

NO: R029

COUNCIL DATE: **February 28, 2011**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 22, 2011**

FROM: **General Manager, Engineering**

PROJECT FILE: **1211-401**

SUBJECT: **Operation Save H₂O Program for 2011**

RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Receive this report as information;
2. Award Contract No. 1211-401/01 related to the management of the 2011 Operation Save H₂O Program to Dillon Consulting Ltd. in the amount of \$45,000 including HST and contingencies;
3. Award Contract No. 1211-401/03 for the student salary component of the 2011 Operation Save H₂O Program to Dillon Consulting Ltd. in the amount of \$127,000 including HST and contingencies; and
4. Set the expenditure authorization limit for the subject contracts at \$189,200 including HST and contingencies.

INTENT

The purpose of this report is to provide information about the Operation Save H₂O Program for 2011 and to obtain Council approval to award contracts in support of the delivery of the 2011 Program.

BACKGROUND

The Operation Save H₂O Program was initiated in 2008 to promote water conservation in Surrey. The program is focused on improving stewardship of the Region's water resources. This outcome is achieved through providing homeowners with information and strategies about reducing water usage, which will also save them money.

The education component of the program is delivered by means of teams of students traveling on bicycles within the City's neighbourhoods delivering information on a door-to-door basis. Each team is intended to demonstrate an approachable and friendly face to the community throughout the duration of the delivery of the Program. The teams answer any questions raised by residents

regarding water and sewer utility charges and offer information that is intended to assist residents in reducing their use of water.

DISCUSSION

2010 Operation Save H₂O Program

In 2010, the Program was focused on residences that used higher than average amounts of water based on the utility invoices issued by the City. Four (4) post-secondary and four (4) high school students were employed from May through August to deliver information to approximately 2,000 homes. In addition to spending time going door-to-door, the students also attended community events to encourage homeowners to take advantage of the City's Volunteer Water Metering Program.

The information provided by the students to City homeowners included both outdoor and indoor water conservation methods. The students reviewed site-specific opportunities and suggested simple changes that would result in significantly lower water consumption and, in turn, lower water and sewer charges.

In 2010, an analysis was performed to measure the effectiveness of the Program in relation to reducing water consumption based on metered consumption. The analysis indicated that homeowners that were contacted under the Program decreased their water consumption by 9% - a total reduction in water consumption of 124,000 m³. This demonstrates that the door-to-door education program is a very effective tool in water conservation. The water consumption of these same homes will be reviewed again in 2011 to confirm whether such significant water savings are being maintained over time.

The residents realize savings from the Program through reduced utility costs; however, the City also realizes cost savings through a reduction in the cost of pumping water and, more significantly, in the deferral of upgrades to the City's water main network that would otherwise be necessary.

Water metering enhances the equity of water and sewer billing. It also, together with public education such as that provided by means of the Operation Save H₂O Program, provides a significant financial incentive to reduce water use.

Proposed 2011 Operation Save H₂O Program

The 2011 Operation Save H₂O Program will continue an education campaign targeted at high water users through a door-to-door campaign and will include more broadly-based water conservation education for Surrey residents by means of the Program employees attending community events. It is expected that the door-to-door campaign will allow for contact at up to 2,000 homes in various communities across the City. Additional emphasis will be placed on homes with in-ground irrigation systems. The program will continue to promote the City's voluntary water metering program.

The 2011 Program will provide employment for 8 students divided into 4 teams of 2 students. Three teams will be assigned as ambassadors to specific communities of Surrey and will visit on a door-to-door basis homeowners within these communities. The fourth team will prepare

educational materials and attend community events throughout the City promoting water conservation and the City's Voluntary Water Metering Program.

The following table provides an estimated budget for the Program in 2011.

Table 1

Operation Save H₂O Program	Costs
Program Management	\$ 45,000
Student Salaries	\$ 73,700
Educational Materials	\$ 52,300
TOTAL PROGRAM COST	\$171,000

Operation Save H₂O is a relatively new program, having been established in 2008, and has been evolving with new components being added each year. For example, in 2008, the primary focus of the Program was direct contact with high water consumers. In 2009 community education was added that included attending community events. In 2010, additional marketing efforts related to the voluntary metering program were added.

This year the Program will be expanded to include multi-family residential properties. This new component of the program requires extra management effort to organize and coordinate.

In addition, the consultant managing the Program spends significant effort on monitoring the challenges and difficulties encountered by students in their visits to residents and community events including regular feedback and discussions. There is no similar program in the Lower Mainland.

The consultant is also required to provide a final report on the implementation of and measureable results of the program at the end of each year.

The Program management costs include research for and preparation and printing of materials for distribution by the students. The management fees also include program set up costs.

Funding for the Program is available within the 2011 Water Utility Budget.

Consultant Assignment for Operation Save H₂O

The Engineering Department will oversee the 2011 Operation Save H₂O Program with the day-to-day management of the Program to be provided by a consultant.

The Engineering Department issued a Request for Expressions of Interest with a view to hiring a consultant to provide management services for the 2011 Operation Save H₂O program. Three consultants responded to the REI including, Kerr Wood Leidal Associates Ltd., Urban Systems Ltd., and Dillon Consulting Ltd. The Engineering Department requested that each firm submit a proposal to the City for consideration. Dillon Consulting Ltd. (Dillon) was the only firm to submit a proposal.

Dillon Consulting Ltd was retained by the City in each of 2008, 2009 and 2010 to manage the Operation H₂O Program and undertook the responsibilities in a very satisfactory manner.

Dillon's knowledge and experience with the Program has led to good value for the City. The fees that have been proposed by Dillon for 2011 represent a reduction from their management fees in comparison to 2010. It is recommended that Dillon be awarded the contract to manage the Save H₂O program in 2011 including the student salaries component of the Program. Under the student salary component of the contract, Dillon will hire the student labour and charge the City the direct costs of the labour with no mark-up.

SUSTAINABILITY CONSIDERATIONS

The City's Operation Save H₂O Program supports the Social and Environmental Pillars of the City's Sustainability Charter in relation to the following goals:

- SC5: Plan for the Social Well Being of Surrey Residents; and
- EN16: Land, Water and Air Quality Management.

The Program assists in stewarding the Region's water resources by promoting water conservation and provides employment for students.

CONCLUSION

Based on the above discussion, it is recommended that Council:

- Award Contract No. 1211-401/01 related to the management of the 2011 Operation Save H₂O Program to Dillon Consulting Ltd. in the amount of \$45,000 including HST and contingencies;
- Award Contract No. 1211-401/03 for the student salary component of the 2011 Operation Save H₂O Program to Dillon Consulting Ltd. in the amount of \$127,000 including HST and contingencies; and
- Set the expenditure authorization limit for the subject contracts at \$189,200 including HST and contingencies.

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