

**3. 2018 DRAFT OPERATING AND CAPITAL BUDGET – TRANSPORTATION COMMITTEE**

**BUDGETS PRÉLIMINAIRES DE FONCTIONNEMENT ET D'IMMOBILISATIONS DE 2018 – COMITÉ DES TRANSPORTS**

**COMMITTEE RECOMMENDATIONS AS AMENDED**

That Council, sitting as Committee of the Whole, approve the Transportation Committee 2018 Draft Operating and Capital Budget, including amended pages 29, 102 and 133, as follows:

1. The Public Works and Environmental Services (PWES) Budget, as follows:
  - a) General Manager's Office and Business Support Services - Operating Resource Requirement (page 11);
  - b) Roads Services, as follows:
    - i) User Fees (page 13);
    - ii) Operating Resource Requirement (page 12);
  - c) Parking Services, as follows:
    - i) User Fees (pages 15-19);
    - ii) Operating Resource Requirement (page 14), as amended by the following:
      - (1) that City Council waive the requirements of the City's Municipal Parking Management Strategy to install bike racks only in paid parking areas, and establish a pilot project for 2018 to install bike racks at up to 50 OC Transpo bus stops both

within and outside paid parking areas, as described in this motion, to be funded from within the existing Parking Operations budget, on the understanding that any additional funds required will be transferred from the Parking Reserve Fund, to an upset limit of \$30,000; and

(2) That in addition to the investment stated above, staff be directed to approach Velocity Media Company (1823374 Ontario Inc.) to determine if they wish to provide additional bike racks in priority locations at OC Transpo stations and bus stops, both within and outside paid parking areas.

2. The Transportation Services Budget, as follows:
  - d) Traffic Services, as follows:
    - i) User Fees (pages 21-22);
    - ii) Operating Resource Requirement (page 20);
  - e) Transportation Planning Operating Resource Requirement (page 23);
  - f) Corporate Services Department - Fleet Services, as follows:
    - i) User Fees (page 25);
    - ii) Operating Resource Requirement (page 24);
3. The amended Transportation Committee Capital Budget (pages 26-30) [Individual projects are listed on pages 47-128].

**RECOMMANDATION DU COMITÉ, TELLES QUE MODIFIÉES**

Que le Conseil, siégeant en tant que comité plénier, approuve les budgets préliminaires de fonctionnement et d'immobilisations de 2018 du Comité des transports, notamment les pages 29, 102 et 133 modifiées, comme suit :

1. Le budget de la Direction générale des travaux publics et de l'environnement (DGTPE), comme suit :
  - a) Le bureau du directeur général et les Services de soutien aux activités – Besoin en ressources de fonctionnement (page 11);
  - b) Services des routes, comme suit :
    - i) Frais d'utilisation (page 13);
    - ii) Besoin en ressources de fonctionnement (page 12);
  - c) Services du stationnement, comme suit :
    - i) Frais d'utilisation (pages 15-19);
    - ii) Besoin en ressources de fonctionnement (page 14), tel que modifiée par ce qui suit ;
      - (1) Que le Comité des transports recommande au Conseil municipal de suspendre l'exigence de la Stratégie municipale de gestion du stationnement voulant que des supports pour vélos puissent seulement être installés dans des aires de stationnement payant, et de créer un projet ponctuel pour 2018 visant à installer des supports pour vélos à un maximum de 50 arrêts d'autobus d'OC Transpo, à l'intérieur comme à l'extérieur d'aires de stationnement payant, comme le décrit la présente motion; projet qui doit être financé à même le budget établi d'Exploitation des stationnements, dans la mesure où les fonds

supplémentaires requis proviendront du fonds de réserve pour le stationnement, jusqu'à concurrence de 30 000 \$;

**(2) IL EST EN OUTRE RÉSOLU QUE, outre l'investissement susmentionné, l'on demande au personnel de communiquer avec Velocity Media (1823374 Ontario Inc.) pour déterminer si l'entreprise souhaite fournir d'autres supports pour vélos pour les emplacements prioritaires aux stations et arrêts d'autobus d'OC Transpo, à l'intérieur comme à l'extérieur des aires de stationnement payant.**

2. Le budget de la direction générale des transports, comme suit :
  - d) Direction du service de la circulation, comme suit :
    - i) Frais d'utilisation (pages 21-22);
    - ii) Besoin en ressources de fonctionnement (page 20);
  - e) Direction de la planification des transports – Besoin en ressources de fonctionnement (page 23);
  - f) Direction générale des services organisationnels – Services du parc automobile, comme suit :
    - i) Frais d'utilisation (page 25);
    - ii) Besoin en ressources de fonctionnement (page 24);
3. Le budget d'immobilisations modifié du Comité des transports (pages 26-30) [Les projets individuels sont énumérés aux pages 47-128].

FOR THE INFORMATION OF COUNCIL

The Committee approved the following Direction to Staff:

That Staff advise, prior to Council's consideration of the 2018 Budget, if there is any infrastructure approved as part of the 2018 Budget or being built in 2018 that we are not budgeting or planning to budget for operational maintenance of this infrastructure (more specifically, around winter maintenance).

POUR LA GOUVERNE DU CONSEIL

Le Comité a donné l'instruction suivante au personnel :

Que le personnel nous informe, avant que le Conseil n'examine le budget de 2018, de la présence d'une infrastructure approuvée dans le cadre du budget de 2018 - ou qui sera construite en 2018 - qui n'est pas budgétée ou que nous n'avons pas l'intention de budgéter pour l'entretien opérationnel de ladite infrastructure (plus précisément pour l'ensemble de l'entretien hivernal).

DOCUMENTATION / DOCUMENTATION

1. Committee Coordinator's report, dated 29 November 2017 (ACS2017-CCS-TRC-0024)

Rapport du coordonnatrice du Comité, daté le 29 novembre 2017  
(ACS2017-CCS-TRC-0024)

2. Director, Fleet Services's report, Corporate Services Department, dated 29 November 2017 2017 - *Information Supplemental to the 2018 Budget* (ACS2017-CSD-FLT-0002).

Rapport du Directeur, Service du parc automobile, Services généraux,  
daté le 29 novembre 2017 - *Renseignements complémentaires au budget de 2018* (ACS2017-CSD-FLT-0002).

3. Extract of draft Minutes, Transportation Committee, 6 December 2017.

Extrait de l'ébauche du procès-verbal, Comité des transports, le  
6 décembre 2017

**Report to  
Rapport au:**

**Transportation Committee  
Comité des transports  
6 December 2017 / 6 décembre 2017**

**and Council  
et au Conseil  
13 December 2017 / 13 décembre 2017**

**Submitted on November 29, 2017  
Soumis le 29 novembre 2017**

**Submitted by  
Soumis par:  
Committee Coordinator / Coordonnatrice du comité**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2017-CCS-TRC-0024**

**SUBJECT: 2018 DRAFT OPERATING AND CAPITAL BUDGET –  
TRANSPORTATION COMMITTEE**

**OBJET: BUDGETS PRÉLIMINAIRES DE FONCTIONNEMENT ET  
D'IMMOBILISATIONS DE 2018 – COMITÉ DES TRANSPORTS**

**REPORT RECOMMENDATION**

**That the Transportation Committee consider the relevant portions of the draft  
2018 Operating and Capital Budgets and forward its recommendations to Council,**

sitting as Committee of the Whole, for consideration at the meeting of 13 December 2017.

## **RECOMMANDATION DU RAPPORT**

**Que le Comité des transports examine les sections pertinentes des Budgets préliminaires d'immobilisations et de fonctionnement de 2018 et qu'il présente ses recommandations au Conseil, siégeant à titre de Comité plénier, aux fins d'examen lors de sa réunion prévue du 13 décembre 2017.**

## **BACKGROUND**

City Council, on June 14, 2017, approved the timeline and Consultation Process for developing and approving the 2018 Budget. This process provided that, following the tabling of the 2018 Draft Budgets with Council on November 8, 2017, the individual Committees, Boards and Commission would hold meetings to listen to public delegations, review their respective budgets and make recommendations to Council. Council will then consider the final budget recommendations from all the Committees of Council and local boards at its regularly scheduled meeting of December 13, 2017 and adopt the 2018 budget.

## **DISCUSSION**

The 2018 Transportation Committee Draft Operating and Capital Budget is now before the Committee for the purpose of hearing from public delegations and to consider and make recommendations to Council.

## **RURAL IMPLICATIONS**

The Agriculture and Rural Affairs Committee will review and make recommendations on those portions of the budget with direct Rural Implications.

## **CONSULTATION**

Details on the consultation process for the City of Ottawa's 2018 Draft Operating and Capital Budget are outlined in the Deputy City Treasurer's Transmittal Report dated November 8, 2017 and entitled "2018 Draft Operating and Capital Budgets", tabled with Council on November 8, 2017 and set out in Document 1.



This meeting was advertised in *Le Droit* and City-wide *EMC* community newspapers and on Ottawa.ca. Public delegations will be received by the Committee.

### **COMMENTS BY THE WARD COUNCILLOR(S)**

This is a City Wide report.

### **ADVISORY COMMITTEE(S) COMMENTS**

Advisory Committees will have the opportunity to review the draft budget at their November meetings. Any written comments or reports will be circulated to the Transportation Committee, and the Advisory Committees may send a delegate to make oral submissions at the Transportation Committee budget meeting.

### **LEGAL IMPLICATIONS**

There are no legal impediments to implementing the recommendations in the report.

### **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications associated with this report.

### **FINANCIAL IMPLICATIONS**

Financial Implications are identified in the 2018 Draft Operating and Capital Budgets, as well as in the Deputy City Treasurer's Transmittal Report dated November 8, 2017 and entitled "2018 Draft Operating and Capital Budgets", tabled with Council on November 8, 2017 and set out in Document 1.

### **ACCESSIBILITY IMPACTS**

There are no accessibility impacts associated with the consideration of this report.

### **TERM OF COUNCIL PRIORITIES**

As noted in the Treasurer's transmittal report, the budget recommendations support the 2015-18 Term of Council priorities, and in particular, FS1 "Demonstrate sound financial management".

**SUPPORTING DOCUMENTATION** *(Previously distributed to all Members of Council and held on file with the City Clerk and Solicitor.)*

Document 1: Deputy City Treasurer's report (ACS2017-CSD-FIN-0027) dated November 8, 2017, entitled 2018 Draft Operating and Capital Budgets – English and French.

Document 2: Transportation Committee Draft Operating and Capital Budget, Tax Supported Programs

**DISPOSITION**

The Committee Coordinator will forward the Committee's recommendations to Council for consideration at the meeting of December 13, 2017. Budgets will be amended as per Council deliberation and adoption.

**TRANSPORTATION COMMITTEE  
REPORT 29  
13 DECEMBER 2017**

**30**

**COMITÉ DES TRANSPORTS  
RAPPORT 29  
LE 13 DECEMBRE 2017**

**Report to  
Rapport au:**

**Transportation Committee  
Comité des transports  
6 December 2017 / 6 décembre 2017**

**and Council  
et au Conseil  
13 December 2017 / 13 décembre 2017**

**Submitted on November 29, 2017  
Soumis le 29 novembre 2017**

**Submitted by  
Soumis par:  
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Directeur, Service du parc automobile, Services généraux**

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**Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE      File Number: ACS2017-CSD-FLT-0002**

**SUBJECT: Fleet Services Maintenance - Business Case Supplemental to the  
2018 Budget**

**OBJET: Service d'entretien du parc automobile - Analyse de rentabilité  
supplémentaire au Budget préliminaire de 2018**

## **REPORT RECOMMENDATIONS**

**That the Transportation Committee receive this report supplemental to the draft 2018 Budget.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Comité des transports reçoive ce rapport supplémentaire au Budget préliminaire de 2018.**

## **BACKGROUND**

Fleet Services is responsible for procurement, maintenance, repair and replacement related to the City of Ottawa's diverse municipal fleet of over 4,500 vehicles and equipment. The fleet is used to support delivery of wide range of City services and programs including solid waste and recycling, drinking water, wastewater, roads, traffic, forestry, police, paramedic and fire services.

Municipal Fleet Maintenance Branch (Fleet Maintenance) is responsible for the maintenance and repairs of both light and heavy vehicles and equipment through the appropriate use of internal resources for in-house maintenance as well as outsourced maintenance with external vendors. Currently, in-house maintenance services are being provided through eight different City maintenance facilities, which are assigned clients/units based on geography and in some cases capacity of the facility (equipment, bays, etc.). These facilities are staffed based on demand and existing approved Full Time Equivalents (FTEs). Staff is operating at full capacity and no maintenance facility has a surplus of labour available to take in more work. Where required, work is outsourced to specific vendors on the basis of Standing Offers. The main reasons for outsourcing are related but not limited to costs, expertise and labour availability.

On an ongoing basis, Fleet Services looks for opportunities to enhance cost management and efficiency of operations and encourages feedback from its staff to identify these opportunities. In this regard, staff and CUPE 503 brought forward a request to review the outsourcing of maintenance work and worked with Fleet Services to undertake a business case analysis of options to address outsourcing.

## **DISCUSSION**

On an ongoing basis, Fleet Services looks for opportunities to enhance cost management and efficiency of operations and encourages feedback from its staff to identify these opportunities. In this regard, staff and CUPE 503 brought forward a request to review the outsourcing of maintenance work and worked with Fleet Services to undertake a business case analysis of outsourcing activities.

Fleet Maintenance spent \$5,770,382.85 in outsourced work between 01 September 2014 and 01 September 2015. This figure includes all cost associated to labour, parts, taxes and other miscellaneous expenses. This figure included a total of 7,669.5 hours of outsourced work representing costs of \$933,507.08 in labour. Options were developed to identify financial benefits related to these labour costs and how maintenance work is allocated. The detailed Business Case is attached as Document 1.

Four options to review outsourcing labour were evaluated on the basis of three key business considerations: the impact on front line services, cost efficiency, and internal operational effectiveness. The review focussed on labour costs implications as it considered the following four options:

1. Status Quo: Use of current complement of facilities and FTE staff working at capacity, with outsourcing based on labour availability and expertise needs.
2. Strategic in-sourcing: Maintaining the existing support model (geographic and client assignment to facilities) while adding FTEs strategically to existing facilities to address work being outsourced due to lack of labour in that facility.
3. Maximize in-sourcing: Relocation of clients and units across maintenance facilities to maximize opportunities to add FTEs and reduce outsourcing.
4. Guaranteed work contracts to vendor(s): establishing Standing Offers with one or more vendors with guarantees of a minimum volume of work outsourced to the vendor in exchange for lower door rates (costs) and a guaranteed level of service delivery (turnaround times). The viability of this option was explored by surveying the market via a Request for Information. Only four vendors responded and details are summarized in the attached Business Case.

The business case focussed on identifying the cost saving related to labour. It is anticipated that any insourcing options implemented will also realize additional savings not yet quantified including reduced parts costs and avoidance of net tax costs for previously outsourced work.

On the basis of the results of the analysis of these options, it was recommended that the Option 2, Strategic In-sourcing, be adopted. This option generates savings through cost avoidance of outsourcing work and minimizes potential negative impacts and risks to the organization. It balances cost saving with stability for clients and staff by maintaining the current support model.

The recommended option requires the addition of 5 FTEs that have been incorporated into the draft Budget for 2018 for approval. This growth in FTEs represents no direct funding pressure as this would be funded through a reduction in contracted services. This rate, established at \$90 per hour for 2017, is the sole funding source for the Fleet Maintenance budget (compensation for staff included) and is on average less than what is currently being paid for outsourced work. It is anticipated that two of these FTEs will be allocated to the Swansea garage, two to the Moodie garage, and one to the Manotick garage.

## **RURAL IMPLICATIONS**

There are no rural implications to this report.

## **CONSULTATION**

Not applicable.

## **COMMENTS BY THE WARD COUNCILLOR(S)**

Not applicable.

## **ADVISORY COMMITTEE(S) COMMENTS**

Not applicable.

## **LEGAL IMPLICATIONS**

There are no legal impediments to receiving this report.

## **RISK MANAGEMENT IMPLICATIONS**

The recommendations in this report have been subject to risk considerations as set out in the risk analysis discussion in the attached Business Case Document 1.

## **FINANCIAL IMPLICATIONS**

Financial implications are outlined in the 2018 Draft Budget for Committee and Council consideration.

## **ACCESSIBILITY IMPACTS**

Accessibility impacts have been considered and no special implications are raised with the recommendations in this report.

## **TERM OF COUNCIL PRIORITIES**

Implementing this recommendation supports the priorities of Financial Sustainability and Service Excellence with the financially responsible delivery of maintenance services using effective and engaged employees committed to the service promise.

## **SUPPORTING DOCUMENTATION**

Document 1: Business Case *(Previously distributed to all Members of Council and held on file with the City Clerk and Solicitor.)*

## **DISPOSITION**

This report is subject to the disposition of the 2018 DRAFT OPERATING AND CAPITAL BUDGET – TRANSPORTATION COMMITTEE report which states that the Committee Coordinator will forward the Committee's recommendations to Council for consideration at the meeting of December 13, 2017. Budgets will be amended as per Council deliberation and adoption.