

Re: Item No. 6

# CORPORATE & CUSTOMER SERVICES

2022/23 Budget & Business Plan  
Committee of the Whole on Budget  
February 2, 2022



# MISSION

Customer service is at the heart of everything we do.

## SERVICE AREAS

### **Corporate Fleet – Trevor Harvie, Director**

Responsible for the lifecycle management of vehicles and equipment including replacement. Capital projects include purchasing vehicles and equipment for a diverse fleet including Halifax Regional Fire & Emergency (HRFE), Halifax Regional Police (HRP), and municipal vehicles and equipment.

### **Corporate Real Estate – Peter Stickings, Director**

Corporate Real Estate is committed to supporting Regional Council priorities through real property acquisitions and disposals; industrial park development and sales; leasing and accommodations management; and real estate advisory services.

### **Environment & Climate Change – Shannon Miedema, Director**

Environment & Climate Change provides leadership in climate action and environmental sustainability. Leads the implementation of HalifACT and develops and oversees projects, policies and programs to protect ecosystem health, reduce emissions, and adapt and prepare for the impacts of climate change.

## SERVICE AREAS

### **Facility Design & Construction – Philip Dugandzic**

Provides professional design, construction, demolition, inspection, condition assessments and records management for municipal facilities such as recreation facilities, depots, Halifax Transit terminals and garages, administrative buildings, HRFE stations and HRP facilities.

### **Facilities Maintenance & Operations – Diane Chisholm**

Maintains over 240 municipal buildings, provides preventative and life cycle maintenance planning, and corporate security.

ABOUT US

PROJECTED DELIVERY OF  
BUILDING CONSTRUCTION  
PROJECTS

**\$34.7M**

CAPITAL PROJECTS  
DELIVERED

**67**

BUILDINGS BUILT TO NET  
ZERO READY

**2**

PROPERTY TRANSACTION VALUE

**\$15.0M**

LEASES UNDER MANAGEMENT

**450K sq. ft.**

MUNICIPAL FACILITIES –  
GHG REDUCTION (2018 TO 2021)

**8,530 tons**

INDUSTRIAL LOTS SOLD

**85 acres**

INDUSTRIAL LOTS SOLD

**\$25.0M**

CORPORATE EMISSIONS  
REDUCTION SINCE 2008

**28%**

ABOUT US

MUNICIPAL BUILDINGS  
MAINTAINED

**2.8M sq. ft.**

VOLUME OF FLEET  
VEHICLES & EQUIPMENT  
MAINTAINED

**1,570**

WORK ORDERS COMPLETED  
MUNICIPAL FACILITIES

**12.5K**

FLEET REPAIR &  
MAINTENANCE TASKS  
COMPLETED

**25.3K**

COMMUNITY-WIDE  
EMISSIONS REDUCTION  
SINCE 2016

**24%**

COMMUNITY-WIDE  
CAPACITY OF  
RENEWABLES INSTALLED  
IN 2020/21

**2,816 kW**

SUCCESSES



\$30M Tender Awarded for Burnside Phase 13.1 Expansion. Represents 320 acres; +\$300M in Built Development Value



120,000 square feet of Accommodations Premises Leased – housing 650 staff



Completed renovation of the Dartmouth North Library, opened in fall 2021



Fort Needham and Penhorn Lake Washroom Facilities: New fully accessible, universal washrooms with all amenities



New Policy-Surplus Property Acquisition, Transfer or Change of Use implemented July 2021



Improved efficiencies through success of Cityworks

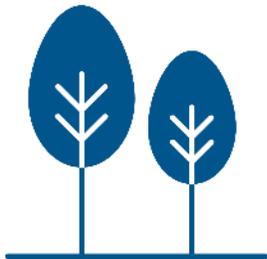
SUCCESSSES



Implemented Living Wage in all cleaning and snow removal contracts



\$18M in solar installations through the Solar City Program



Storm Kits for Newcomers pilot project provided information and emergency kits to help newcomers be better prepared for extreme weather events



Corporate Fleet Hybrid/Electric Vehicle/Asset purchases: 20 in 2021 (includes two Electric Ice Resurfacers). In 2022, 22 more are expected



Municipal Electric Vehicle Strategy approved

## CURRENT & PLANNED INITIATIVES

### GROWTH & ASSET RENEWAL PROJECTS

- Mackintosh Depot Renewal
- Renovation of HRFE Station #28 – Sheet Harbour
- Alderney Gate Recapitalization
- Wharf Recapitalization
- Woodside Ferry Terminal Renovation
- Halifax Common Aquatic Facility
- Lakeside Community Centre Recapitalization



## CURRENT & PLANNED INITIATIVES

### COUNCIL PRIORITIES

#### COMMUNITIES – INCLUSIVE COMMUNITIES

##### Various Accessibility Projects:

- Diversity, inclusion and accessibility principles incorporated into all new designs;
- Accessible ramp upgrades, beach mats and new universal washrooms;
- Preparations to meet the provincial Access by Design 2030 are underway;
- C&CS has two employees with Rick Hansen Certification and two enrolled in the program.



## CURRENT & PLANNED INITIATIVES

### COUNCIL PRIORITIES

#### PROSPEROUS ECONOMY-HOLISTIC PLANNING

- Sufficient Supply of Industrial Lands Inventory
- Supply of Industrial Lands - Burnside Phase 13-2
- Supply of Industrial Lands - Burnside Phase 14
- Integrated Mobility Plan (IMP) Land Assembly



## CURRENT & PLANNED INITIATIVES

### **COUNCIL PRIORITIES**

#### ENVIRONMENT – PROTECTED & SUSTAINABLE ENVIRONMENT

- Water Quality Monitoring
- Watershed Management



## CURRENT & PLANNED INITIATIVES - HALIFACT

### NET ZERO STANDARDS FOR NEW BUILDINGS (ENVIRONMENT - NET ZERO EMISSIONS)

- Halifax Regional Municipality 2030 Net-Zero Roadmap for new net-zero municipal buildings
- Net Zero Energy-New Construction

### RETROFIT MUNICIPAL BUILDINGS TO BE NET ZERO READY AND CLIMATE RESILIENT (ENVIRONMENT - NET ZERO EMISSIONS)

- Halifax Regional Municipality 2030 Net-Zero Roadmap for deep energy retrofits of municipal buildings
- Resilience Retrofit Study and Guidebook
- Net Zero Energy-Recommissioning
- Net Zero Energy-Oil Conversion

### RETROFIT AND RENEWABLE ENERGY PROGRAMMING (ENVIRONMENT - NET ZERO EMISSIONS)

- Retrofit, Renewables and Resilience (R3) Program
- Solar City Program

## CURRENT & PLANNED INITIATIVES - HALIFACT

### ELECTRIFICATION OF TRANSPORTATION (ENVIRONMENT- NET ZERO EMISSIONS)

- Municipal Electric Vehicle Strategy
- Electric Vehicle Charging Infrastructure
- Decarbonize Fleet-Implementation Plan

### RISK & VULNERABILITY ASSESSMENTS (ENVIRONMENT – CLIMATE RESILIENCE)

- Climate Hazard Mapping and Integration

### CAPACITY BUILDING FOR CLIMATE ADAPTATION (ENVIRONMENT – CLIMATE RESILIENCE)

- Building Community Resilience to Climate Impacts



## CURRENT & PLANNED INITIATIVES

### **ADMINISTRATIVE PRIORITIES**

#### SERVICE EXCELLENCE – EXCEPTIONAL CUSTOMER SERVICE

- Real Estate Service Improvement Initiative
- Service Level Agreements

#### SERVICE EXCELLENCE – INNOVATIVE PERFORMANCE EXCELLENCE

- Performance Excellence Strategy
- Light Fleet Optimization: a Benefits Realization project linked to Performance Excellence
- Cityworks Process Review
- Facilities Maintenance & Operations Performance Management Plan



## CURRENT & PLANNED INITIATIVES

### ADMINISTRATIVE PRIORITIES

#### OUR PEOPLE – HEALTHY & SAFE WORKPLACE

- COVID-19 Cleaning Requirements
- Corporate Accommodations Program:
  - Focusing on improving accessibility and inclusivity in the office environment
  - Improving ergonomics, operational efficiency and functionality



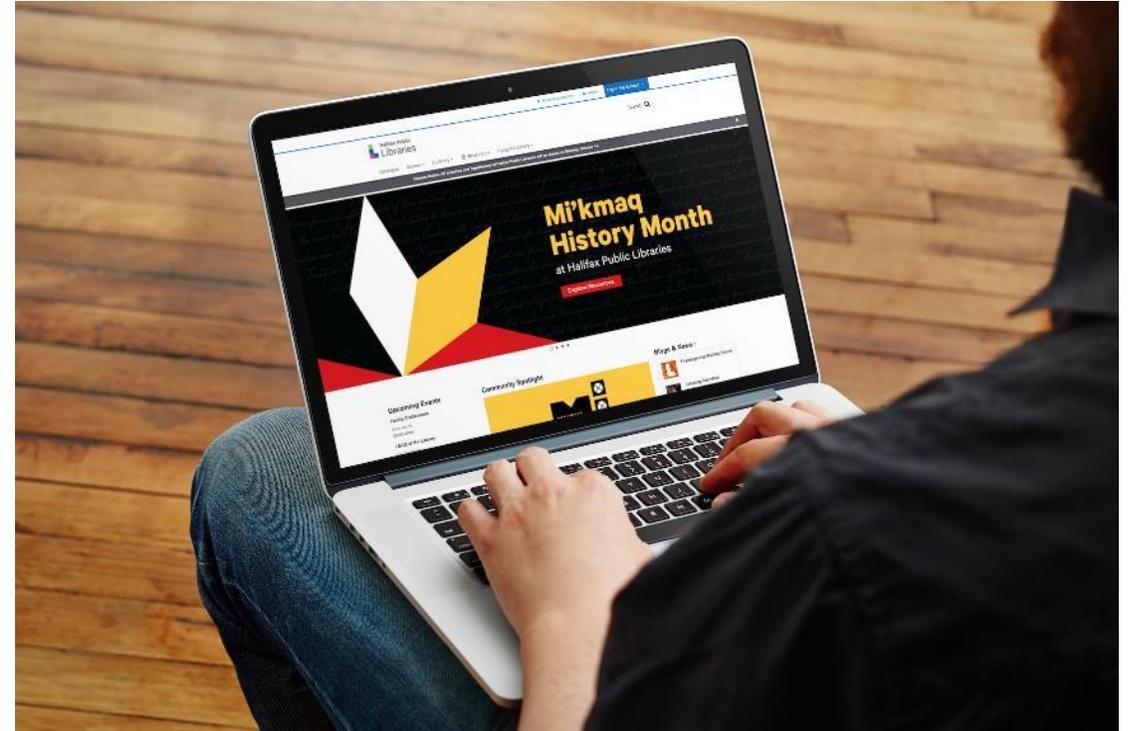


## CURRENT & PLANNED INITIATIVES

### ADMINISTRATIVE PRIORITIES

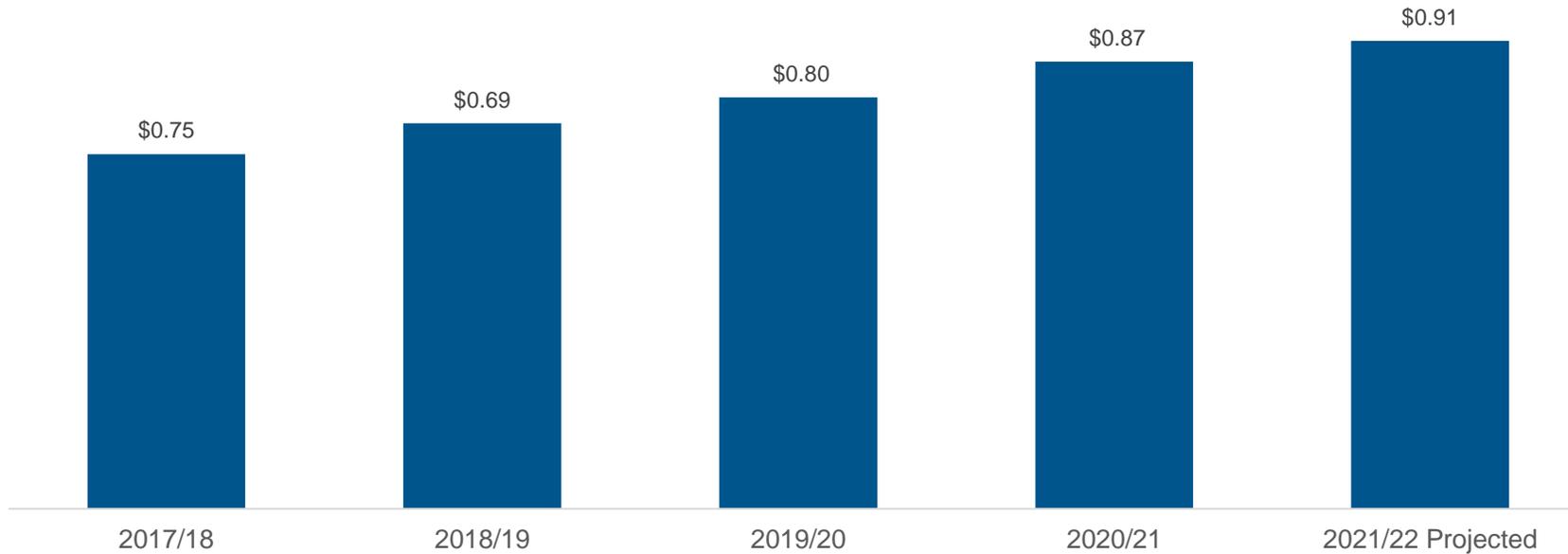
#### OUR PEOPLE-DIVERSE, INCLUSIVE & EQUITABLE ENVIRONMENT

- Diversity, inclusion and accessibility principles applied to built environment
- Meaningful Partnerships



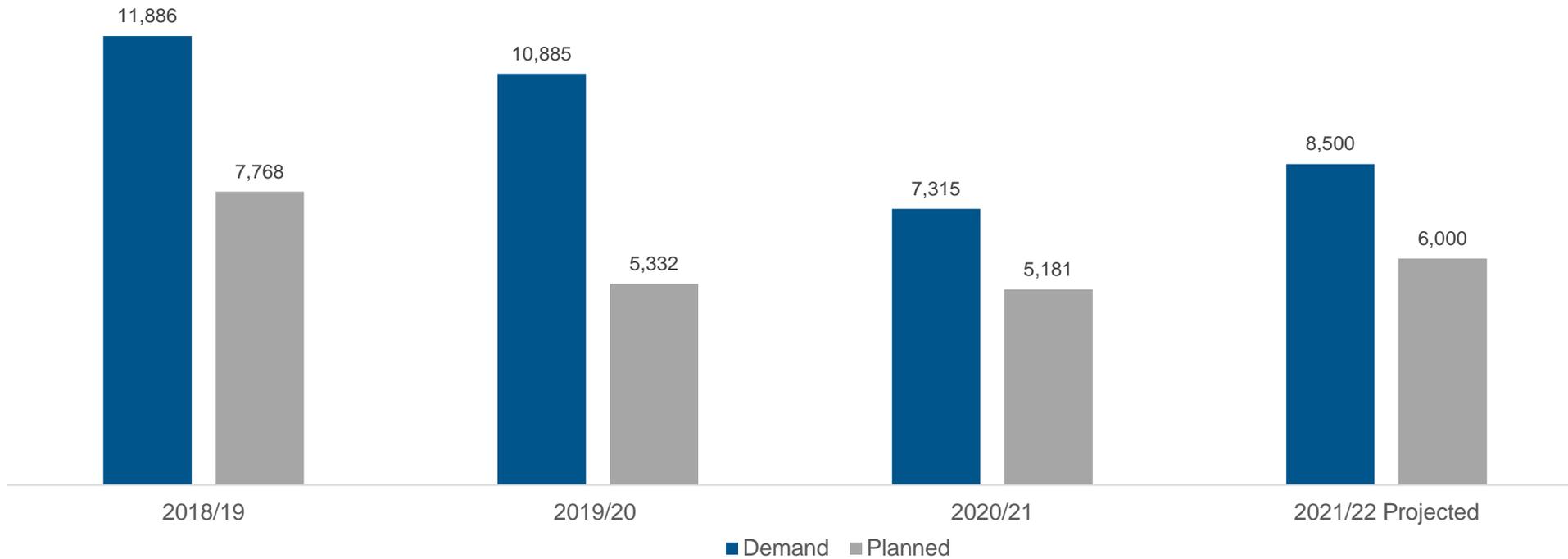
## KEY PERFORMANCE INDICATORS

### OPERATING COSTS PER VEHICLE KM (MUNICIPAL EQUIPMENT)



# KEY PERFORMANCE INDICATORS

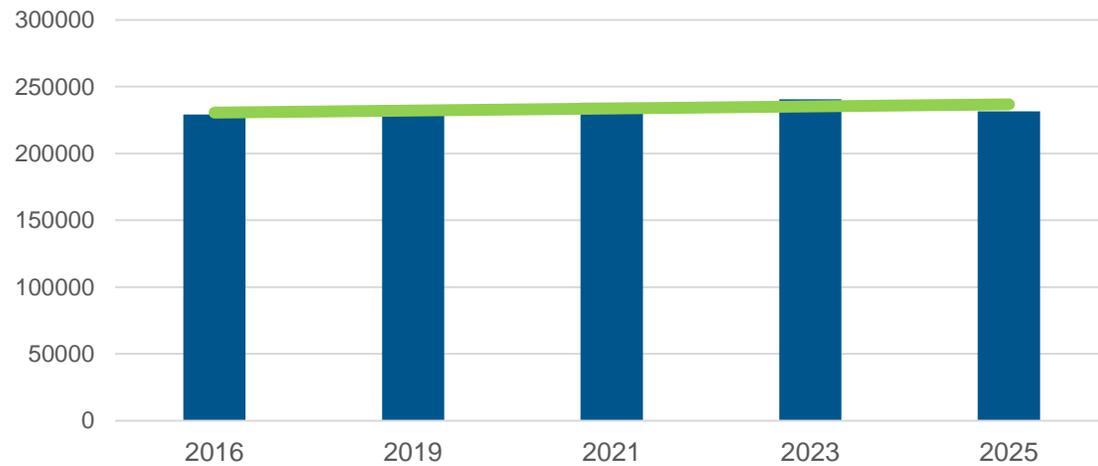
## FACILITIES MAINTENANCE WORK ORDERS: DEMAND VS PLANNED



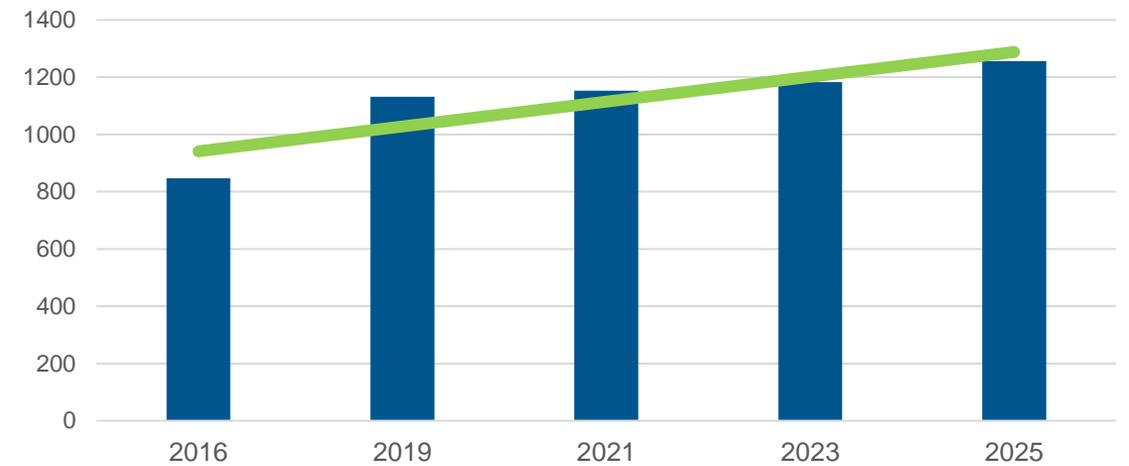
# KEY PERFORMANCE INDICATORS

## CORPORATE ACCOMMODATIONS PROGRAM IMPACT

### Total Administrative Office Space in Ft.<sup>2</sup>



### Total # of Workspaces

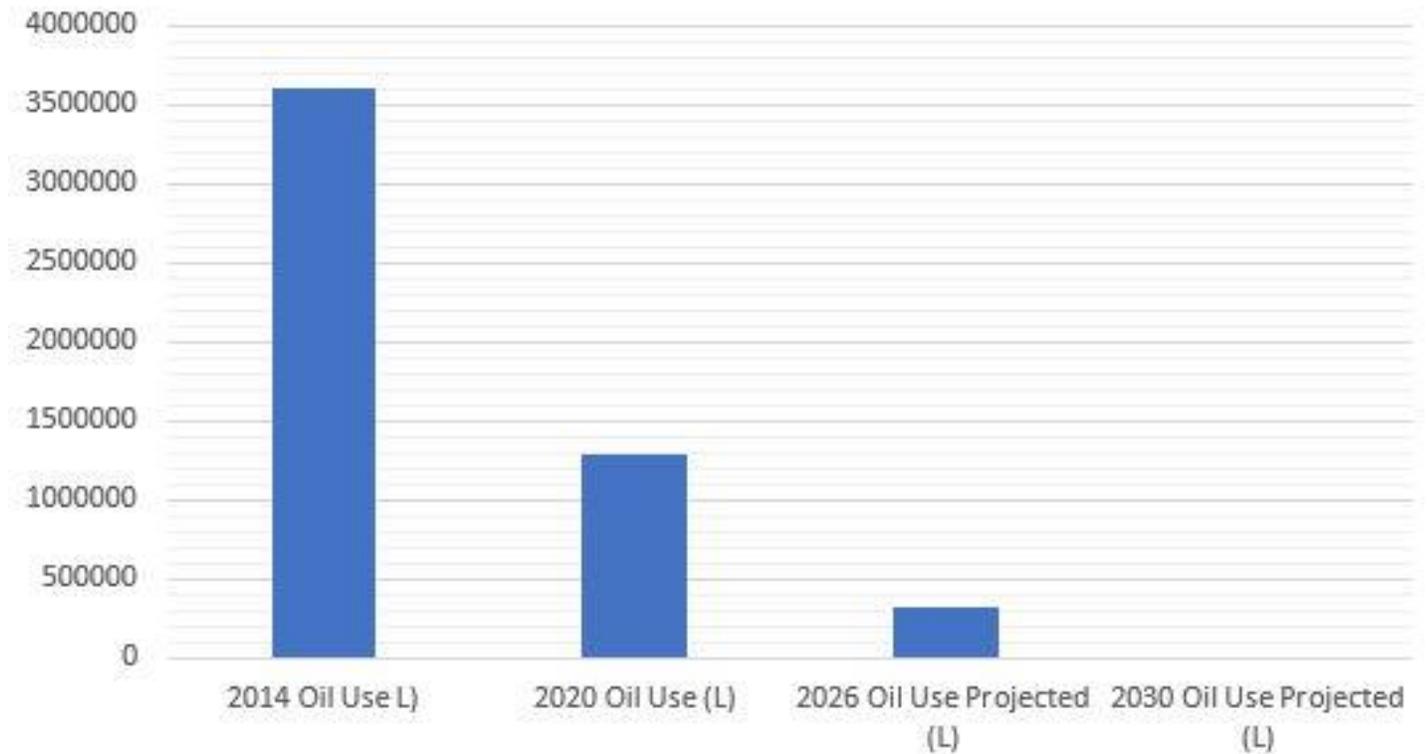


# KEY PERFORMANCE INDICATORS

## HALIFACT 2050

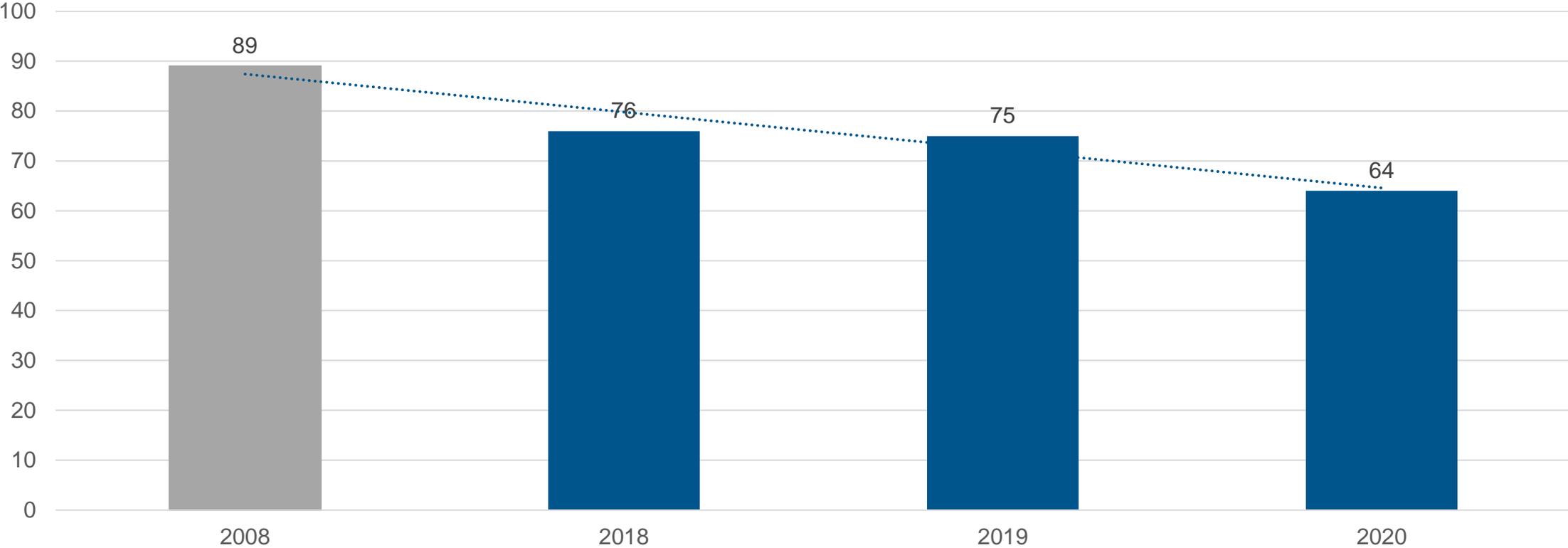
- Fuel conversions
  - Oil to natural gas/heat pumps
- Energy efficient projects
  - Building envelope improvements
  - Controls and building automation improvements
- Disposal of surplus assets

### HRM Building Oil Usage (L)



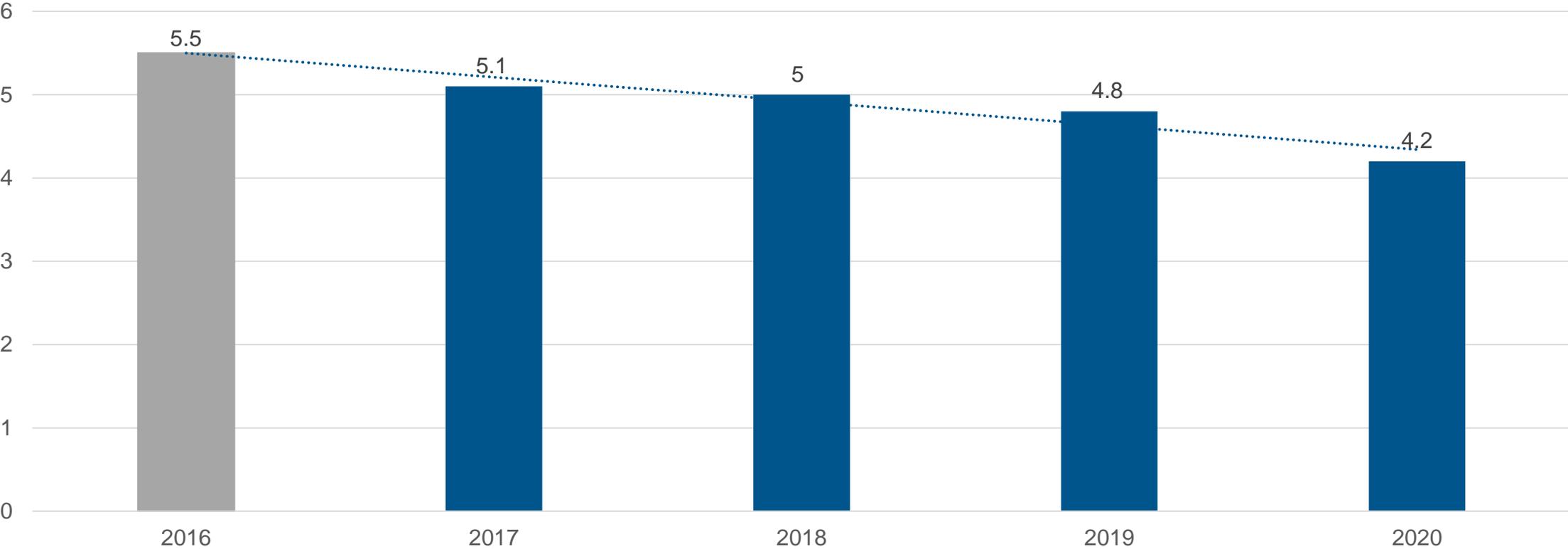
# KEY PERFORMANCE INDICATORS

### Corporate Emissions in kilotonnes of CO2 Equivalent



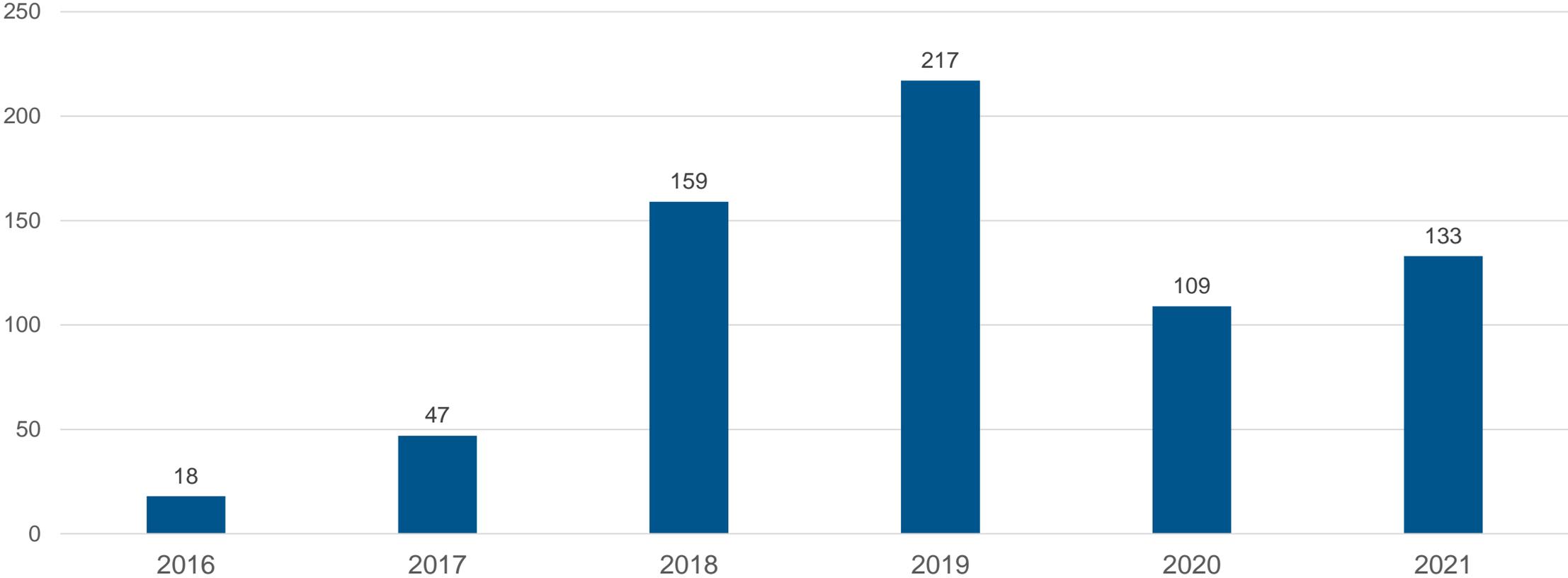
# KEY PERFORMANCE INDICATORS

Community Emissions in megatonnes of CO2 Equivalent



# KEY PERFORMANCE INDICATORS

## Number of Solar Energy Systems Installed through the Solar City Program



## OPERATING BUDGET

## OVERVIEW

Expenditures	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Compensation and Benefits	\$ 15,758,151	\$ 17,461,100	\$ 16,917,700	\$ 17,282,626	\$ (178,474)	(1.0)
Office	162,627	157,650	190,300	161,950	4,300	2.7
External Services	4,740,328	6,633,400	6,785,400	8,229,500	1,596,100	24.1
Supplies	196,668	269,400	290,800	274,300	4,900	1.8
Materials	262,702	476,700	351,100	400,200	(76,500)	(16.1)
Building Costs	7,016,699	7,155,850	7,500,400	7,678,150	522,300	7.3
Equipment & Communications	1,501,740	1,562,400	1,918,550	1,630,500	68,100	4.4
Vehicle Expense	5,660,640	6,090,700	6,879,615	6,602,500	511,800	8.4
Other Goods & Services	3,927,028	4,202,100	4,164,000	4,817,374	615,274	14.6
Interdepartmental	(33,147)	(12,700)	(32,000)	(35,800)	(23,100)	181.9
Other Fiscal	(274,029)	(571,500)	(567,900)	(615,500)	(44,000)	7.7
<b>Total Expenditures</b>	<b>38,919,407</b>	<b>43,425,100</b>	<b>44,397,965</b>	<b>46,425,800</b>	<b>3,000,700</b>	<b>6.9</b>

Revenues	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Fee Revenues	\$ (2,369,319)	\$ (2,454,900)	\$ (2,294,600)	\$ (2,069,500)	\$ 385,400	(15.7)
Other Revenue	(45,157)	(29,400)	(130,000)	(144,800)	(115,400)	392.5
<b>Total Revenues</b>	<b>(2,414,476)</b>	<b>(2,484,300)</b>	<b>(2,424,600)</b>	<b>(2,214,300)</b>	270,000	<b>(10.9)</b>
<b>Net Total</b>	<b>\$ 36,504,931</b>	<b>\$ 40,940,800</b>	<b>\$ 41,973,365</b>	<b>\$ 44,211,500</b>	<b>\$ 3,270,700</b>	<b>8.0</b>

## OPERATING BUDGET

## SERVICE AREA OVERVIEW

Service Area	2020/21	2021/22	2021/22	2022/23		
	Actual	Budget	Projections	Budget	Δ 21/22 Budget	Δ %
Executive Director's Office	\$ 816,731	\$ 794,500	\$ 788,500	\$ 424,940	\$ (369,590)	(46.5)
Corporate Real Estate	3,939,249	4,163,400	4,282,100	5,176,884	1,013,484	24.3
Facility Design & Construction	1,221,494	1,281,300	1,215,100	1,216,040	(65,260)	(5.1)
Facilities Maintenance & Operations	18,012,224	19,817,400	20,306,965	20,367,705	550,305	2.8
Corporate Fleet	11,691,675	12,641,300	13,190,800	13,101,731	460,431	3.6
Environment & Climate Change	823,558	2,242,900	2,189,900	3,924,200	1,681,300	75.0
<b>Net Total</b>	<b>\$ 36,504,931</b>	<b>\$ 40,940,800</b>	<b>\$ 41,973,365</b>	<b>\$ 44,211,500</b>	<b>\$ 3,270,670</b>	<b>8.0</b>

## OPERATING BUDGET

## STAFF COUNTS

Full Time Equivalent	2021/22 Budget FTE	Transfers (+/-)	Changes (+/-)	2022/23 Budget FTE	\$ Budget Change
Operating	229.0	(37.1)	11.9	203.8	912,300
Capital	1.0	-	-	1.0	N/A
<b>Total</b>	<b>230.0</b>	<b>(37.1)</b>	<b>11.9</b>	<b>204.8</b>	<b>\$ 912,300</b>

**Transfers**

22 FTE of Corporate Real Estate transferred in.  
 14.3 FTEs of Environment & Climate Change (previously Energy & Environment at P&D) transferred in.  
 39.4 FTEs of Customer Contact Centers and 6 FTEs of Org Performance & Excellence transferred out to FAM  
 3 FTEs of Corporate Safety (ED's Office), and  
 25 FTEs of Corp Comms transferred out to HRCC  
**Net Transfer Out of 37.1 FTEs**

**Changes**

1 Project Manager & 1 Team Lead each added to CRE  
 1 Business Analyst (conversion), 1 Garage Helper (conversion) and 1 Sustainable Green Fleet Analyst added to Corporate Fleet  
 2 FTEs removed and converted to Business Analyst & Garage Helper at Fleet,  
 1 new Chief Plant Operator added, Utility Part Time operator converted from 0.6 to 0.5 FTE for FM&O  
 8 new positions added to Environment & Climate Change  
**Net Changes 11.9FTEs**

## OPERATING BUDGET

## SUMMARY OF CHANGES

Change Description / Service Impact	Amount
<b>Approved 2021/22 Budget*</b>	<b>\$ 40,940,800</b>
Compensation Changes:	
11 new FTE additions, 0.9 FTE changes. Offset by adjustment to vacancy management annual target	(178,474)
Revenue Adjustments:	
Loss of fee revenues in facilities rentals and leases, offset by minor revenue increases	270,000
Other Budget Adjustments:	
Increase of office expenses	4,300
Increased costs of external services (janitorial, snow removal) and other miscellaneous items for Facilities Maintenance & Operations	328,600
Increased cost of external services (consulting \$1.75M), offset by decrease (\$482.5K) of contract costs and other miscellaneous items for Environment & Climate Change.	1,267,500
Increase in cost of supplies - uniforms and personal protection equipment	4,900
Decrease in materials costs (non-operation of Centennial Pool) for Facilities Maintenance & Operations	(76,500)
Increase in building costs for Facilities Maintenance & Operations (\$475K), and in environmental cleanup and other miscellaneous costs for Environment & Climate Change (\$47K)	522,300
Increase in equipment & communications costs	68,100
Increase in vehicle expenses (maintenance and fuel prices) for Corporate Fleet.	511,800
Increase in expenses for leased office accommodations for Corporate Real Estate, and in advertising and public education (\$136K) for Environment & Climate Change	615,274
Other Inter-departmental adjustments	(67,100)
<b>Total Proposed Changes</b>	<b>\$ 3,270,700</b>
<b>2022/23 Budget</b>	<b>\$ 44,211,500</b>

## OPERATING BUDGET

## FINANCIAL RISKS

Risk Details	One-time / On-Going	2022/23 Amount
<p><b>Revenue/Expenses Risk:</b> Pressures on Revenues and Expenses (due to the ongoing Pandemic). Further decline of revenues for HRM leased and rental properties. Occupancy increase of HRM leased office accommodations, due to growth in HRM hiring leading to increase in facility expenses.</p>	On-Going	1,200,000
<p><b>Inflationary Risk:</b> Pressures of increasing inflation. Cost of living wage increases, supply chain issues and delay in acquiring services for maintenance of more than 200 properties owned and maintained by HRM. Increase in costs associated with contractual work, electronic microprocessors, materials, and motor replacements. Budget pressures could result in a risk of reduced service levels.</p>	On-Going	1,150,000
<p><b>Fuel Pricing Risk:</b> Pressure of volatility and increasing gas and diesel prices above fuel price target for 2022/23.</p>	On-Going	400,000
<b>Total Risk</b>		<b>\$ 2,750,000</b>

