



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |

2012 Recommended Base Budget Before Service Change:

395,239.2 891,691.8 (496,452.6) 1,723.3 1,452.3 298.0

| | | | | | | | | |
|----|---|------------------------------|--------|-----|--------|-----|-----|-----|
| Z1 | 1 | Reduce Staff Training | (50.0) | 0.0 | (50.0) | 0.0 | 0.0 | 0.0 |
|----|---|------------------------------|--------|-----|--------|-----|-----|-----|

(TW-SR-WTS04) **Service / Activity:** Water Treatment & Supply / Water Treatment Plants

Description:

Staff are required under regulation 128 of the Safe Drinking Water Act (SDWA) to undergo 52 hrs training per year to maintain their Operator's License. Currently in Water Treatment and Supply staff are receiving more training than they are required by law.

It is recommended that external training within Water Treatment and Supply be reduced by \$0.050 million in 2012, and that Water staff continue to receive training as required to ensure compliance with regulation 128 of the Safe Drinking Water Act.

Service Level Change:

This recommendation will not result in any changes to current service levels.

ADMIN: Recommended

(50.0) 0.0 (50.0) 0.0 0.0 0.0

| | | | | | | | | |
|----|---|------------------------------|---------|-----|---------|-----|-----|-----|
| Z1 | 2 | Chemical Optimization | (325.0) | 0.0 | (325.0) | 0.0 | 0.0 | 0.0 |
|----|---|------------------------------|---------|-----|---------|-----|-----|-----|

(TW-SR-WTS01) **Service / Activity:** Water Treatment & Supply / Water Treatment Plants

Description:

\$0.325 million in savings are recommended based on optimization for chemical dosages for Disinfection, Fluoridation and Coagulation by changing Toronto Water's operating practices slightly and reducing the chemical dosing by approximately 0.5%.

A fairly conservative safety factor is used when adding chemicals. This factor can be adjusted slightly and Toronto Water will still comply with the Safe Drinking Water Act

Service Level Change:

This recommendation will not result in any changes to current service levels.

ADMIN: Recommended

(325.0) 0.0 (325.0) 0.0 0.0 0.0

Category Legend - Type

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| Z1 | 3 | Reduction in Overtime | (230.0) | 0.0 | (230.0) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-WTS02)</small> Service / Activity: Water Treatment & Supply / Water Treatment Plants Description: \$0.230 million in overtime savings are recommended for Water Treatment Plants as a result of changes in practices. Additional staff will no longer be called in on nights when someone calls in sick, is on vacation or is on training. A risk assessment was completed and has received union acceptance. Overtime will still be required for days were several staff are off (sick or otherwise). Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | | | |
| Z1 | 4 | Hydro Efficiencies | (500.0) | 0.0 | (500.0) | 0.0 | (200.0) | 0.0 |
| <small>(TW-SR-WTS03)</small> Service / Activity: Water Treatment & Supply / Water Treatment Plants Description: Savings of \$0.500 million in 2012 and incremental savings of \$0.200 million in 2013 arising from Hydro usage reductions are recommended as a result of various process and equipment optimizations at Water Treatment Plants. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | | | |

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| Z1 | 5 | Reduce Parts & Materials Expenditures | (200.0) | 0.0 | (200.0) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-WTS05)</small> Service / Activity: Water Treatment & Supply / Water Treatment Plants Description: Savings of \$0.200 million in 2012 are recommended arising from a 10% reduction in all Parts & Materials for Water Treatment Facilities. These expenses had been budgeted with a contingency in the past, which can be reduced with minimal risk. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | | | |
| Z1 | 6 | Reduce Research Grants & Partnerships | (115.0) | 0.0 | (115.0) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-WTS06)</small> Service / Activity: Water Treatment & Supply / WT&S Operations Efficiency Description: Toronto Water partners with numerous research organizations to leverage provincial and federal grants as well as tap into their knowledge and experience across the world. These research projects have yielded many innovations in Toronto Water and staff have benefited from having unlimited access to all our research partners for ongoing studies in other municipalities across North America. It is recommended that Toronto Water reduce the amount spent on research by \$0.115 million from \$0.487 million in 2012 Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | | | |

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| Z1 | 8 | Humber Treatment Plant - Hydro Efficiencies | (301.6) | 0.0 | (301.6) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-WWT12)</small> | | | | | | | | |
| Service / Activity: Wastewater Treatment / Humber Treatment Plant | | | | | | | | |
| Description: | | | | | | | | |
| Hydro consumption at the Humber Treatment Plant can be reduced by 5% as a result of process and equipment optimizations. | | | | | | | | |
| Hydro savings of \$0.302 million in 2012 are recommended based on efficiencies at Humber Treatment Plant. | | | | | | | | |
| Service Level Change: | | | | | | | | |
| This recommendation will not result in any changes to current service levels. | | | | | | | | |
| ADMIN: Recommended | | | | | | | | |
| | | | (301.6) | 0.0 | (301.6) | 0.0 | 0.0 | 0.0 |
| Z1 | 9 | Ashbridges Bay Treatment Plant - Aeration Blower & DO Control Improvements | (250.0) | 0.0 | (250.0) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-WWT04)</small> | | | | | | | | |
| Service / Activity: Wastewater Treatment / ABTP | | | | | | | | |
| Description: | | | | | | | | |
| Hydro consumption at the Ashbridges Bay Treatment Plant can be reduced by 5% through automation of blower inlet guide vanes and tuning of DO control system for the existing coarse bubble diffusers at all Ashbridges Bay Treatment Plan aeration tanks. | | | | | | | | |
| Hydro savings of \$0.250 million in 2012 are recommended based on efficiencies at the Ashbridges Bay Treatment Plan | | | | | | | | |
| Service Level Change: | | | | | | | | |
| This recommendation will not result in any changes to current service levels. | | | | | | | | |
| ADMIN: Recommended | | | | | | | | |
| | | | (250.0) | 0.0 | (250.0) | 0.0 | 0.0 | 0.0 |

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| Z1 | 10 | Humber Treatment Plant - Natural Gas Efficiencies <small>(TW-SR-WWT13)</small> Service / Activity: Wastewater Treatment / Humber Treatment Plant Description: Natural gas consumption at the Humber Treatment Plant can be reduced as a result of process and equipment optimizations. Hydro savings of \$0.120 million in 2012 are recommended based on efficiencies at Humber Treatment Plan. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (120.0) | 0.0 | (120.0) | 0.0 | 0.0 | 0.0 |
| Z1 | 11 | Humber Treatment Plant - Reduce Water Consumption <small>(TW-SR-WWT16)</small> Service / Activity: Wastewater Treatment / Humber Treatment Plant Description: A 10% reduction in water consumption at Humber Treatment Plant arising from reduced consumption and corrected flow metering, are recommended, resulting in savings of \$0.133 million in 2012. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (132.9) | 0.0 | (132.9) | 0.0 | 0.0 | 0.0 |
| Z1 | 12 | Ashbridges Bay Treatment Plant - Potable Water Reduction <small>(TW-SR-WWT03)</small> Service / Activity: Wastewater Treatment / ABTP Description: Savings of \$0.348 million in water consumption at Ashbridges Bay Treatment Plants are recommended arising from service efficiencies resulting in reduced consumption and corrected flow metering. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (348.4) | 0.0 | (348.4) | 0.0 | 0.0 | 0.0 |

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| Z1 | 13 | Ashbridges Bay Treatment Plant - Reduction in Biosolids Disposal Contracted Services <small>(TW-SR-WWT05)</small> Service / Activity: Wastewater Treatment / ABTP Description: Ashbridges Bay Treatment Plant budgets and relies on three outlets for disposal of biosolids - Pelletizer, Green Lane and haulage to third party sites. Following the Pelletizer failure in 2006, a contingency has been budgeted in case of future failures of loss of service provider. It is recommended that \$1.700 million of the contingency allowance in the biosolids program be reduced in 2012, based on good performance of external service providers over the last two years. Adequate funding will remain in place to address the recent Pelletizer failure. In the event additional funds are required funds can be made available within the Water Stabilization Reserve. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (1,700.0) | 0.0 | (1,700.0) | 0.0 | 0.0 | 0.0 |
| Z1 | 14 | Humber Treatment Plant - Waste Activated Sludge Thickening Polymer <small>(TW-SR-WWT11)</small> Service / Activity: Wastewater Treatment / Humber Treatment Plant Description: Service efficiency savings of \$0.222 million are recommended as a result of process efficiencies at the Humber Treatment Plant arising from operation of two sludge thickening centrifuges utilizing polymer instead of three centrifuges without polymer. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (221.7) | 0.0 | (221.7) | 0.0 | 0.0 | 0.0 |

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| Z1 | 15 | Highland Creek Treatment Plant - Reduction of Lubricants for Heavy Equipment <small>(TW-SR-WWT23)</small> Service / Activity: Wastewater Treatment / Highland Creek Treatment Plant Description: 2012 Savings of \$0.007 million are recommended for the Highland Creek Treatment Plant arising from the substitution of regular oil in lieu of food-grade oil for the lubrication of process equipment. This change will not result in any performance or environmental impacts. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (6.8) | 0.0 | (6.8) | 0.0 | 0.0 | 0.0 |
| Z1 | 16 | Highland Creek Treatment Plant - Reduction of Permanent Overtime <small>(TW-SR-WWT25)</small> Service / Activity: Wastewater Treatment / Highland Creek Treatment Plant Description: \$0.080 million in 2012 savings are recommended within the Highland Creek Treatment Plant arising from limiting overtime worked for emergency situations only and schedule cleaning of tanks only on weekdays. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (80.0) | 0.0 | (80.0) | 0.0 | 0.0 | 0.0 |
| Z1 | 17 | Humber Treatment Plant - Maintenance Savings <small>(TW-SR-WWT14)</small> Service / Activity: Wastewater Treatment / Humber Treatment Plant Description: \$0.200 million in 2012 savings are recommended arising from the reduced procurement of parts for preventative maintenance activities based on historical spending, while ensuring that any equipment failures that risk Environmental/Regulatory performance must be completed. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (200.0) | 0.0 | (200.0) | 0.0 | 0.0 | 0.0 |

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| Z1 | 18 | Ashbridges Bay Treatment Plant - Eliminate Night Shift at North Toronto Treatment Plant | (181.4) | 0.0 | (181.4) | (2.0) | 0.0 | 0.0 |
| <small>(TW-SR-WWT01)</small> | | | | | | | | |
| Service / Activity: Wastewater Treatment / ABTP | | | | | | | | |
| Description: | | | | | | | | |
| Plant Technicians Wastewater positions monitor the North Toronto Wastewater Treatment Plant, on location during the night shift. | | | | | | | | |
| Night time monitoring can be accommodated electronically from the Ashbridges Bay Treatment Plant control room without any impact to service. | | | | | | | | |
| Savings of \$0.091 million in 2012 and incremental savings of \$0.091 million in 2013 and the reduction of 2 permanent Plant Technicians Wastewater positions effective January 1, 2012 are recommended. | | | | | | | | |
| Impacted staff can be relocated to vacancies within the Ashbridges Bay Treatment Plant | | | | | | | | |
| Service Level Change: | | | | | | | | |
| This recommendation will not result in any changes to current service levels. | | | | | | | | |
| ADMIN: Recommended | | | | | | | | |
| | | | (90.7) | 0.0 | (90.7) | (2.0) | (90.7) | 0.0 |
| Z1 | 19 | Ashbridges Bay Treatment Plant - Eliminate 2 Labourer Vacancies | (120.7) | 0.0 | (120.7) | (2.0) | 0.0 | 0.0 |
| <small>(TW-SR-WWT02)</small> | | | | | | | | |
| Service / Activity: Wastewater Treatment / ABTP | | | | | | | | |
| Description: | | | | | | | | |
| It is recommended that Toronto Water eliminate 2 vacant Labourer 2 permanent positions from the Ashbridges Bay Treatment Plant effective January 1, 2012 with corresponding savings of \$0.121 million in 2012. | | | | | | | | |
| Existing Labourer 2 positions are in the process of being converted to Wastewater Plant Worker with a new more flexible job profile. This will improve efficiency thereby reducing the need to fill these vacancies | | | | | | | | |
| Service Level Change: | | | | | | | | |
| This recommendation will not result in any changes to current service levels. | | | | | | | | |
| ADMIN: Recommended | | | | | | | | |
| | | | (120.7) | 0.0 | (120.7) | (2.0) | 0.0 | 0.0 |

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| Z1 | 21 | Overall Budget Efficiencies | (823.0) | 0.0 | (823.0) | 0.0 | 0.0 | 0.0 |
| (TW-SR-DO07) | | Service / Activity: District Operations / Overall Budget Efficiencies | | | | | | |
| | | Description: It is recommended that the Toronto Water Recommended Operating Budget include a reduction of \$0.820 million arising from a line by line review of various District Operations expenses with significant recommended reductions including savings in contracted services of \$0.479 million, computer hardware of \$0.045 million and general equipment of \$0.112 million. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | (820.3) | 0.0 | (820.3) | 0.0 | 0.0 | 0.0 |
| Z1 | 22 | Fleet IDC Reduction | (525.6) | 0.0 | (525.6) | 0.0 | 0.0 | 0.0 |
| (TW-SR-DO01) | | Service / Activity: District Operations / Fleet IDC Reduction | | | | | | |
| | | Description: District Operations has performed an inventory of all current fleet and determined the current operational/program needs. | | | | | | |
| | | A gap analysis has found a surplus of certain vehicle categories that can be potentially reduced without impacting customer service that will result in fleet reductions of \$0.285 million for regular maintenance, \$0.094 million for special maintenance and \$0.147 million for fuel. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | (525.6) | 0.0 | (525.6) | 0.0 | 0.0 | 0.0 |

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| Z1 | 23 | Permanent Surface Restoration of Excavations (TW-SR-DO08) Service / Activity: District Operations / N/A Description: Surface restoration of all excavations done by Toronto Water staff and its contractors are temporarily repaired, monitored and maintained by Toronto Water until Transportation Services completes the final surface restoration. A reduction of \$0.529 million in 2012 and incremental savings of \$0.529 million in 2013 are recommended arising from the permanent surface restoration to be performed by District Operations to Transportation standards. The time to complete the final restoration will be reduced to between 6 and 12 months. District Operations will be the single point of contact for all Toronto Water excavations. Customer service level will be improved by providing this single point of contact and savings will be achieved through reductions in contract administration costs. Service Level Change: Permanent surface restoration will be performed by District Operations to Transportation Services standards. The time to complete the final restoration will be reduced to between 6 and 12 months. ADMIN: Recommended | (1,058.3) | 0.0 | (1,058.3) | 0.0 | 0.0 | 0.0 |
| Z1 | 25 | Water Infrastructure Management - Savings Efficiency Measures (TW-SR-WIM01) Service / Activity: Water Infrastructure Management / All Units Description: A line by line review of gross expenditures against program requirements results in recommended savings of \$0.180 million in 2012 Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (180.0) | 0.0 | (180.0) | 0.0 | 0.0 | 0.0 |

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| Z1 | 26 | Reduce Wet Weather Flow Master Plan Implementation Support <small>(TW-SR-WIM06)</small> Service / Activity: Water Infrastructure Management / WW4020 Description: \$0.084 million in savings are recommended arising from the deletion of the existing Engineering Technologist Technician vacancy within water Infrastructure Management effective January 1, 2012. This position is responsible for Wet Weather Flow Master Plan Implementation Support. These responsibilities will continue to be absorbed amongst existing staff Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (296.6) | 0.0 | (296.6) | (3.0) | 0.0 | 0.0 |
| Z1 | 27 | Reduction of Research Analyst 2 <small>(TW-SR-WIM04)</small> Service / Activity: Water Infrastructure Management / PW4011 Description: Savings of \$0.084 million in 2012 and the reduction of 1 permanent, vacant Research Analyst 2 positions are recommended effective January 1, 2012. Existing staff will be required to continue to absorb the Policy and Program Development Support Function within Water Infrastructure Management in the delivery of the capital program. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (84.6) | 0.0 | (84.6) | (1.0) | 0.0 | 0.0 |

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| Z1 | 28 | Reduction in Casual Staff (Summer Student) <small>(TW-SR-WIM03)</small> Service / Activity: Water Infrastructure Management / WIM Description: Savings of \$0.146 million in 2012 and the reduction of 1.5 temporary, vacant seasonal positions effective January 1, 2012 are recommended based on reductions within Water Infrastructure Management summer student program. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (193.0) | 0.0 | (193.0) | (3.0) | 0.0 | 0.0 |
| Z1 | 30 | Reduce External Training and Development <small>(TW-SR-BOM02)</small> Service / Activity: Business Operating Management / Skills & Development Description: Toronto Water Skills and Development unit provides training services to staff in order to maintain Ministry of the Environment operator certification. Training is delivered by both internal and external resources. It is recommended that the external training budget be reduced by \$0.250 million, which will ensure adequate funding for internal and external training remains for staff to maintain Ministry of the Environment operator certification Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (250.0) | 0.0 | (250.0) | 0.0 | 0.0 | 0.0 |

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| Z1 | 31 | Skills and Development Unit Reorganization | (138.9) | 0.0 | (138.9) | (2.0) | 0.0 | 0.0 |
| <small>(TW-SR-BOM09)</small> | | Service / Activity: Business Operating Management / Skills & Development | | | | | | |
| | | Description: | | | | | | |
| | | The Skills and Development unit is responsible for leading the design, development, coordination, delivery and evaluation of skills development and customized training programs for Toronto Water. Aiming to ensure a skilled workforce prepared to meet current and future needs. This unit also oversees compliance with provincial legislation covering water & wastewater operator certification and licences. | | | | | | |
| | | It is recommended that Toronto Water expands the mandate of this unit to one that is fully responsible for Workforce Strategy, and meeting the Division's Strategic Plan (2010-2020) objective of being an employer of choice. Some of the added roles of the unit will include coordinating Divisional efforts with Corporate Human Resources staff regarding strategic HR planning, succession planning, recruitment strategy, skills assessment, performance management, step 2 grievance meetings and attendance management. | | | | | | |
| | | It is also recommended that Toronto Water delete 2 permanent, vacant Trainer position effective January 1, 2012, which can be achieved without service impact as a result of the recommended expanded role of this unit. | | | | | | |
| | | Service Level Change: | | | | | | |
| | | This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: | (139.0) | 0.0 | (139.0) | (2.0) | 0.0 | 0.0 |

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| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 36 | Environmental Health & Safety Compliance Unit Reorganization | (101.9) | 0.0 | (101.9) | (1.0) | 0.0 | 0.0 |
| <small>(TW-SR-BOM07)</small> Service / Activity: Business Operating Management / EH&S Compliance Description: Legislative changes with respect to source water protection and clean drinking water have had a considerable impact on the Division. Toronto Water's Environmental Health & Safety Compliance Unit establishes, implements, maintains and coordinates processes and frameworks to monitor compliance with operation systems (ISO 9000 Quality Management Systems, ISO 14001 Environmental Management Systems, OHSAS 18000 Health and Safety and HACCP Hazard Analysis and Critical Control Points). The EH&S unit has a compliment of 19 FTEs who are responsible for providing EH&S assistance to Toronto Water operations and facilities across the Division. The large span of control for the unit manager and a requirement for focused expertise in the unit's three core areas has made it necessary to reorganize the unit. Toronto Water will creates three Senior Specialist Compliance positions in the core areas of (i) Environmental, (ii) Industrial Health & Safety, and (iii) Construction Health & Safety compliance and establishes the EH&S Field Representative as the standard front line position. As a result of this unit reorganization, it is recommended that 1 current vacant Environmental Health and Safety Compliance position be deleted effective January 1, 2012. Service Level Change: This change will improved staff oversight and focus expertise in the three core areas. ADMIN: Recommended | | | | | | | | |
| | | | (102.0) | 0.0 | (102.0) | (1.0) | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |

| | | | | | | | | |
|----|----|---|---------|-----|---------|-------|-----|-----|
| Z1 | 37 | Merge Strategic Business Management (SBM) & Service Programs (SP) Unit | (149.3) | 0.0 | (149.3) | (1.0) | 0.0 | 0.0 |
|----|----|---|---------|-----|---------|-------|-----|-----|

(TW-SR-BOM08) **Service / Activity:** Business Operating Management / Strategic Business Management

Description:

The Strategic Business Management unit is responsible for strategic planning, business planning, internal audit, policy development, revenue management, business practices development and providing advice and support to the division. The unit also assists directors to put in place internal controls, perform operational and business audits, drive operational efficiencies, monitor management action on audit and ombudsman recommendations, investigates escalated complaints and identifies economic and practical solutions to issues and risks identified across the Division. The unit currently has 7 approved positions.

The Service Programs unit is responsible for administering applications for Water Efficiency Programs and Sewer Rebate Programs to the ICI sector, the Basement Flooding Home Isolation Program, and the Lead Water Service Replacement program. The unit is also responsible for general customer service inquiries and Divisional Community Outreach delivery. The unit currently has 25 approved positions.

It is recommended that Toronto Water merge the Strategic Business Management unit and the Service Programs unit resulting in the deletion of 1 permanent manager position that is currently vacant effective January 1, 2012.

Service Level Change:

This recommendation will not result in any changes to current service levels.

| | | | | | | |
|---------------------------|---------|-----|---------|-------|-----|-----|
| ADMIN: Recommended | (149.0) | 0.0 | (149.0) | (1.0) | 0.0 | 0.0 |
|---------------------------|---------|-----|---------|-------|-----|-----|

| | | | | | | | | |
|----|----|---|---------|-----|---------|-----|-----|-----|
| Z1 | 40 | Reduce Inspection, Operations & Maintenance for Trunk Sewers | (269.1) | 0.0 | (269.1) | 0.0 | 0.0 | 0.0 |
|----|----|---|---------|-----|---------|-----|-----|-----|

(TW-SR-OS03) **Service / Activity:** Operational Support / Divisional Operations Services

Description:

Responsibilities of Divisional Operations Service focuses on core services and include the inspection, operation and maintenance of the sanitary, combined and storm trunk sewers and supporting plant and linear operations. However, to date there has been no baseline budget of expenditures established for the trunk system.

\$0.269 million in expenditure reductions are recommended for Trunk Sewer inspection, operations and maintenance to align the budget with historical spending and projected requirements.

Service Level Change:

This recommendation will not result in any changes to current service levels.

| | | | | | | |
|---------------------------|---------|-----|---------|-----|-----|-----|
| ADMIN: Recommended | (269.1) | 0.0 | (269.1) | 0.0 | 0.0 | 0.0 |
|---------------------------|---------|-----|---------|-----|-----|-----|

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 41 | Reduction of ITM Services & Support <small>(TW-SR-OS12)</small> Service / Activity: Operational Support / Integrated Technology Management Description: Following a review of operational requirements, a savings of \$0.035 million is recommended within the Integrated Technology Management unit, including reductions in overtime and stand-by pay; reductions in external training and development; and the elimination of conferences and seminar expenses. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (35.0) | 0.0 | (35.0) | 0.0 | 0.0 | 0.0 |
| Z1 | 42 | Eliminate Machine and Welding Shops <small>(TW-SR-OS02)</small> Service / Activity: Operational Support / Divisional Operations Services Description: As part of the Divisional Operations Service program review it has been determined an efficiency can be realized by eliminating both the machine and welding shops that have not yet been established, resulting in the reduction of 3 permanent, vacant positions effective January 1, 2012 with savings of \$0.266 million. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (266.0) | 0.0 | (266.0) | (3.0) | 0.0 | 0.0 |
| Z1 | 43 | Complex Systems Reduction <small>(TW-SR-OS13)</small> Service / Activity: Operational Support / Complex Systems Description: Service efficiency savings of \$1.142 million and the deletion of 2 permanent Non-Union vacant positions and 6.5 temporary casual positions effective January 1, 2012 are recommended, arising from the recent reorganization within Complex Systems, filling of newly created positions and implementing efficiency measures into day to day operation. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (1,141.8) | 0.0 | (1,141.8) | (8.5) | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|--------------|----------|--|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 44 | Reduction in Amount of Water Meters Ordered | (456.0) | 0.0 | (456.0) | 0.0 | 0.0 | 0.0 |
| (TW-SR-OS14) | | Service / Activity: Operational Support / Water Meter Program | | | | | | |
| | | Description: Service efficiency savings of \$0.456 million in 2012 and incremental savings of \$0.050 million in 2013 and \$0.050 million in are recommended, resulting from the number of water meters ordered. | | | | | | |
| | | Water Meters are primarily being replaced through the capital program with completion anticipated within 4.5 years. As a result, fewer new meters funded from the operating budget are required and savings can be achieved. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | (456.0) | 0.0 | (456.0) | 0.0 | (50.0) | (50.0) |
| Z1 | 45 | Central Water Servicer 2 Staff Reduction | (145.2) | 0.0 | (145.2) | (2.0) | 0.0 | 0.0 |
| (TW-SR-OS15) | | Service / Activity: Operational Support / Water Meter Program | | | | | | |
| | | Description: The 2012 Recommended Operating Budget for Toronto Water includes expenditure reductions of \$0.145 million arising from meter installation reductions based on scheduling and work practice changes. | | | | | | |
| | | This reduction will result in the elimination of 2 permanent vacant positions effective January 1, 2012. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | (145.2) | 0.0 | (145.2) | (2.0) | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 47 | Elimination of Security Guard - Toronto Water Facility (TW-SR-OS06) Service / Activity: Operational Support / Optimized Maintenance Unit Description: Toronto Water funds Corporate Security for front desk security guards that perform building opening and closing operations; and performs routine building perimeter patrols. Savings of \$0.177 million are recommended arising from the elimination of one security guard from a Toronto Water location that does not require security and where building occupants can be tasked with the responsibility of opening and closing the building. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (177.2) | 0.0 | (177.2) | 0.0 | 0.0 | 0.0 |
| Z1 | 48 | Reduction of Security Guard at Ashbridges Bay Treatment Plant (TW-SR-OS07) Service / Activity: Operational Support / Optimized Maintenance Unit Description: Toronto Water funds Corporate Security to perform Security operations 24 hours a day, 7 days a week at Ashbridges Bay Treatment Plant (ABTP). It is recommended that this security be augmented to 16 hours per day, 7 days a week of Security Guard coverage at the Guard House. Plant operators on shift in the control room within ABTP will be required to operate the gates and monitor camera's when no guard on site. Savings of \$0.176 million in 2012 are recommended based on this service efficiency. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | (176.0) | 0.0 | (176.0) | 0.0 | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|--------------|----------|--|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 51 | Fleet Contribution Reduction | (1,100.0) | 0.0 | (1,100.0) | 0.0 | 0.0 | 0.0 |
| (TW-SR-OS08) | | Service / Activity: Program Support / Optimized Maintenance Unit Description: It is recommended that Toronto Water reduce the amount contributed to Fleet Services for Vehicle Replacement from \$4.1 million in 2011 to \$3.0 million in 2012. This reduction is achievable following District Operations performance an inventory of all current fleet determining their current operational/program needs. A gap analysis found a surplus of certain vehicle categories that can be potentially reduced without impacting customer service or operational efficiencies. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | |
| Z1 | 52 | TW Communications - Efficiencies | (371.0) | 0.0 | (371.0) | 0.0 | 0.0 | 0.0 |
| (TW-SR-PS01) | | Service / Activity: Program Support / TW Communications Description: Savings of \$0.146 million in 2012 are recommended based on reductions within Toronto Water's communications budget for advertising and promotion; vehicle rental; external reproduction (printing) and rental of properties. Service Level Change: This recommendation will not result in any changes to current service levels. ADMIN: Recommended | | | | | | |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|---|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z1 | 53 | Core Service Review - Paid Duty | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-DC1011)</small> | | | | | | | | |
| Service / Activity: District Operations / N/A | | | | | | | | |
| Description: | | | | | | | | |
| At the meeting of September 26, 2011 Council considered the report entitled, EX10.1 Core Service Review – Final Report to Executive Committee, where Council directed the General Manager of Transportation Services to eliminate the requirement for paid duty Police officers at construction sites where possible, and report to the Public Works and Infrastructure Committee with any necessary changes to City by-laws, policies, and criteria to effect this change. | | | | | | | | |
| In reporting to the Public Works and Infrastructure Committee on November 3, 2011, the General Manager of Transportation Services identified \$0.120 million in operating savings for Toronto Water arising from the recommended: | | | | | | | | |
| Elimination of the specific requirement for hiring paid duty officers in the Transportation Services Division’s permits, documents, and policies. | | | | | | | | |
| That the previous policy of requiring a paid duty officer(s) whenever there is construction within 30 metres of a signalized intersection be eliminated; and | | | | | | | | |
| To ensure safety of all road and right-of-way users, Transportation Services and Toronto Police Service staff and the applicant will discuss and determine the appropriate traffic control measures for the proposed construction project or street event. | | | | | | | | |
| The 2012 Recommended Operating Budget for Toronto Water includes service efficiency savings of \$0.120 million for contracted services with District Operations arising from the reduction in paid duty requirements for Toronto Water excavation activities | | | | | | | | |
| Service Level Change: | | | | | | | | |
| This recommendation will not result in any changes to current service levels. | | | | | | | | |
| ADMIN: Recommended | | | (120.0) | 0.0 | (120.0) | 0.0 | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------------------------------|----------|--|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| Z2 | 54 | Renegotiate Service Level Agreement with Solid Waste Management for Lab Services | 0.0 | 144.0 | (144.0) | 0.0 | 0.0 | 0.0 |
| <small>(TW-SR-BOM01)</small> | | Service / Activity: Business Operating Management / Laboratory Services | | | | | | |
| | | Description: Toronto Water provides laboratory services for Solid Waste Management Division relating to the monitoring of closed landfills. | | | | | | |
| | | Revenue increases are recommended as a result of the revised service level agreement ensuring Toronto Water will continue to recovery annual cost for 4 staff and will begin to recovery non-salary costs and capital costs based on a 10 year equipment life cycle. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | 0.0 | 144.0 | (144.0) | 0.0 | 0.0 | 0.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|---|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |

| | | | | | | | | |
|----|----|---------------------------|-----|-----|-----|-----|-----|-----|
| Z2 | 55 | User Fee Increases | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
|----|----|---------------------------|-----|-----|-----|-----|-----|-----|

(TW-UF-DO1012) **Service / Activity:** District Operations / N/A

Description:

In accordance with Councils decision in September 2012 to adopt a User Fee Policy that directs staff to recover the full costs for private services that benefit specific individuals, groups or businesses, the 2012 Recommended Base Budget includes revenue increases totaling \$1.363 million arising from the January 1, 2012 implementation of 7 user fees increases to the following existing user fees:

Water Meter Accuracy Test

2011 Fee - \$60
2012 Recommended Fee \$150 (\$0.024 million Revenue Increase)

Install New Residential Sanitary Sewer Service Connection in the Road Allowance

2011 Fee - \$6,750
2012 Recommended Fee \$7,150 (\$0.400 million Revenue Increase)

Install New Residential Storm Sewer Service Connection in Road Allowance

2011 Fee - \$6,750
2012 Recommended Fee \$7,150 (\$0.040 million Revenue Increase)

To Disconnect Residential Sanitary Sewer Service Connection in Road Allowance

2011 Fee - \$650
2012 Recommended Fee \$750 (\$0.100 million Revenue Increase)

Installing 19 mm New Water Service and Meter

2011 Fee - \$2,175
2012 Recommended Fee \$2,575 (\$0.080 million Revenue Increase)

Installing 25 mm New Residential Water Service and Meter

2011 Fee - \$2,450
2012 Recommended Fee \$3,050 (\$0.600 million Revenue Increase)

Residential Water Service Disconnection less than or equal to 25 mm

2011 Fee - \$300

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

| TYPE | PRIORITY | NON-LEVY CITY OPERATIONS Toronto Water | Recommended Adjustments | | | | 2013 Net Incremental Outlook (\$000s) | 2014 Net Incremental Outlook (\$000s) |
|------|----------|--|---|-------------------------------------|---------------------------|------------------------------------|--|--|
| | | | Change in Gross Expenditure (\$000s) | Change in Revenue (\$000s) | Net Change (\$000s) | Change in Approved Positions | | |
| | | 2012 Recommended Fee \$400 (\$0.120 million Revenue Increase) | | | | | | |
| | | Service Level Change: The Recommended fee increase for a Water Meter Accuracy Test will ensure Toronto Water is recovering a greater percentage of cost recovery. The 2011 approved fee of \$60 recovers approximately 17% of the full costs of this service. The 2012 recommended fee increase to \$150 will result in the recovery of approximately 43% of the full costs. | | | | | | |
| | | Toronto Water will continue to review the Water Meter Accuracy Test in future budget processes, with the aim to achieve full cost recovery by 2014 through stepped user fee increases. | | | | | | |
| | | The Recommended fee increases for the remaining water and sewer installation, connection and disconnection services will ensure the full recovery of operating and capital cost for these services, including 5% construction cost increases in 2012 and the impact of Council approved pavement degradation fees on service costs. | | | | | | |
| | | ADMIN: Recommended | 0.0 | 1,363.4 | (1,363.4) | 0.0 | 0.0 | 0.0 |
| Z1 | 99 | Toronto Water Service Efficiency Measures | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| | | Service / Activity: MULTIPLE / N/A | | | | | | |
| | | Description: The 2012 Recommended Operating Budget includes \$1.644 million in confidential reductions in 2012 with incremental savings of \$0.190 million in 2013 and the reduction of 22 permanent positions. | | | | | | |
| | | Details on the specific reduction proposals are available in Confidential Attachment 1. | | | | | | |
| | | Service Level Change: This recommendation will not result in any changes to current service levels. | | | | | | |
| | | ADMIN: Recommended | (1,693.0) | (49.0) | (1,644.0) | (22.0) | (189.8) | 0.0 |
| | | Total Recommended Service Level Reductions: | (13,686.0) | 1,458.4 | (15,144.4) | (47.0) | (1,059.6) | (50.0) |
| | | Total Recommended Base Budget: | 381,553.2 | 893,150.2 | (511,597.0) | 1,676.3 | 392.7 | 248.0 |

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change