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Item No. 4
Committee of the Whole
January 27, 2016

TO: Mayor Savage and Members of Halifax Regional Council

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SUBMITTED BY: 
Bruce Zvaniga, Director, Transportation and Public Works

DATE: January 27, 2016

SUBJECT: Proposed 2016/17 Transportation and Public Works Budget and Business Plan

ORIGIN

As per Administrative Order 1 and the Budget and Business Plan consultation schedule presented in the Information Report of September 22, 2015, staff is required to present the 2016/17 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 2016/2017 Transportation and Public Works 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 16/17 Budget and Business Plan documents.

BACKGROUND

As part of the design of the 2016/2017 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 24, 2015 Committee of the Whole Regional Council considered and confirmed their Council Priority Outcomes and directed staff to: "develop the 2016/17 Budget and Business Plans in support of these priorities."

DISCUSSION

Staff has prepared the proposed 16/17 Budget consistent with the preliminary fiscal direction received from Council on October 20, 2015 and aligned with Council Priorities as directed on November 24, 2015.

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 2016/17 Budget and Business Plan documents to be presented to Council, as per the process and schedule in the September 22, 2015 Information Report.

FINANCIAL IMPLICATIONS

The recommendations in this report will lead to the development of a proposed budget for 2016-17. 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 2016 – 2017 Budget and Business Plan Presentation

Transportation and Public Works Business Unit

Proposed 2016/2017 Transportation and Public Works Budget and Business Plan

Committee of the Whole

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January 27, 2016

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, Transportation and Public Works, 902.490.4862


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Report Approved by:


Bruce Zvaniga, Director, Transportation and Public Works, 902.490.4855

Original Signed

Financial

Approval by:


Amanda Whitewood, Director of Finance & ICT/CFO, 902.490.6308

The background of the slide features a large, stylized graphic of the letter 'H'. The top-right portion of the 'H' is a dark blue triangle. The bottom-left portion is a light blue triangle. The bottom-right portion is a medium blue triangle. The word 'HALIFAX' is written in white, bold, sans-serif capital letters across the dark blue triangle.

HALIFAX

**2016/17 Transportation
& Public Works
Draft Budget &
Business Plan**

Committee of the Whole

January 27, 2016

Business Unit Overview

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

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 pavement markings. Coordinates and manages HRM right of way.
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Service Areas

❑ Solid Waste Resources

- Manages municipal solid waste source separated collection/diversion for HRM residential properties
 - Manages facilities for disposal, 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
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Transportation & Public Works Overview

TPW is responsible for:

- 3,792 lane kms roads; 928 kms of sidewalks and 85 bridges
 - 268 signalized intersections, 44,395 street lights
 - 2,408 crosswalks; 549 bike symbols painted
 - 8 street sweepers; 3 sidewalk sweepers; 2 graffiti trucks and 65 pieces of snow and ice control equipment
 - 180,000 street trees; 9 million trees on HRM properties
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Transportation & Public Works Overview

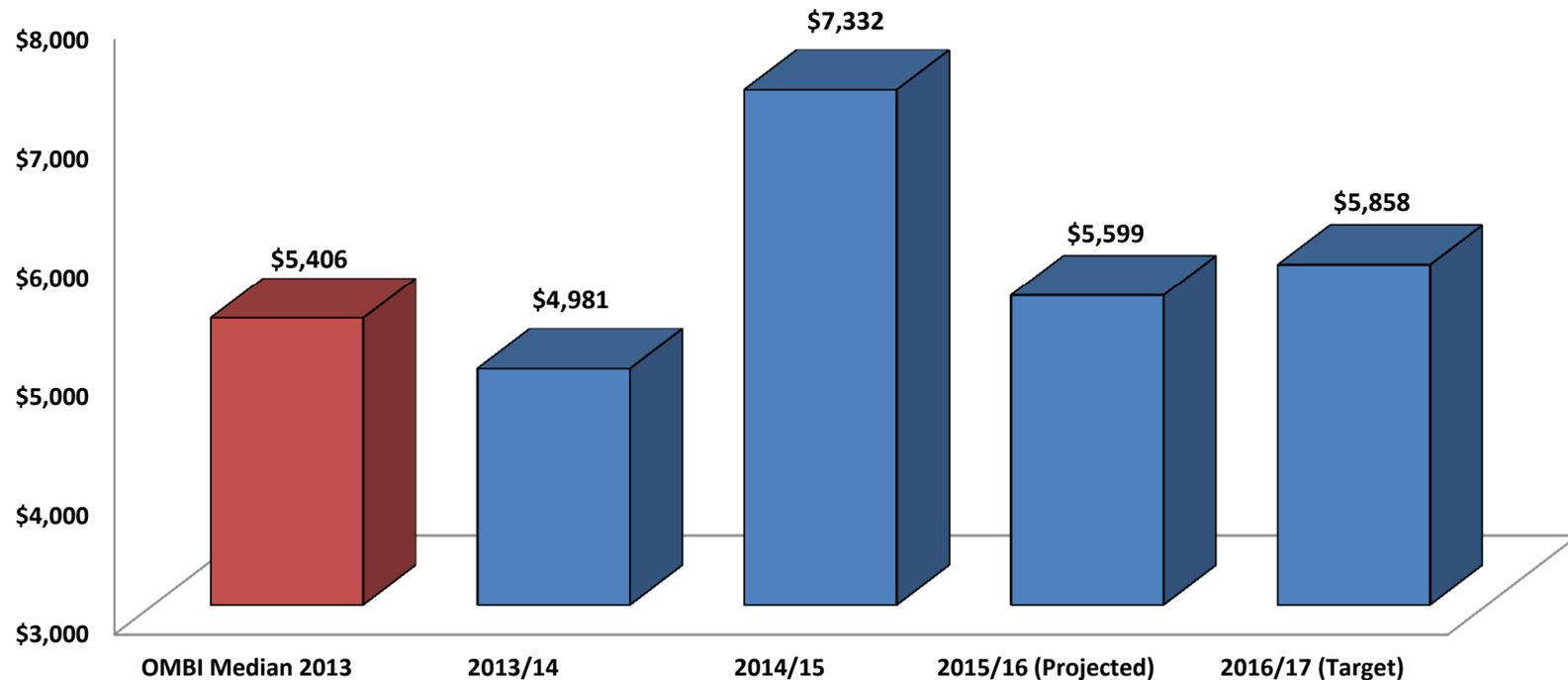
- Collection of recyclables, organics and refuse at **145,000** eligible curbside and condominium serviced properties
 - Average annual solid waste tonnage collected and processed (approx.) **26,000 tonnes** recyclables, **51,000 tonnes** organics and **100,000 tonnes** refuse
 - Licensing of sites that divert **92,000 tonnes** of construction and demolition material
 - Contract management for the operation and maintenance of **7** solid waste processing facilities
-

Transportation & Public Works Accomplishments

- 154.6 lane kms paved - capital
 - 5.2 kms new sidewalk - capital
 - 3.4 kms sidewalk renewals – capital
 - 7,585 square metres of concrete sidewalk replacement (does not include capital projects)
 - 14,778 potholes repaired
 - 23,361 TPW citizen service requests resolved
 - 2,408 crosswalks repainted
 - 1,710 trees planted by HRM
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* Stats based on 2015/16 fiscal (YTD Dec 15, 2015)

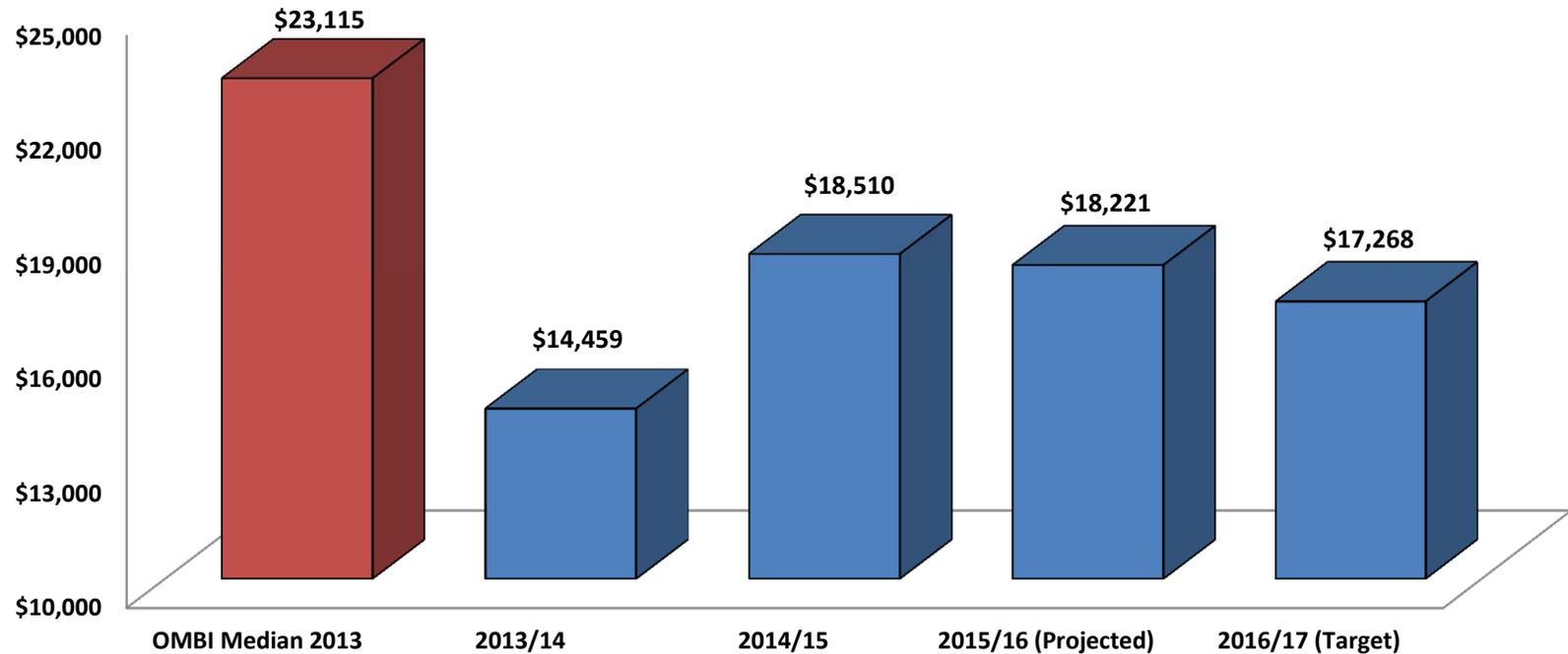
Cost of Winter Maintenance per lane-km



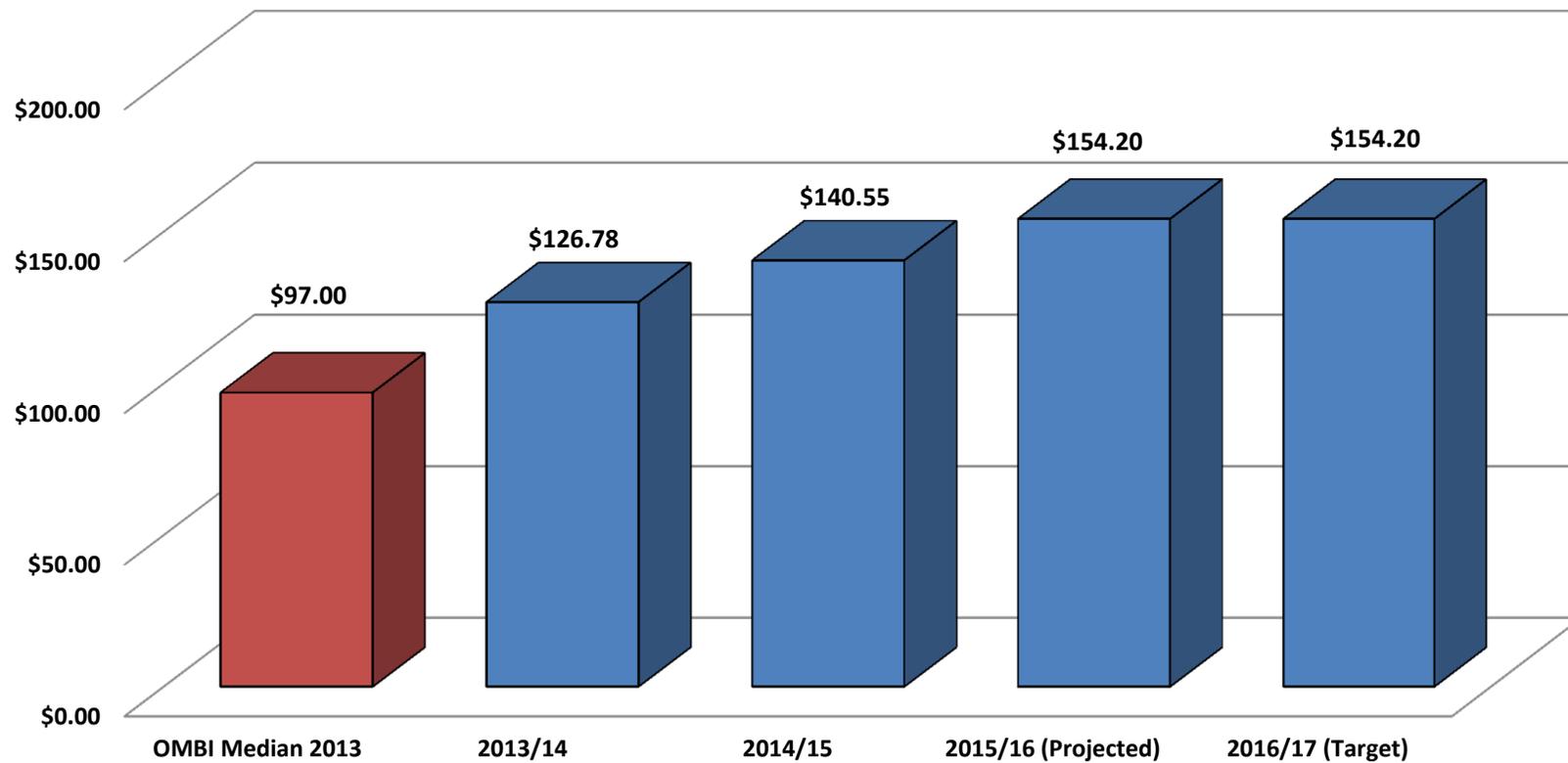
Note: Ontario Municipal Benchmarking Initiative value includes amortization.
HRM data does NOT include amortization, administration or overhead.

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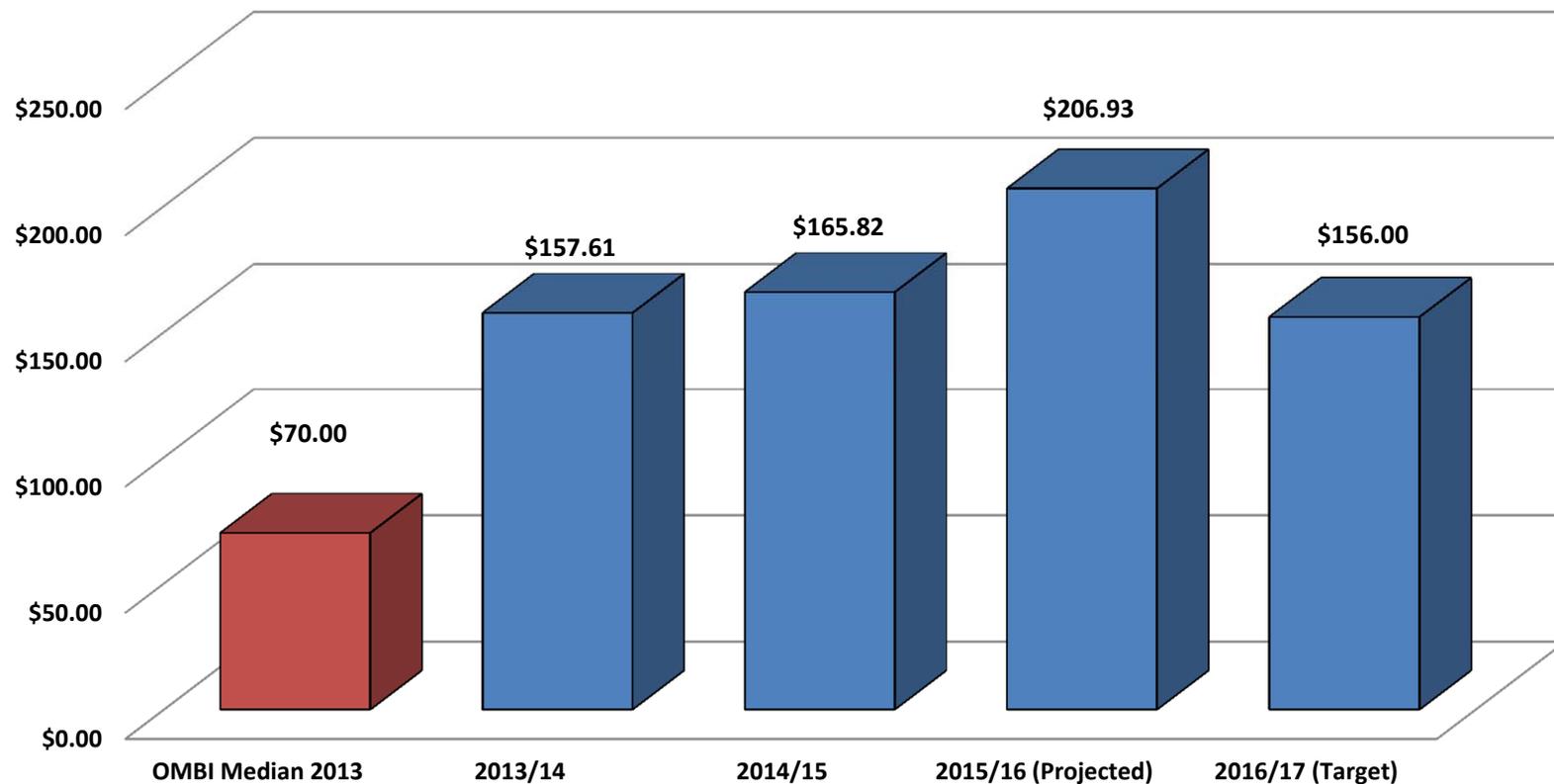
Total Cost of Road Maintenance per lane-km



Cost of Solid Waste Collection per Tonne



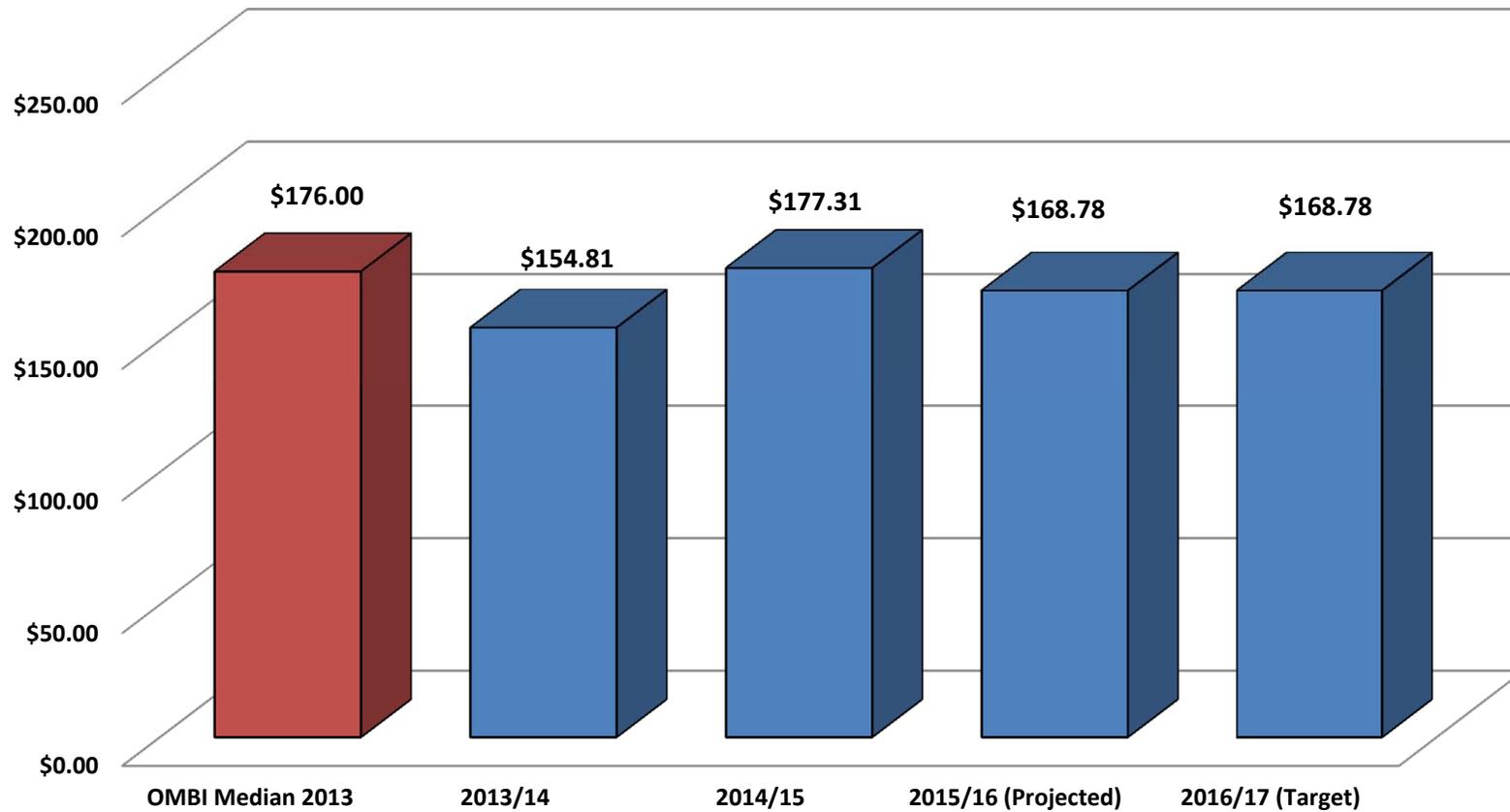
Cost of Solid Waste Disposal per Tonne



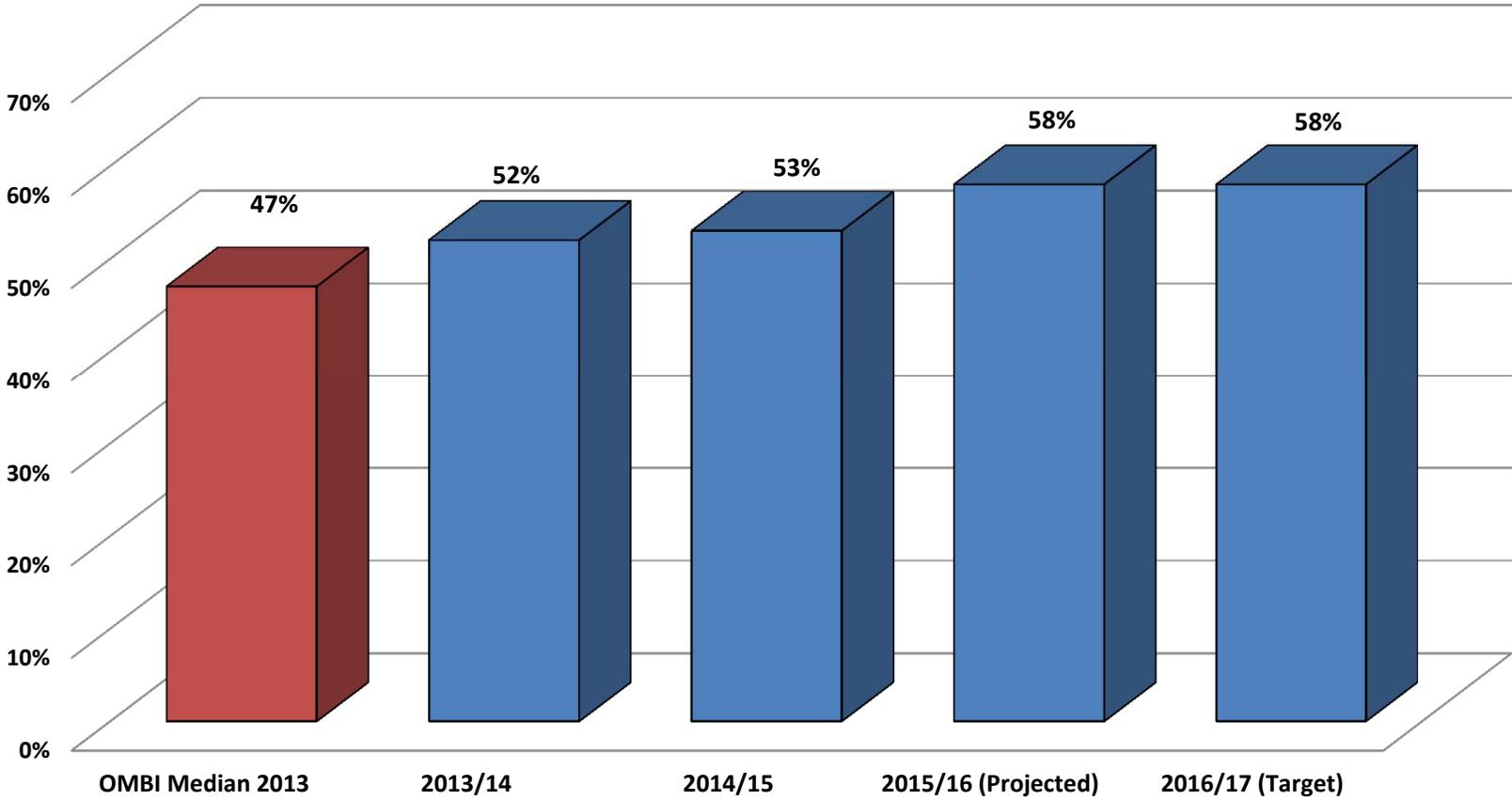
For Halifax, includes all Costs of Processing & Disposal (and leachate) at the Otter Lake Facilities including capital project costs for this site



Cost of Solid Waste Diversion per Tonne



Diversion Rate



2015/16 Introduced Clear Bag Practice



15/16 Update

15/16 Plan	Status Update
Solid Waste Program Improvements	<ul style="list-style-type: none">• Changes to the curb including the clear bag program complete.• “What goes where” web application is complete• Blue bags tonnages at the MRF have increased to the point of expansion. A business case / cost benefit on expansion options for consideration is being developed. Target date Spring / Summer 2016.• New Agreement signed between Halifax and Mirror NS for landfill operations.• With the acquisition of New Era staff and resources are being directed to the site to review and amend processes.• Curbside residential waste audits have been completed• Staff currently working on multi-residential audits and gathering data to analyze.• Report drafted for direction on future organics processing. Targeting February ESSC meeting.

15/16 Update

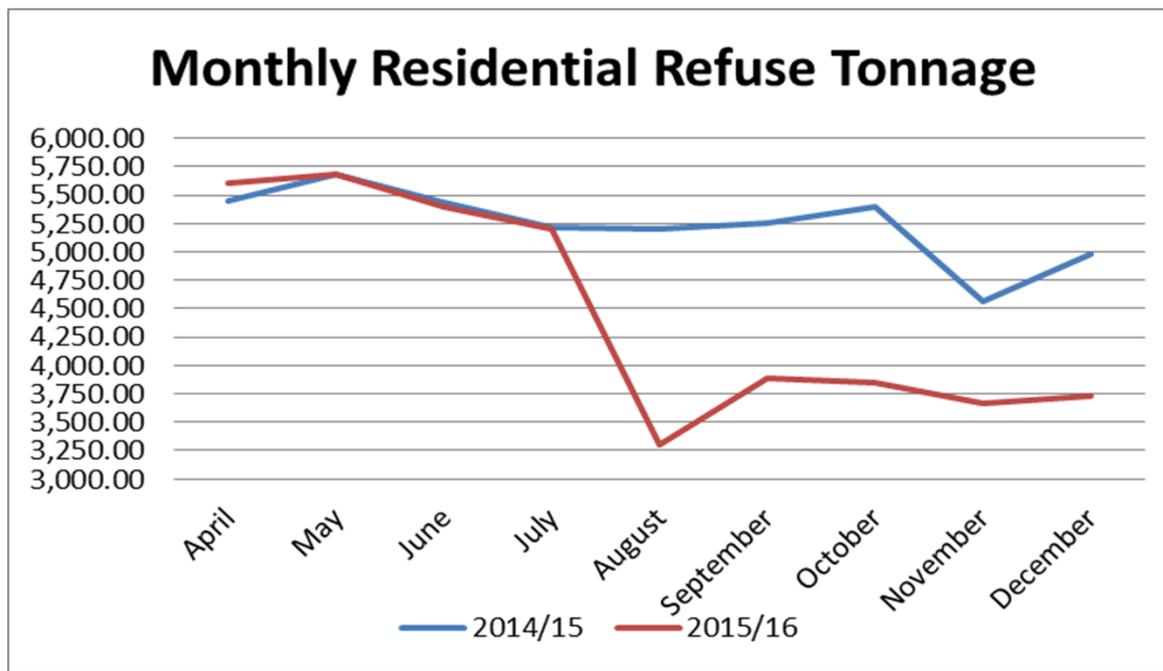
15/16 Plan	Status Update
<p>Active Transportation</p>	<p>Implementation of 2014-2019 AT Priorities plan include:</p> <ul style="list-style-type: none"> • 8 of 9 regional trails projects have been tendered. The final project is under design; • Overall over 90% of Strategic AT projects/studies have been tendered/awarded; • Hammonds Plains, Chain Lake, and Hollis bike lane projects have been completed as well as pedestrian improvements to Young Street; • 55% (5 of 9) new sidewalk projects have been tendered to date. It is anticipated most of the remaining new sidewalk projects will be tendered prior to the end of this fiscal. • MacDonald Bikeway Report deliverables as per direction from the Sept 2015 Council meeting are in progress
<p>Pedestrian Safety</p>	<p>Engineering initiatives arising from the Pedestrian Safety Action Plan that have been completed to date include:</p> <ul style="list-style-type: none"> • installation of pedestrian ramps, pole relocations, side-mounted flashing beacons, and electrical upgrades where applicable; • minimum standard for new marked crosswalks include zebra markings and side mounted signs; • Crossing times at signalized intersections were increased an average by 20% (we are now using a walking speed of 1.0 m/s instead of 1.2 m/s to calculate crossing time); • During the winter, a tender will be issued for the Rectangular Rapid Flashing Beacon project. 

15/16 Update

15/16 Plan	Status Update
10-year Pavement Investment Strategy	<ul style="list-style-type: none">• The framework has been completed and staff is now beginning to move forward on a number of initiatives identified in the plan.
Urban Forest Master Plan	<ul style="list-style-type: none">• More than 1,700 trees planted in 2015.• Work on the MOU for cyclic tree pruning with NSPI continues with an anticipated product at the end of fiscal.

Solid Waste Program Improvements

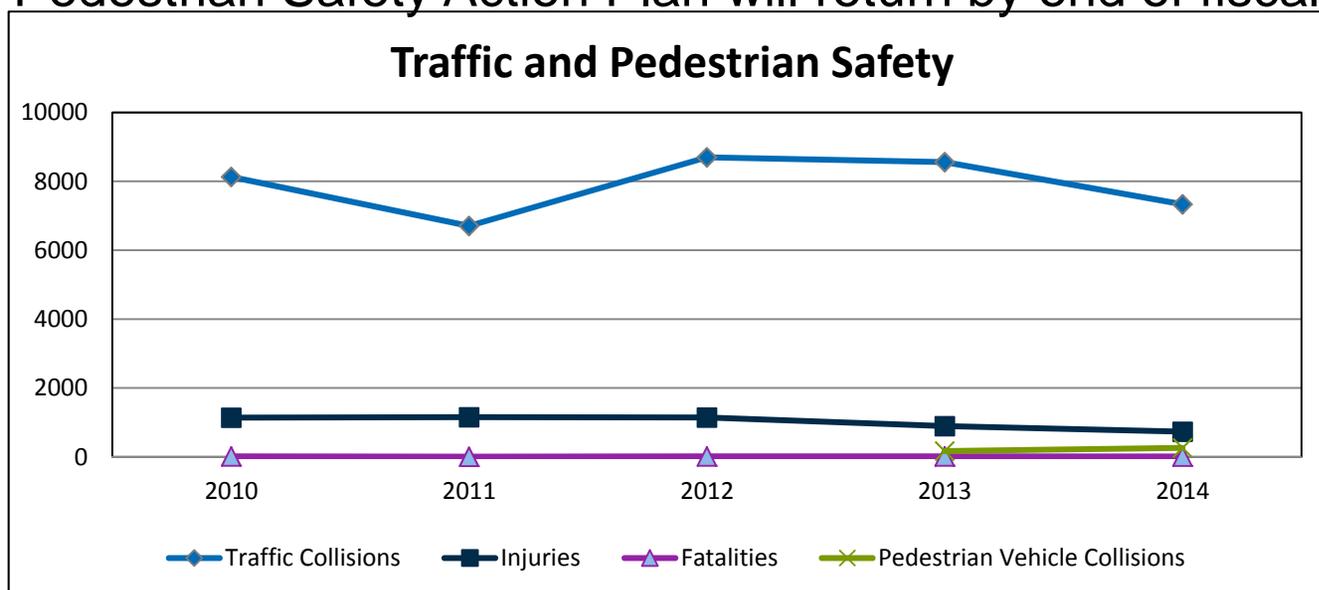
- Decrease in residential refuse tonnages of 27%
- Increase in recycling tonnages of 16%
- Tonnages at the recycling facility have increased to the point of expansion.
- Acquisition of Goodwood compost facility has reduced operating costs for 15/16 and 16/17.
- New Agreement for Otter Lake landfill operations.



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Pedestrian Safety

- Vehicle/Pedestrian collisions decreased from 262 to 208 in 2015 (21%)
- 59% per cent (122 incidents) of vehicle/pedestrian collisions reported in 2015 occurred in crosswalks compared to 60 % (156 incidents) for the same period in 2014.
- Pedestrian Safety Action Plan will return by end of fiscal



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Operating Budget Overview

Cost Element Groups	2014-15		2015-16		2016-17
	Budget	Actual	Budget	Oct '15 Projection	Proposed
Expenditures					
* Compensation and Benefits	19,405,200	21,586,632	20,749,200	20,050,800	20,535,500
* Office	236,100	208,271	215,600	219,900	212,700
* External Services	55,960,900	60,990,119	61,682,000	67,812,600	60,991,400
* Supplies	247,800	365,661	220,600	274,300	257,300
* Materials	2,443,300	4,999,915	2,548,000	1,984,300	1,597,700
* Building Costs	7,118,400	5,330,714	5,183,900	4,381,200	3,189,400
* Equipment & Communications	2,320,100	10,453,536	216,500	341,900	319,600
* Vehicle Expense	41,100	35,935	9,700	13,950	9,500
* Other Goods & Services	1,740,200	1,601,507	2,629,800	2,218,600	2,333,700
* Interdepartmental	23,200	-67,773	23,200	8,200	8,200
* Debt Service	2,828,800	2,821,778	2,707,000	2,608,100	2,518,700
* Other Fiscal	2,217,000	3,364,996	494,200	1,294,200	3,934,600
** Total	94,582,100	111,691,290	96,679,700	101,208,050	95,908,300
Revenues					
* Area Rate Revenue	(40,300)	(40,516)	(40,800)	(40,800)	(40,800)
* Transfers from Other Gov	(2,123,100)	(2,482,847)	(2,123,100)	(2,923,100)	(2,623,100)
* Fee Revenues	(13,326,000)	(12,677,673)	(12,999,500)	(11,274,500)	(3,109,500)
* Other Revenue	(1,748,400)	(2,275,487)	(2,067,800)	(3,107,500)	(1,484,900)
** Total	(17,237,800)	(17,476,524)	(17,231,200)	(17,345,900)	(7,258,300)
Net Surplus/Deficit	77,344,300	94,214,766	79,448,500	83,862,150	88,650,000

Service Area Budget Overview

Net TPW Expenses by Service Area	14/15		15/16		16/17
	Budget	Actual	Budget	As of October/15 Projection	Proposed Budget
TPW Administration	560,500	629,039	750,700	725,800	749,400
Project Planning & Design	3,143,300	2,833,358	2,983,700	2,946,100	2,909,700
Road Operations	28,398,800	44,820,667	32,115,700	37,024,7500	37,985,400
Traffic Management	11,222,800	11,373,971	11,231,700	11,063,800	12,138,700
Solid Waste Resources	34,018,900	34,557,731	32,366,700	32,101,700	34,866,800
Business Unit Total	77,344,300	94,214,766	79,448,500	83,862,150	88,650,000



Operational Impact of New Assets

New Development Acceptance	\$62,600	\$75,300	\$137,900	Maintenance: Asphalt streets (15/16 - 12.124 lane kms, 16/17 - 10.953 lane kms)
New Development Acceptance	\$36,600	\$64,100	\$100,700	Maintenance: Concrete curb (15/16 - 7.17 linear kms, 16/17 - 11.2853 linear kms), Gravel shoulder (15/16 2.618 linear kms)
New Development Acceptance	\$2,500	\$300	\$2,800	Maintenance: Asphalt walkways (15/16 - 0.36 linear kms, 16/17 - 0.039 linear kms)
New Development Acceptance	\$44,600	\$18,200	\$62,800	Maintenance: Concrete Sidewalks (15/16 - 6.5 linear kms, 16/17 - 2.3645 linear kms)
New Development Acceptance	\$2,500	\$1,600	\$4,100	Maintenance: Guiderail (15/16 - 0.8 linear kms, 16/17 - 0.485 linear kms)
New Development Acceptance	\$1,700		\$1,700	Maintenance: Right of Way Trees (242 new plantings)
Street Recapitalization	\$35,500		\$35,500	Maintenance: Concrete Sidewalks (5.2 linear kms)
Active Transportation - Strategic Projects	\$30,700		\$30,700	Maintenance: Bike Lanes Widening (7.4 kms)
Active Transportation - Strategic Projects	\$13,400		\$13,400	Maintenance: Painted Bike Lanes (5.6 kms)
Active Transportation - Strategic Projects		\$7,800	\$7,800	Maintenance: Asphalt Road (1.138 km)
New Paving Streets - HRM Owned Roads	-\$600	\$34,000	\$33,400	Reduced Maintenance: (15/16 - Paved Gravel Road - 0.45 km) Maintenance: (16/17 - Concrete Sidewalks - 4.2 km, (16/17 - Guiderail - 0.685 km)
Street Lighting	\$1,000		\$1,000	Ongoing Operational Maintenance
Traffic Signal Installation	\$2,000		\$2,000	Ongoing Operational Maintenance
Traffic Signal System Integration	\$50,900		\$50,900	Ongoing Equipment Maintenance
Other Road Related Works		\$2,700	\$2,700	Maintenance: Grass Cutting (8,240 m ²), Tree Maintenance (165 trees)
Total TPW	\$ 283,400	\$ 204,000	\$ 487,400	

2016/17 Transportation & Public Works Draft Budget and Business Plan

Operating costs related to capital projects will be updated after the Capital Budget is finalized. Updated OCC will be presented with the Fiscal Budget.

Staff Counts (FTEs)

Service Area	2015/2016 FTEs	2016/2017 FTEs
TPW Total	281	282
Directors Office	3	3
Solid Waste Resources	17	17
Project Planning & Design	39	39
Road Operations	174	175
Traffic Management	49	49

16/17 Cost Changes

Change	16/17	17/18	18/19	Impact on Service Delivery
Increase in Winter Service Contracts	\$5,600,000			Reduced risk of cost overruns
Cost Restructure of Solid Waste as a result of Otter Lake agreement	\$2,515,000			Reserve contribution to be presented during FISCAL
Service Agreement with Halifax Water regarding Tree Roots	-\$350,000			Reduced administrative overhead, offset by increase in capital road projects to undertake hardware adjustments
Increase in Street Lighting Expenditures	\$700,000			LED Streetlight conversion business plan reserve contributions based on energy unit cost inflation
Other Operational Maintenance and Material Pressures	\$736,500			
Net Increase:	\$9,201,500			

16/17 Initiatives

Solid Waste Program Improvements

- Undertake initiatives to improve the waste management system, including deliverables to reduce operating costs, ensure regulatory compliance and environmental protections, and improve diversion and source separation compliance
- **Regional Council currently has a motion to extend green carts service in September and the increase in blue bag service. These improvements are NOT in the current proposed budget. An additional \$1.7M would be required**

Active Transportation

- Implement the second year of the 2014-2019 Active Transportation Plan as outlined in the 2016/17 Capital Program.

16/17 Initiatives

Road Safety

Lead a pedestrian safety initiative including:

- annual pedestrian safety plan
- implementation of approved engineering, education, and enforcement programs
- develop a broader general road safety strategy, including pedestrian safety, for presentation to Regional Council in 2016/17
- **Regional Council has requested a staff report to analyze the effectiveness of our leaf collection program – additional funding has not been included in the proposed budget.**

16/17 Initiatives

Transportation Capital Program

- Increased investment in state of good repair
- Develop an implementation plan integrating the state of good repair program with the Road Network, Transit and Active Transportation Priority Plans.
- Develop program in consultation with the Integration Committee which includes Halifax Water and other utilities.
- Capital Budget increases:
 - Road Operations and Construction State of Good Repair - increase of 400K from last year
 - Other Road Related Work - increase of 1 M from last year
 - Street Recapitalization - increase of 5M from last year

Winter Works Review

- Implement Council approved recommendations

Questions and Discussion