73.3	\$109.9
Full Time Equivalent (FTE)	1.00	1.00
	2024 Associated Capital Funding	Total Associated Capital Funding
Capital Budget Impact	\$0.0	\$0.0

BUSINESS CASE DETAILS

1. Reason for Request:

The Surface Water Quality Program (SWQP) Framework is a council directed program and creates a starting point for the City of Hamilton gaining a holistic understanding of surface water quality and the potential impacts various City assets may have on the natural environment. It highlights Hamilton's major receiving water bodies, wastewater collection and treatment systems, internal and external partner engagement and a three-phased approach of program implementation.

- Phase I built a monthly surface water monitoring plan, sampling 33 locations across the City.
- Phase II, planned to begin in 2024, focuses on assessing the initial sampling plan and making modifications as needed and expanding the coverage of the monitoring plan. This phase will take between 2-5 years.
- Phase III will focus on infrastructure investment needed to better protect the receiving waters, as well as prioritizing identified areas of interest/on-going water quality anomalies, or hot spots, for regular inspection and enforcement activities, as needed. The SWQP will build a baseline understanding of ambient surface water conditions over time, develop open communication and transparency with partners, and respond to and investigate water quality anomalies that may be due to infrastructure malfunctions and standard operating conditions. The SWQP also helps guide refinements of standard operating conditions and identify non-point source contaminants in Hamilton's Watersheds.

Specifically, this requested Water Quality Technologist position is instrumental to include watersheds not captured in Phase 1, synthesizing data, sampling the addition of ~46 sample locations, supporting technology for long term trending, integrating rainfall data, to draft water quality thresholds and identify 'hot spots' using statistical analysis. This position supports City efforts towards HHRAP goal of delisting the Harbour as an Area of Concern

2. Implications if Request not permitted:

Should this position not be supported, the Surface Water Quality Program will be prevented from moving to Phase II. The City may not be able to meet commitments intended by the partnerships with external partners such as Conservation Authorities, RBG and others. Not supporting this position reduces the City's ability to develop baseline understanding of watershed quality, limits the ability to define 'hot spots', and to support the identification of non-point source contaminants.

The City may be delayed in supporting technology for long term trending, and may miss opportunities that support efforts towards the delisting of Hamilton Harbour as an area of concern. Delaying moving the Surface Water Quality Program forward may risk anomalous water quality conditions going unnoticed internally, and could delay the response to infrastructure malfunctions and standard operating conditions. This may also pose a reputational risk for the City.

3. Alternatives (if any):

Do Nothing: least cost, but not recommended as this exposes the City to delays and risks as noted above.

Delay hiring: reduces immediate cost, not recommended as this option only delays the work and carries the risks forward an additional year

Support via Consultants: not recommended as this carries significant cost, exposes City to contract risks, reduces internal city oversight, limits interprogram synergy benefits

4. Performance Measures:

This position is instrumental in achieving the additional monitoring samples anticipated by the SWQP (~46 additional samples monthly)

Improving the availability and utility of internal and external partner surface water quality data, Improve BI dashboards.

Finalizing SWQP standard operating procedures,

Develop surface water tributary baselines and thresholds,

Develop a Hot Spot map that supports investigations and decision making,

Connect to Rain Guage data supporting Surface Water Quality investigations

COUNCIL PRIORITIES

Priority	Sustainable Economic & Ecological Development
Outcome	Accelerate our response to climate change / Protect green space and waterways
Measure of Success	Assessment of infrastructure projects against their impact on the City's climate resilience and readiness / Acceleration of the City's Water Strategy and delisting of Hamilton Harbour as an International Joint Commission area of Concern

CITY OF HAMILTON 2024 RATES OPERATING BUDGET BUSINESS CASE #2

BUSINESS CASE OVERVIEW

Request Title	Senior Project Manager
Department	Public Works
Division	Hamilton Water
Request Driver	Bill 109, Bill 23, OPA, Growth & Development
Proposed Start Date	1-May-2024
Strategic Plan Priorities	Built Environment and Infrastructure

FINANCIAL IMPACT 2024 OPERATING BUDGET

\$'000

DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	\$113.4	\$170.1
Total Revenue	\$0.0	\$0.0
Net Levy	\$113.4	\$170.1
Full Time Equivalent (FTE)	1.00	1.00
	2024 Associated Capital Funding	Total Associated Capital Funding
Capital Budget Impact	\$0.0	\$0.0

BUSINESS CASE DETAILS

1. Reason for Request:

The Water & Wastewater Systems Planning Section (WWWSP) is requesting one new permanent full-time Senior Project Manager to be responsible for development of real time water, wastewater, and stormwater models for the City of Hamilton. This is required to allow growth and intensification to proceed within the existing serviced areas of the City of Hamilton, and ultimately allow the orderly development of the urban boundary expansion areas.

Capacity constraints within the municipal water distribution and wastewater collection systems are identified daily through the review of Development Applications that are for growth and intensification at a rate even greater than the City forecasted for the 2051 horizon year. As the rate of intensification increases, the WWWWSP Team is finding more and more developments competing for system capacity within the same water, wastewater, and stormwater systems networks.

Prior to Bill 109, there was the opportunity to work collaboratively with Proponents to identify servicing alternatives, capital upgrade needs, and identify/fulfill conditions prior to approval of site plans, zoning amendments, and Official Plan amendments. With the introduction of Bill 109, DA review and approvals are required in as few as 4 days and as many as 9, forcing staff to implement approvals with servicing capacity conditions that will be challenging to clear/resolve on a frequent basis. In addition, Bill 23 results in infill and intensification that is not subject to the Planning process and is proceeding without water distribution or wastewater collection capacity tracking mechanisms in place.

Presently, for every Application submitted where there is a known or potential constraint within these systems, a condition of zoning approval is placed requiring Proponents to demonstrate that there is adequate capacity within the municipal systems to service the proposed growth. This is a reactive approach to identifying and prioritizing capital infrastructure needs to facilitate development, and results in the delay of planned infrastructure projects/studies. Further, the added burden on Proponents to complete the hydraulic assessments has become an issue of contention as it causes delays in approvals, is time consuming for both the Proponent and City staff, and costly since they are required to include all approved and in-progress developments within the area in question. The result is a greater number of Applications being moved to the Ontario Land Tribunal (OLT) for legal proceedings.

The objective of this request is to develop a Modelling Unit within WWWWSP to develop and maintain real-time hydraulic models for water, wastewater, and stormwater. This Unit will be an integral piece of the DA reviews for both Hamilton Water and Development Engineering, as they will be able to provide an immediate review and response on the availability of capacity within our municipal systems to service proposed development on a daily basis. Ultimately this Unit will work with the Master Plan Team to inform future DC Background Studies, assist in the prioritization of sewer separation strategies to free wastewater capacity and allow for intensification within those areas of the City. This Unit is expected to result in significant cost savings in Consulting fees over the long term.

2. Implications if Request not permitted:

This request is not only aligned with our service level agreement with our partners in Planning and Economic Development, but aligns with the Staff mandates, Council priorities, and Provincial directions. The implications of this request not being approved are at a minimum:

- The inability to meet the existing capital projects level of service due to prioritization of development enabling projects
- Increased backlog of WWWSPP projects (e.g., Winona, SWM Facility Retrofits, York Road), initiatives, etc. which will delay project handovers to Capital Delivery and Engineering Services due to prioritization of development enabling projects
- Repetition of work since there are multiple Applicants being asked to complete the same task, at times with conflicting results
- Increase in Consulting assignments/costs for WWWSPP to retain a consultant to undertake scoped hydraulic modelling assignments and a DA by DA basis
- Rejection of development applications and inability to support approvals
- Development freezes in areas of known constraints
- Increased number of OLT hearings for Staff

3. Alternatives (if any):

External resources (Consultant): Cost prohibitive; not practical as a PM is still required to manage the Consultant.

4. Performance Measures:

WWWSPP has current GM Scorecard KPIs for DA reviews and responses. They will be updated accordingly with revised timelines, and success will be measured by those KPIs being consistently met.

A quantitative review and compiling of the WWWSPP backlog will be undertaken, differentiating between growth & development related and capital improvement projects. Success will be measured by maintaining or increasing the % of approved capital budget spent, and # of Charters outstanding in both of these categories.

COUNCIL PRIORITIES

Priority	Safe and Thriving Neighbourhoods
Outcome	Increase the supply of affordable and supportive housing and reduce chronic homelessness
Measure of Success	Streamlined and accelerated approvals of new residential development, with a goal of 30% rental and 10% affordable or supportive housing

CITY OF HAMILTON 2024 RATES OPERATING BUDGET BUSINESS CASE #3

BUSINESS CASE OVERVIEW

Request Title	Project Manager - Stormwater
Department	Public Works
Division	Hamilton Water
Request Driver	Bill 109, Bill 23, OPA, Growth & Development
Proposed Start Date	1-May-2024
Strategic Plan Priorities	Built Environment and Infrastructure

FINANCIAL IMPACT 2024 OPERATING BUDGET

\$'000

DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	\$92.4	\$138.7
Total Revenue	\$46.2	\$69.3
Net Levy	\$46.2	\$69.3
Full Time Equivalent (FTE)	1.00	1.00
	2024 Associated Capital Funding	Total Associated Capital Funding
Capital Budget Impact	\$46.2	\$69.3

BUSINESS CASE DETAILS

1. Reason for Request:

The Water & Wastewater Systems Planning Section (WWWSP) is requesting one new permanent full-time Project Manager for the Stormwater Planning Unit. In addition to being responsible for the review of stormwater, wastewater, and combined servicing for all Development Applications in the City of Hamilton, the mandate of this Unit includes the flooding and drainage, servicing, and environmental assessment studies to support the City's capital infrastructure programs.

Several environmental assessment studies are outcomes of the Flooding and Drainage Improvement Framework, which are required to support of the ultimate goal of combined sewer separation. These studies and the capital program they will enable are the means by which Hamilton will reduce combined sewer overflows to the natural environment, provide servicing capacity to facilitate development and intensification, ensure climate change resiliency in municipal servicing infrastructure, and reduce the cost burden associated with the treatment of stormwater at the Woodward Wastewater Treatment Plant. The completion of these environmental assessments and the goal of sewer separation are aligned with all facets of Council's priorities for Sustainable Economic and Ecological Development.

Due to workload and backlog, the Stormwater Unit does not have the staffing capacity to initiate the Flooding and Drainage Improvement Framework environmental assessments and capital planning for sewer separation.

2. Implications if Request not permitted:

The implication of this request not being approved is the delay of the Flooding and Drainage Improvement Framework environmental assessment studies, and consequently the capital program for sewer separations. This translates into servicing limitations across the City as combined sewer overflows occur not only in the northern or downtown area, but in other waterways and trunk infrastructure such as the Red Hill Valley.

Continued growth and intensification across the City without freeing up wastewater capacity consumed by stormwater will result in an increased number of combined sewer overflows and spills, which are reported to the Ministry of Environment, Conservation, and Parks and will have regulatory implications.

3. Alternatives (if any):

None.

4. Performance Measures:

Initiation and completion of sewer separation environmental assessments, design handovers to Engineering Services, and capital projects planned with associated budget requests.

COUNCIL PRIORITIES

Priority	Sustainable Economic & Ecological Development
Outcome	Accelerate our response to climate change / Protect green space and waterways
Measure of Success	Assessment of infrastructure projects against their impact on the City's climate resilience and readiness / Acceleration of the City's Water Strategy and delisting of Hamilton Harbour as an International Joint Commission area of Concern

CITY OF HAMILTON 2024 RATES OPERATING BUDGET BUSINESS CASE #4

BUSINESS CASE OVERVIEW		
Request Title	Project Manager - Watershed Management	
Department	Public Works	
Division	Hamilton Water	
Request Driver	Council Priority - Watershed Action Plan	
Proposed Start Date	1-Jan-2024	1-May-2024
Strategic Plan Priorities	Built Environment and Infrastructure	

FINANCIAL IMPACT 2024 OPERATING BUDGET		\$'000
DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	\$231.1	\$277.3
Total Revenue	\$0.0	\$0.0
Net Levy	\$231.1	\$277.3
Full Time Equivalent (FTE)	2.00	2.00
	2024 Associated Capital Funding	Total Associated Capital Funding
Capital Budget Impact	\$0.0	\$0.0

BUSINESS CASE DETAILS

1. Reason for Request:

Watershed Management is requesting the addition of two permanent full-time Project Managers to provide an acceptable level of service in the acceleration of the Term of Council Priority for the City of Hamilton Watershed Action Plan.

Expected outcomes of one of the project managers includes the completion of the internal verification workshops along with onboarding a consultant to provide an unbiased review of the action plan including developing a financial plan.

The second project manger will focus on engagement, both public and indigenous. The indigenous engagement is dependent on indigenous relationships & resources.

Some other challenges that are driving this request are:

- High number of actions translates to a high workload, and we lack staff redundancy in the current team
- Tighter timelines resulting in being identified as a Term of Council Priority
- Dealing with multi-year action monitoring
- Staff availability for internal and external stakeholder action meetings or follow ups

2. Implications if Request not permitted:

Not having a dedicated PMs for the acceleration of the Term of Council Priority for the City of Hamilton Watershed Action Plan could result in:

- Delayed completion and implementation of the City of Hamilton Watershed Action Plan
- Inadequate resources to drive results related to the identified actions
- Poor staff retention and reduced job satisfaction

3. Alternatives (if any):

<p><u>Status Quo:</u></p> <ul style="list-style-type: none"> - PRO – Financial and staffing levels remain unchanged. The viability of additional positions can be reevaluated if for the acceleration of the Term of Council Priority for the City of Hamilton Watershed Action Plan reduces significantly. - CON – Risk of potential poor staff retention and inability to meet the accelerated timeline. <p><u>Using Consulting Services:</u></p> <ul style="list-style-type: none"> - PRO - Staffing levels remain unchanged. - CON – Financial requirements increase, while internal staff support is still needed for review of comments, participation in meetings and action implementation tracking. <p><u>One FTE approved:</u></p> <ul style="list-style-type: none"> - PRO - Financial and staffing levels somewhat change. The viability of an additional position can be reevaluated if for the acceleration of the Term of Council Priority for the City of Hamilton Watershed Action Plan reduces. - CON – Lower, but still present risk of potential poor staff retention and inability to meet the accelerated timeline.

4. Performance Measures:

<p>Hamilton Water Watershed Management does not have baseline data available or other municipal benchmarks, as the City of Hamilton Watershed Action Plan is a unique undertaking. To demonstrate progress in achieving the expected outcome(s), the performance will be measured and evaluated based on the consultants unbiased review and structured formatting of the action plan.</p>
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COUNCIL PRIORITIES

Priority	Sustainable Economic & Ecological Development
Outcome	Accelerate our response to climate change / Protect green space and waterways
Measure of Success	Assessment of infrastructure projects against their impact on the City's climate resilience and readiness / Acceleration of the City's Water Strategy and delisting of Hamilton Harbour as an International Joint Commission area of Concern

**CITY OF HAMILTON
2024 RATES OPERATING BUDGET
BUSINESS CASE #5**

BUSINESS CASE OVERVIEW

Request Title	Locates Office
Department	Public Works
Division	Hamilton Water
Request Driver	Mayoral Directive to Staff (MDI-2023-02)
Proposed Start Date	1-Jan-2024
Strategic Plan Priorities	Built Environment and Infrastructure

FINANCIAL IMPACT 2024 OPERATING BUDGET \$'000

DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Total Expenditures	\$1,185.6	(\$3,300.0)
Total Revenue	\$1,185.6	\$0.0
Net Levy	\$0.0	(\$3,300.0)
Full Time Equivalent (FTE)	19.00	19.00
	2024 Associated Capital Funding	Total Associated Capital Funding
Capital Budget Impact	\$0.9	\$0.0

BUSINESS CASE DETAILS

1. Reason for Request:

In 2022, the City of Hamilton spent approximately \$4 million for locate service providers to respond to Ontario One Call requests across Hamilton Water, Transportation and Environmental Services. Staff costs of responding to these requests have also increased due to the high volume of requests.

External contract costs for this work have escalated over the past five (5) years and locate service provider response times are poor (up to 45 days). Changes resulting from Bill 93 – passed in September 2022 – have now put added pressures on municipalities (as asset owners) who will start to incur fines for locate service providers' delayed turnaround times, beginning in April 2024. The implications to the City (as the asset owner) are severe, since it will be in jeopardy of incurring fines for late (non-compliant) locate services.

Moving to an in-house business model that oversees all facets of the process (from request intake to field locate to data management) will prove beneficial in the following ways:

- It will be a City-controlled service that administers, manages and delivers locates with a focus on eliminating redundancies, reducing inefficiencies, and lowering costs. Transitioning to an in-house business model could save the City approximately \$3 million.
~~It will enable more expedited locate request response times, thereby enabling more timely capital project start times.~~

2. Implications if Request not permitted:

The City of Hamilton will continue to externally contract locate services. There is increased risk for future cost uncertainty and potential fine penalties.

3. Alternatives (if any):

Continue to externally contract locate services or develop a hybrid model of both external and internal locate services.

4. Performance Measures:

Bringing the locates service in-house will enable a greater degree of control over the locates process from start to finish, ensure a higher degree of continuity and consistency between Public Works Divisions, provide a greater degree of certainty in locates compliance rates, and enable a higher degree of confidence in geomatics data.

COUNCIL PRIORITIES

Priority	Sustainable Economic & Ecological Development
Outcome	Reduce the burden on residential ratepayers
Measure of Success	Exploration and introduction of new City revenue models and efficiencies