




P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 3
Committee of the Whole
February 18, 2015

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: February 18, 2015

SUBJECT: Proposed 2015/16 Transportation and Public Works Budget and Business Plan

ORIGIN

At the October 21, 2014 Committee of the Whole, Council directed staff to present the 2015/16 draft Business Unit Budget and Business Plans to the Committee of the Whole for review and discussion prior to consideration by Regional Council.

LEGISLATIVE AUTHORITY

Halifax Charter, section 35 (1) The Chief Administrative Officer shall (b) ensure that an annual budget is prepared and submitted to the Council.

RECOMMENDATION

It is recommended that the Committee of the Whole direct staff to proceed to prepare the 2015/2016 Transportation and Public Works (TPW) Budget and Business Plan as proposed in the accompanying presentation, incorporating additional direction provided by motion of Committee of the Whole for inclusion in the proposed HRM 15/16 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2015/2016 Budget and Business Plan development process, the Committee of the Whole is reviewing each Business Unit's high level budget and proposed plans in advance of detailed HRM Budget and Business Plan preparation.

At the November 18, 2014 Committee of the Whole Regional Council considered and confirmed their Council Priority Outcomes and directed staff to: "develop the 2015/16 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 15/16 Budget consistent with the preliminary fiscal direction received from Council on October 21, 2014 and aligned with Council Priorities as directed on November 18, 2014.

Following direction from the Committee of the Whole, staff will proceed to prepare the detailed Budget and Business Plan for inclusion in the proposed HRM 2015/16 Budget and Business Plan documents to be presented to Council, as per the process and schedule endorsed by Regional Council on October 21, 2014.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2015-16. There are no immediate financial implications from these recommendations. The broader financial implications will be discussed and debated as the budget is developed in more detail.

COMMUNITY ENGAGEMENT

None are specifically associated with this report.

ENVIRONMENTAL IMPLICATIONS

None

ALTERNATIVES

The Committee of the Whole can choose to amend the Budget and Business Plan as proposed in the accompanying presentation through specific motion, and direct staff to proceed to prepare the Budget and Business Plan for inclusion in the proposed HRM Budget and Business Plan documents.

ATTACHMENTS

Transportation and Public Works Business Unit 2015 – 2016 Budget and Business Plan Presentation

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.php> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Beate Shannon – Coordinator, TPW, 902.490.4862

Original Signed

Report and
Financial Approval by: Greg Keefe, Director of Finance & ICT/CFO, 902.490.6308

HALIFAX

**2015/16
Transportation &
Public Works Draft
Budget and
Business Plan**

Committee of the Whole

February 18, 2015

Business Unit Overview

Transportation and Public Works (TPW) consolidates critical and operational-based services that contribute to sustainable public infrastructure and transportation networks.

Business Unit Overview

- 3,766 lane km roads; 2,107 km of curbs; 912 km of sidewalks and 85 bridges maintained
- 265 traffic signals; 42,000 street lights
- 740 km of white & yellow centre lines; 2,408 crosswalks; 2,405 stop bars; 4,005 arrows painted and 500 bike symbols painted
- 8 street sweepers; 3 sidewalk sweepers; 2 graffiti trucks and 64 pieces of snow and ice control equipment
- 178,000 street trees; 9 million park trees
- Collection of recyclables, organics and refuse at 142,000 eligible curbside and condominium serviced properties
- Contract management for the operation and maintenance of 7 solid waste processing facilities

Service Areas

- ❑ **Project Planning & Design** – Delivers road asset-related professional and technical services including surveying, engineering design, infrastructure management and records management. Plans and delivers the Active Transportation priorities.
- ❑ **Road Operations** – Proactively maintains and improves a safe, efficient, aesthetic and clean street and sidewalk system for use by HRM residents and visitors.
- ❑ **Traffic Management** – Provides for the safe and efficient management of HRM's transportation system network including traffic flow, traffic signal/street light maintenance, signage and traffic markings. Coordinates and manages HRM right of way.

Service Areas

❑ Solid Waste Resources

- Manages municipal solid waste source separated collection/diversion for HRM residential properties
- Manages facilities for processing, recycling, composting, marketing and disposal of solid waste resource materials for residential and non-residential customers
- Delivers education programs
- Administers the Construction & Demolition waste management strategy

14/15 Progress Update

14/15 Plan	Progress Update
Solid Waste Program Improvements	<p>Implement operational changes for by-law amendments related to clear bags, green carts and removal of flow control.</p> <p>Develop vertical expansion workplan and permitting at Otter Lake.</p>
Road Network Improvements	<ul style="list-style-type: none"> • Roundabout at North Park/Cunard/Agricola was completed December 2014 • Traffic Signal Control Solution - Staff training and equipment bench testing during the week of January 26th. • Implemented engineering initiatives from the Pedestrian Safety Action Plan <ul style="list-style-type: none"> • painting zebra markings at uncontrolled marked crosswalks, • identifying upgrades at 180 crosswalk light locations • programming amber flashing times at all crosswalks light to new standards for walking speeds (1.0 metres/sec)

14/15 Progress Update

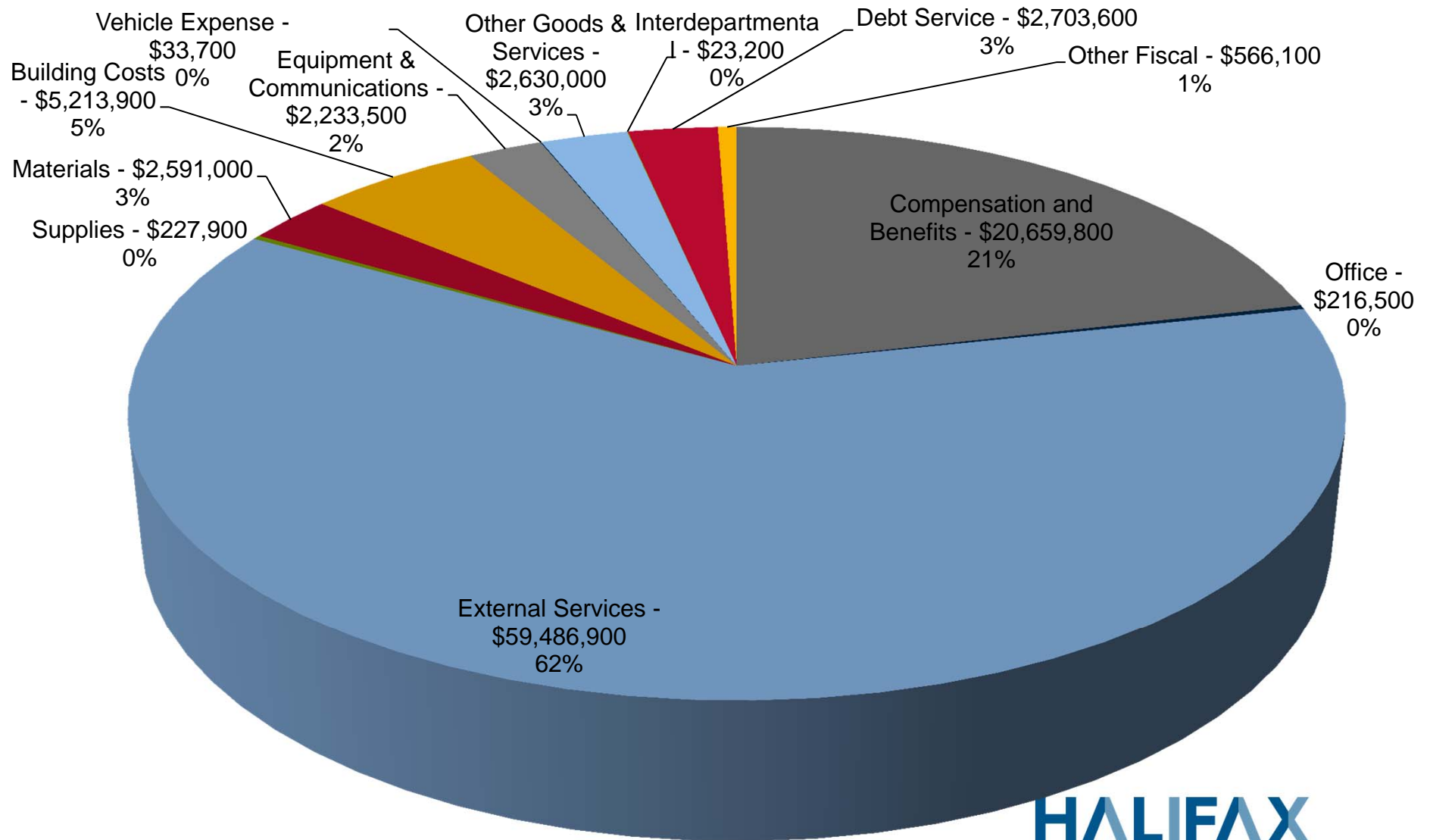
14/15 Plan	Progress Update
Active Transportation	Making Connections: 2014-19 Halifax Active Transportation Priorities Plan was approved by Regional Council in September, 2014.
Urban Forest Master Plan	Planted 2,000 trees.
Downtown Infrastructure	7,404 square metres or 3,125 concrete slabs were replaced at a total cost of \$1.17M. Areas include Halifax Capital District, Sackville Drive, Herring Cove Road and Downtown Dartmouth.
Continued Partnership with Halifax Water	311/317 First Lake Drive project has been completed. Cow Bay Deep Storm Sewer/sidewalk/bridge project anticipated completion June 2015. Tertiary work will be completed on Citadel Court during the summer months.

Operating Budget Overview

Cost Element Groups	2013-14		2014-15		2015-16
Expenditures	Budget	Actual	Budget	Q3 Projection	Proposed
* Compensation and Benefits	21,698,300	20,364,702	19,405,200	18,031,110	20,659,800
* Office	453,800	271,880	236,100	227,800	216,500
* External Services	54,577,800	55,233,774	55,960,900	59,652,786	59,486,900
* Supplies	251,700	296,210	247,800	315,900	227,900
* Materials	3,096,400	4,135,598	2,443,300	2,644,125	2,591,000
* Building Costs	6,897,800	7,172,038	7,118,400	6,746,900	5,213,900
* Equipment & Communications	2,302,100	4,622,985	2,320,100	2,227,900	2,233,500
* Vehicle Expense	112,600	46,998	41,100	61,900	33,700
* Other Goods & Services	2,754,600	1,823,276	1,740,200	2,008,757	2,630,000
* Interdepartmental	-	- 174,924	23,200	-18,900	23,200
* Debt Service	2,978,000	3,004,794	2,828,800	2,828,800	2,703,600
* Other Fiscal	1,810,500	2,174,198	2,217,000	2,217,000	566,100
** Total	96,933,600	98,971,530	94,582,100	96,944,078	96,586,100
Revenues					
* Area Rate Revenue	- 40,200	- 40,457	- 40,300	-40,300	-40,300
* Transfers from Other Gov	- 2,969,800	- 1,959,355	- 2,123,100	-2,386,855	-2,123,100
* Fee Revenues	- 13,165,000	- 112,646,876	- 13,326,000	-13,256,000	-12,999,500
* Other Revenue	- 1,536,900	- 2,143,885	- 1,748,400	-2,140,300	-2,067,800
** Total	-17,711,900	- 16,790,573	- 17,237,800	-17,823,455	-17,230,700
Net Surplus/Deficit	79,221,700	82,180,956	77,344,300	79,120,623	79,355,400

HALIFAX

Operating Budget Overview



Staff Counts (FTEs)

Service Area	2014/2015 FTEs	2015/2016 FTEs
TPW Business Unit Total	288	278
Directors Office	3	3
Solid Waste Resources	17	16
Project Planning & Design	41	39
Road Operations	178	173
Traffic Management	49	47

Service Area Budget Overview

Net TPW Expenses by Service Area	13/14		14/15		15/16
	Budget	Actual	Budget	Q3 Projection	Proposed Budget
TPW Administration	599,500	659,824	560,500	628,068	750,700
Project Planning & Design	3,387,900	2,524,649	3,143,300	3,073,868	2,983,700
Road Operations	32,824,400	35,830,344	28,398,800	30,445,862	32,022,500
Traffic Management	10,871,900	10,935,707	11,222,800	11,244,081	11,231,700
Solid Waste Resources	31,538,000	32,230,431	34,018,900	33,728,744	32,366,800
Business Unit Total	79,221,700	82,180,956	77,344,300	79,120,623	79,355,400

HALIFAX

15/16 Operating Budget Highlights

Budget Pressures Addressed in the 15/16 TPW Operating Budget

Adjustment to Snow contracts 2.1M	\$2.1 M
Corporate increases to compensation & benefits	\$1.4 M
Electricity (funded at 2.2% , actual increase 3%)	\$50k
Solid Waste adjustments <ul style="list-style-type: none">• Solid Waste Funding for possible Halifax Water pilot project• District mobile special waste depots• Collection contracts and transfer station increases• Otter Lake contract (most of cost increase was covered through increases rebate)• Additional owners engineering services for landfill oversight.	\$690K
Total Budget Pressures	\$4.24M

15/16 Operating Budget Highlights

Risks for 15/16:

- **Contracts up for renewal:**
 - traffic signal maintenance
 - pavement markings
 - performance based streets snow and ice removal contracts
 - recycling and compost collection contracts

Absorption of additional assets. Required OCC calculated at \$193K

Assets	HRM Built	Development Built
Asphalt Roads	2.8 kms	12.3 kms
Concrete Curb and Gutter	4.6 kms	4.6 kms
Sidewalks	4.6 kms	2.8 kms
Guiderails		0.15 kms
Asphalt Walkways		0.05 kms
Trees		325

Year to Year Base Comparison

14/15 Services at 15/16 Costs including Inflation, Contracts, etc.

Service Area	Budget	15/16 Cost	15/16 Proposed
TPW Administration	560,500	824,200	750,700
Project Planning & Design	3,143,300	3,114,300	2,983,700
Road Operations	28,398,800	31,738,750	32,022,500
Traffic Management	11,222,800	11,816,700	11,231,700
Solid Waste Resources	34,018,900	32,366,711	32,366,800
Business Unit Total	77,344,300	79,860,661	79,355,400

HALIFAX

15/16 Cost Reduction Initiatives

Cost Reduction Initiative	Proposed 15/16 Saving	Projected 16/17 Saving	Projected 17/18 Saving
Operating efficiencies	\$550K	0	0
Reduction in training	\$75K	0	0
Use State of Good Repair funding to action priority street work	\$150K	0	0
Remove sidewalk rating from operating and review frequency of program (option to fund from Capital)	\$150K	0	0
One time reduction to street lighting reserve	\$500K	0	0
Reduction in reserve transfer for cells	\$2.4	0	0
Total to offset Base Cost	\$3.825 M		

15/16 Priority Initiatives

Priority Outcome (Why we are doing it)	Strategic Initiative (What we propose to do)	Proposed 15/16 Cost	Projected 16/17 Cost	Projected 17/18 Cost
Healthy Communities – Energy & Environment	Solid Waste Program Improvements <ul style="list-style-type: none"> • Vertical expansion project • Clear bags for increased diversion • Organic's and Recycling facility assessments and business case • Owners engineer for additional oversight at Otter Lake • Waste audits and curbside monitoring project 	WEB*		
Transportation – Integrated Mobility	Transportation Capital Works Program	Capital Budget		
Transportation – Integrated Mobility	Active Transportation <ul style="list-style-type: none"> • Focus on work within the street right of way and open spaces through the Regional Trails program • Focus will be on maximizing impact by linking important community destinations and filling in service gaps along the primary spines 	WEB*		
Healthy Communities – Pedestrian Safety	Pedestrian Safety	WEB*		

* WEB – Within Existing Budget

HALIFAX

15/16 Priority Initiatives

Priority Outcome (Why we are doing it)	Strategic Initiative (What we propose to do)	Proposed 15/16 Cost	Projected 16/17 Cost	Projected 17/18 Cost
Governance and Communication	Support the review of the proposed Integrated Stormwater Policy	WEB*		
Service Excellence – Continuous Improvement	Post Re-alignment – Review efficiencies including depots, key performance indicators and service levels	WEB*		
Service Excellence – Continuous Improvement	Leverage technology to improve service delivery: Automatic Vehicle Locator (AVL) – Develop detailed project plan in 15/16 Route optimization for Road Operations Pavement Management System - Issue RFP and implement new system in 15/16			
Healthy Communities – Energy & Environment	Award LED street light conversion project	WEB*		

* WEB – Within Existing Budget

2015/16 Transportation & Public Works Draft Budget and Business Plan

HALIFAX

Questions and Discussion