

NO: R029

COUNCIL DATE: **February 20, 2012**

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **February 15, 2012**

FROM: **General Manager, Engineering**

PROJECT FILE: **1212-401**

SUBJECT: **Operation Save H<sub>2</sub>O Program for 2012**

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## RECOMMENDATIONS

The Engineering Department recommends that Council:

1. Receive this report as information;
2. Award Contract No. 1212-401/01 related to the management of the 2012 Operation Save H<sub>2</sub>O Program and research and preparation of related educational materials for the Program to Dillon Consulting Ltd. in the amount of \$103,500 including HST;
3. Award Contract No. 1212-401/03 for the student salary component of the 2012 Operation Save H<sub>2</sub>O Program to Dillon Consulting Ltd. in the amount of \$151,800 including HST; and
4. Set the expenditure authorization limit for the subject contracts at \$275,300 including HST and contingency.

## INTENT

The purpose of this report is to provide information about the Operation Save H<sub>2</sub>O Program for 2012 and to obtain Council approval to award contracts in support of the delivery of this Program in 2012.

## BACKGROUND

The Operation Save H<sub>2</sub>O 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

### **2011 Operation Save H<sub>2</sub>O Program**

In 2011, 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 homeowners included methods for both outdoor and indoor water conservation. 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 utility charges.

In 2011, an analysis was undertaken to measure the effectiveness of the Program in relation to reducing water consumption. The analysis indicated that homeowners that were contacted under the Program in 2008 and 2009 had lower water consumption by 7% and 14% respectively as compared to their water consumption before they were contacted. The analysis showed that homeowners that were contacted under the Program in 2010 had decreased their consumption of water by 24%.

The residents realize savings from the Program through reduced utility costs. In addition, 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 equity in relation to water and sewer billing. It also, together with public education such as that provided by means of the Operation Save H<sub>2</sub>O Program, provides a significant financial incentive to reduce water use.

### **Proposed 2012 Operation Save H<sub>2</sub>O Program**

The 2012 Operation Save H<sub>2</sub>O Program will once again target high volume users of water. It will again include a door-to-door information-delivery campaign and will include more broadly-based water conservation education for Surrey residents through community events. It is expected that the door-to-door campaign will allow for direct contact with up to 2,000 homeowners 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 at various community events, such as at Surrey Canada Day 2012.

The 2012 Program will provide employment for 10 students, who will be divided into 5 teams of 2 students each. Three teams will be assigned as ambassadors to specific communities of Surrey and will undertake door-to-door visitations. Another team will prepare educational materials and attend community events throughout the City promoting water conservation and the City's Voluntary Water Metering Program. The fifth team, which is a new team for 2012, will visit on a door-to-door basis owners of industrial, commercial, and institutional properties throughout the City to promote water conservation by this user group.

The following table provides an estimated budget for the Program in 2012.

*Table 1*

<b>Operation Save H<sub>2</sub>O Program</b>	<b>Costs</b>
Program Management	\$ 58,500
Student Salaries	151,800
Educational Materials	45,000
<b>TOTAL PROGRAM COST</b>	<b>\$255,300</b>
Contingency	\$20,000
<b>TOTAL EXPENDITURE AUTHORIZATION LIMIT</b>	<b>\$275,300</b>

Operation Save H<sub>2</sub>O was established in 2008 and has been evolving with new components 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. In 2011, the program was expanded to include multi-family residential properties.

This year the Program will be expanded to include industrial, commercial, and institutional properties. Information will be provided on how to undertake water audits in an effort reduce water usage as part of business and irrigation practices. In addition, information on how to identify water system leaks will be distributed.

The consultant managing the Program spends significant effort in monitoring the activities of the students in their visits to residents and community events including regular feedback and discussions regarding challenges that the students face. There is no similar program in the Lower Mainland.

The consultant will provide a final report on the implementation of and 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:**

Funding for the Program is available within the approved 2012 Water Utility Budget.

**Consultant Assignment for Operation Save H<sub>2</sub>O**

The Engineering Department issued a Request for Proposals (RFP) with a view to hiring a consultant to provide management services for the 2012 Operation Save H<sub>2</sub>O program. Three consultants responded to the RFP including:

- Omega & Associates Engineering Ltd.;
- WorleyParsons Canada; and
- Dillon Consulting Ltd.

An evaluation of the proposals was completed by a staff team from the Engineering Department. Based on that evaluation, which included consideration of expertise, experience and cost, the proposal from Dillon Consulting was judged as providing the best value to the City.

Dillon Consulting Ltd. (Dillon) was retained by the City in each of 2008, 2009, 2010 and 2011 to manage the Operation H<sub>2</sub>O Program and undertook these responsibilities in a very satisfactory manner.

### **Student Labour Component:**

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 H<sub>2</sub>O Program supports the Social and Environmental Pillars of the City's Sustainability Charter; more particularly, the following goals:

- SC5: Plan for the Social Well Being of Surrey Residents;
- SC8: Municipal Outreach, Public Education and Awareness;
- EN14: Public Education and Sharing of Information; and
- EN16: Land, Water and Air Quality Management.

The Program promotes sound stewardship of the Region's water resources by promoting water conservation and also provides employment for students.

### **CONCLUSION**

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

- Award Contract No. 1212-401/01 related to the management of the 2012 Operation Save H<sub>2</sub>O Program and research and preparation of related educational materials for the Program to Dillon Consulting Ltd. in the amount of \$103,500 including HST;
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