

Dundas Wastewater Treatment Plant Upgrades - Business Case Summary

Department: Public Works

Capital Delivery Staff	Description of Staffing Request	Total Expenditure	Net	FTE Impact	Annualized Amount
Senior Project Manager	Provide oversight for the investigative, design, construction, commissioning, and warranty services for the overall Dundas Wastewater Treatment Plant upgrades capital project. This position will require the qualifications and experience to project manage this large capital project. The Senior Project Manager will also be responsible for the sponsorship oversight for the Project Manager led capital projects.	\$ -	\$ -	1	\$ 170,027
Project Manager	Provide oversight for the investigative, design, construction, commissioning, and warranty services for the replacement of the existing sludge storage tanks, chemical system, other active capital projects and the King Street pumping station replacement.	\$ -	\$ -	1	\$ 165,108
TOTAL		\$ -	\$ -	2	\$ 335,135

CITY OF HAMILTON
Dundas Wastewater Treatment Plant Capital Upgrades Project
BUSINESS CASE #1

BUSINESS CASE OVERVIEW

Request Title	Senior Project Manager, Capital Delivery	
Department/Division	Public Works - Hamilton Water - Capital Delivery	
Request Driver	Dundas Wastewater Treatment Plant Capital Upgrades Project	
Funding Source	Project ID No. 5161266213	
Proposed Start Date	Q1 2025	
Strategic Plan Priorities	Built Environment & Infrastructure	y
Do you Require the Use of External Consultants?	no	

2024 OPERATING BUDGET FINANCIAL IMPACTS

DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Salary/Wages	\$0	\$137,030
Benefits	\$0	\$32,997
Add item here		
Total Expenditures a	\$0	\$170,027
Capital Funding	\$0	\$170,027
Total Revenue b	\$0	\$170,027
Net Impact (a-b)	\$0	\$0
Full Time Equivalent (FTE)	1.0	1.0
Capital Budget Impact	\$0	\$170,027

BUSINESS CASE DETAILS

1. Reason for Request:

There is currently no dedicated Senior Project Manager resource for the Dundas Wastewater Treatment Plant Capital Upgrades Project. The responsibilities of the Senior Project Manager will be to provide oversight for the investigative, design, construction, commissioning, and warranty services for the Dundas Wastewater Treatment Plant Capital Upgrades Project. This position will require the qualifications and experience to manage complex, large capital projects. The Senior Project Manager will also be responsible for the sponsorship oversight of the Project Manager-led capital projects within the Capital Delivery Section and the Dundas Wastewater Treatment Plant Capital Upgrades Project.

What are the objectives of the request? The recommended resource structure for the Dundas Wastewater Treatment Plant Capital Upgrades Project for the staffing request will provide a dedicated Capital staff.

What are the expected outcomes of the request and the actions that will create these expected outcomes? - A new Senior Project Manager will provide a dedicated focus on the Dundas Wastewater Treatment Plant Capital Upgrades Project, including issuing the RFP for engineering design and contract administration service.

What is the challenge or opportunity that this request proposes to solve? The staffing recommendations will ensure that Hamilton Water has the required staff resources to successfully design, construct, and commission an extremely complex capital rehabilitation and upgrade program at one of the City's most critical wastewater facilities.

What value will the City gain from this request? The recommendations in Report **PW24XXX** will ensure that Hamilton Water has the required staff resources to successfully design, construct, and commission an extremely complex capital rehabilitation and upgrade program at one of the City's most critical wastewater facilities.

Does the request provide value for money (efficiency and effectiveness) to a program or service? There is ample evidence across municipalities that capital projects and programs with higher levels of staff turn-over result in projects that experience delays, increased overall project costs, and increased operational risk.

2. Implications if Request not permitted:

Not having this dedicated position will significantly increase risks including schedule and variances for the Dundas Wastewater Treatment Plant Capital Upgrades Project, which has timelines that are estimated to carry through to 2033. *The request for additional capital funds and dedicated staff to support the delivery of the large capital upgrades at the Dundas Wastewater Treatment Plant is necessary, as the alternative to utilize existing capital delivery resources (i.e. allocated budget and staff) to support this program would be detrimental to the existing Capital Delivery program concerning that supports other water and wastewater vertical facilities throughout the City.*

What impacts will this request have on the community or organization, in terms of service delivery, legal or policy requirements, daily operations or customer service?

Increased risk of infrastructure failure is accompanied by increased risk of regulatory non-compliance, fines, and exposes the City to significant liability.

What will be the risk, impact or consequence if the request is not approved? if this request is not permitted, it would impact the existing water, wastewater and stormwater capital program resulting in increased risk of infrastructure failures, loss of water, wastewater or stormwater services, adverse public health impacts, adverse environmental impacts, and requiring expensive and unplanned emergency interventions.

3. Alternatives (if any):

Alternative 1: Staff could be directed to resource the Dundas Wastewater Treatment Plant Capital Upgrades Project by re-allocating existing Hamilton Water capital program staff. This alternative is not recommended because it would impact the existing water, wastewater and stormwater capital program resulting in increased risk of infrastructure failures, loss of water, wastewater or stormwater services, adverse public health impacts, adverse environmental impacts, and requiring expensive and unplanned emergency interventions.

Alternative 2: the new position could be approved on a temporary basis expiring at the end of the Dundas Wastewater Treatment Plant Capital Upgrades Project. This alternative is not recommended because it adds significant risk to the capital program resulting from increased staff turn-over. The Dundas Wastewater Treatment Plant Capital Upgrades Project represents a \$250M investment in the City's critical wastewater asset, with an accompanying 8-year project schedule. There is ample evidence across municipalities that capital projects and programs with higher levels of staff turn-over result in projects that experience delays, increased overall project costs, and increased operational risk.

4. Performance Measures:

Performance Measures will be based on the following:

Is there baseline data available? KPI targets for monitoring cashflows, schedules and budgets are currently in place.

What target(s) in relation to a baseline demonstrate progress in achieving the expected outcome(s) of the request?

Established KPI targets and outcomes include meeting the estimated project schedule and budget established through the 2025 rate budget process. The performance will be measured, tracked and updated on a monthly basis.

How will the performance of this request be measured and evaluated? The performance of the Senior Project Manager will be measured on the overall success of the Dundas Wastewater Treatment Plant Capital Upgrades project KPI target expectations, along with successful management of the project team.

CITY OF HAMILTON
Dundas Wastewater Treatment Plant Capital Upgrades Project
BUSINESS CASE #2

BUSINESS CASE OVERVIEW

Request Title	Project Manager, Capital Delivery	
Department/Division	Public Works - Hamilton Water - Capital Delivery	
Request Driver	Dundas Wastewater Treatment Plant Capital Upgrades Project	
Funding Source	Project ID No. 5161266213	
Proposed Start Date	Q1 2025	
Strategic Plan Priorities	Built Environment & Infrastructure	y
Do you Require the Use of External Consultants?	no	

2024 OPERATING BUDGET FINANCIAL IMPACTS

DESCRIPTION	2024 AMOUNT	ANNUALIZED AMOUNT
Salary/Wages	\$0	\$132,541
Benefits	\$0	\$32,567
Add item here		
Total Expenditures a	\$0	\$165,108
Capital Funding	\$0	\$165,108
Total Revenue b	\$0	\$165,108
Net Impact (a-b)	\$0	\$0
Full Time Equivalent (FTE)	1.0	1.0
Capital Budget Impact	\$0	\$165,108

BUSINESS CASE DETAILS

1. Reason for Request:

There is currently no dedicated Project Manager resource for the Dundas Wastewater Treatment Plant Capital Upgrades Project. The responsibilities of the Project Manager will be to provide oversight for the investigative, design, construction, commissioning, and warranty services for the replacement of the existing sludge storage tanks, chemical system, the King Street pumping station replacement, and other active capital projects.

- What are the objectives of the request?** The recommended resource structure for the Dundas Wastewater Treatment Plant Capital Upgrades Project staffing request will provide a dedicated Capital staff.
- What are the expected outcomes of the request and the actions that will create these expected outcomes?** - A new Project Manager will provide a dedicated focus on further advancing this large capital project, including leading a number of sub-projects that are critical components of the overall Dundas Wastewater Treatment Plant Upgrades.
- What is the challenge or opportunity that this request proposes to solve?** The staffing recommendations will ensure that Hamilton Water has the required staff resources to successfully design, construct, and commission an extremely complex capital rehabilitation and upgrade program at one of the City's most critical wastewater facilities.
- What value will the City gain from this request?** The recommendations in Report **PW24XXX** will ensure that Hamilton Water has the required staff resources to successfully design, construct, and commission an extremely complex capital rehabilitation and upgrade program at one of the City's most critical wastewater facilities.
- Does the request provide value for money (efficiency and effectiveness) to a program or service?** There is ample evidence across municipalities that capital projects and programs with higher levels of staff turn-over result in projects that experience delays, increased overall project costs, and increased operational risk.

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