

Performance Infrastructure

Building Healthy, Sustainable and Resilient Communities



Council Presentation



Uncovering Opportunities in All Building Types

Municipal Buildings



Recreational Centres



Community Housing



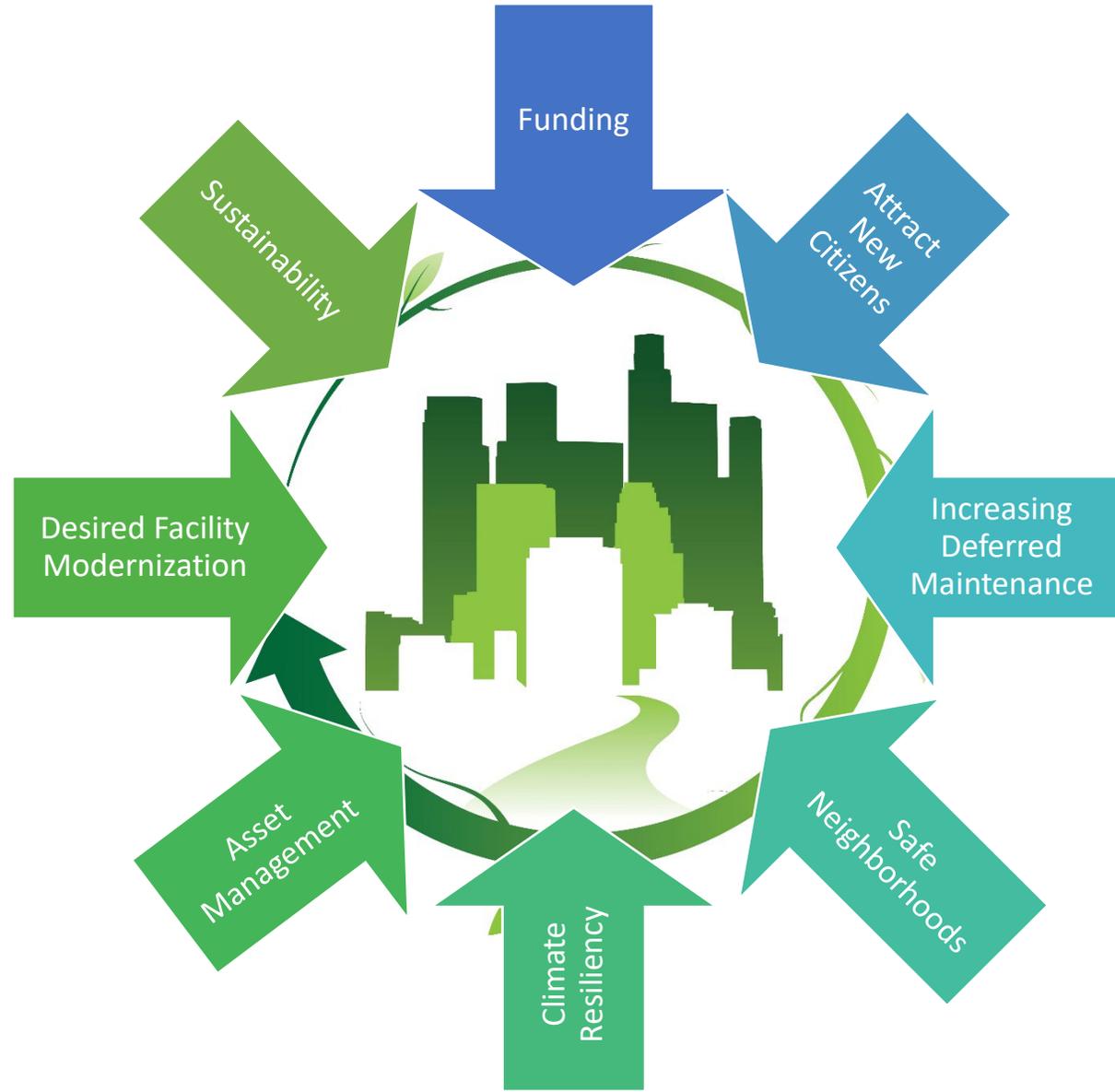
Water & Wastewater



Street lighting



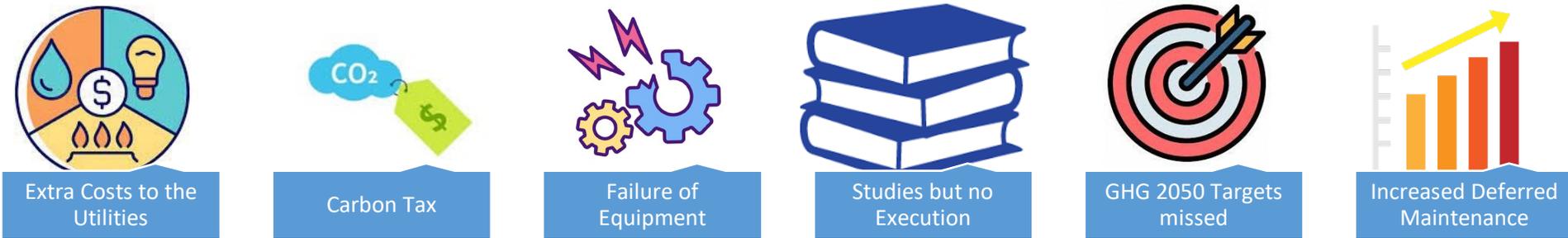
Common Municipal Challenges



Potential Barriers



Implication



-  Safety Concerns
-  Less \$ for programs
-  Less \$ for other upgrades
-  Raising taxes
-  Unhappy constituents

Guaranteed Performance Contracting

- Reduce energy usage
- Reduce water usage
- Reduce operating and maintenance costs
- Reduce emissions
- Reduce waste

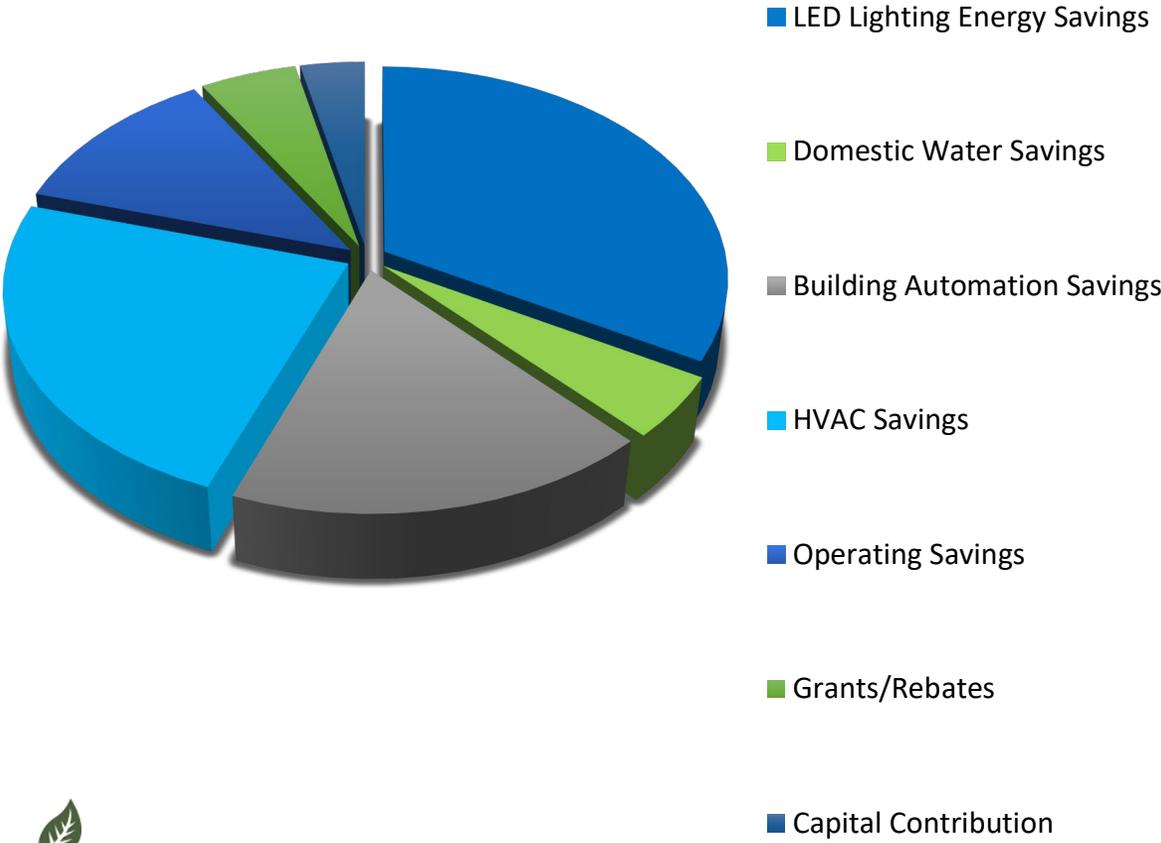


Performance Contracting is a procurement tool that allows you to leverage the savings you get from making building improvements in order to pay for the improvements.

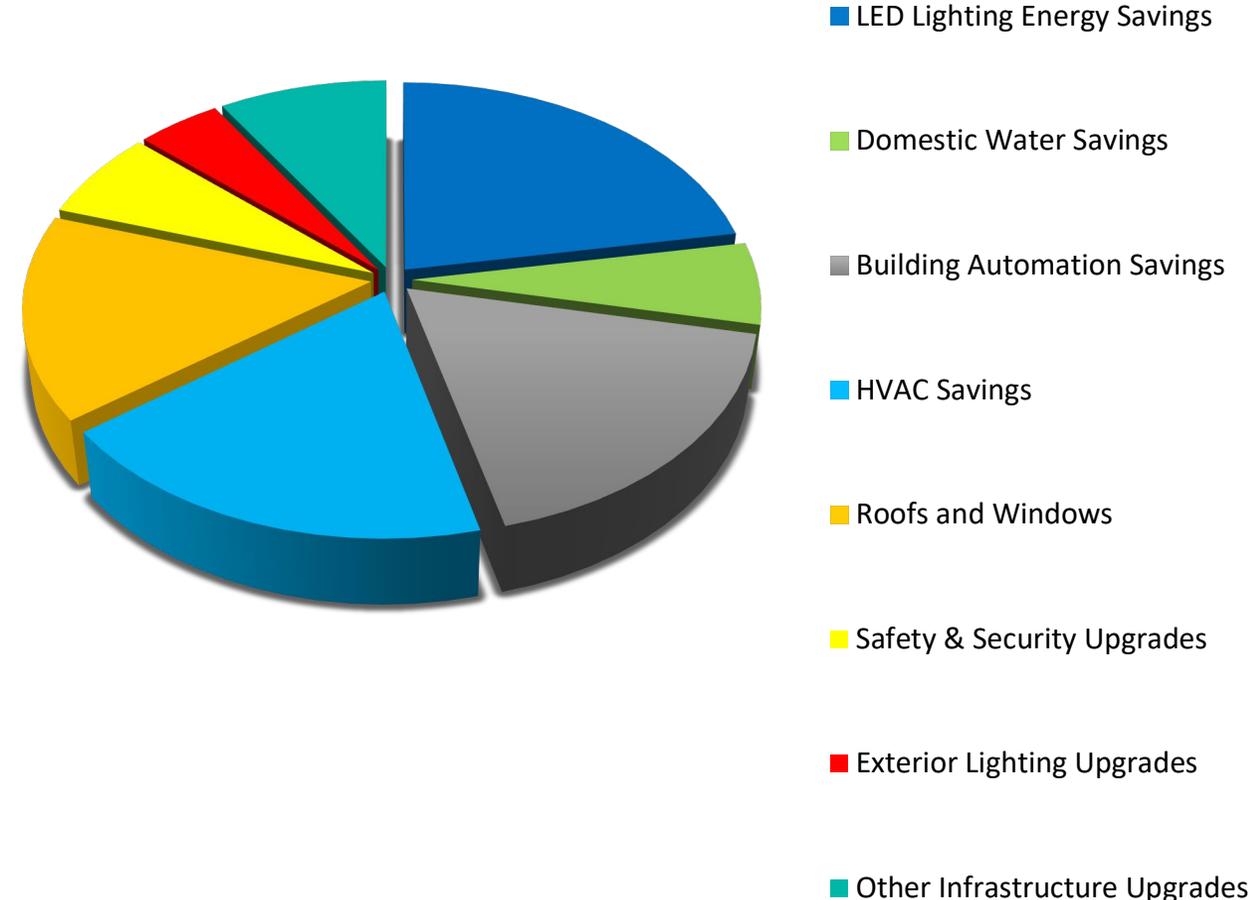
How does it work?

Leveraging the Funding Sources

Sources of Infrastructure Improvements Funding

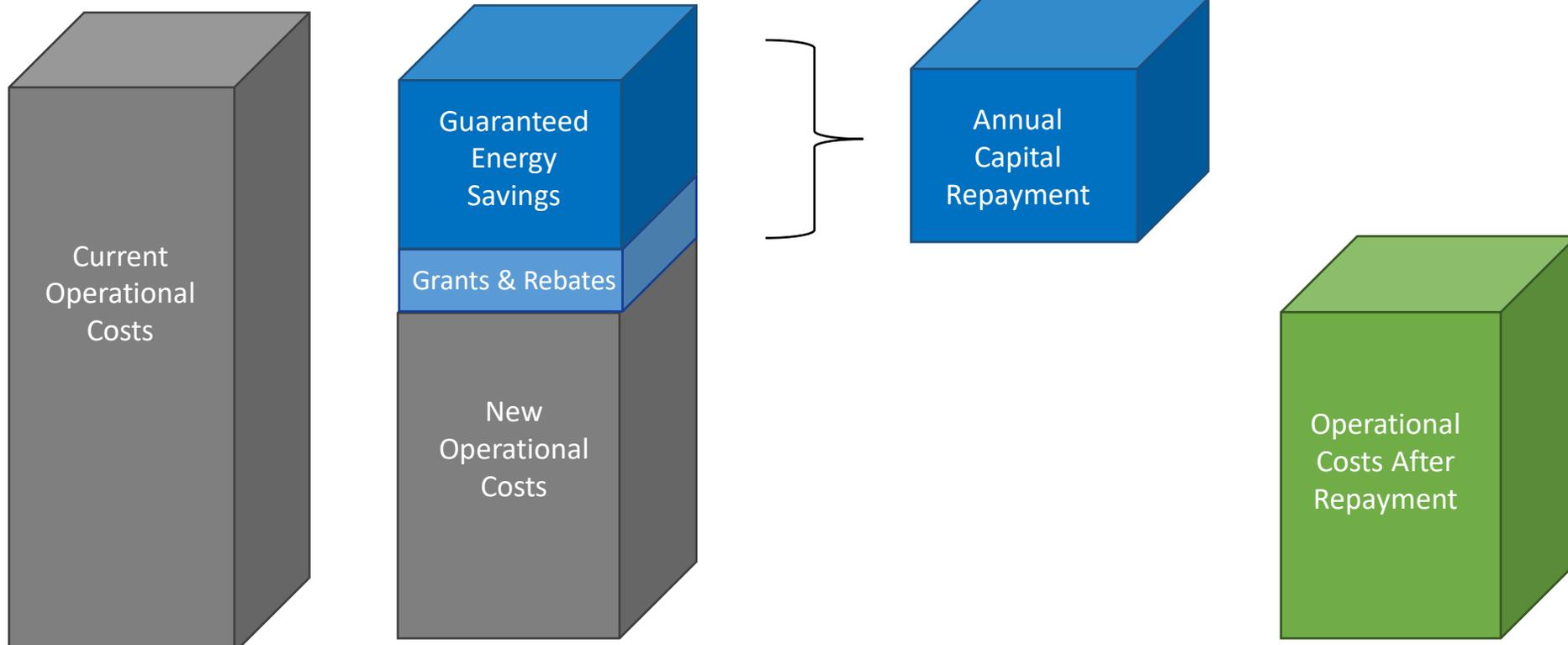


Uses of Infrastructure Improvements Funding



Implementing Efficiency in a Budget Neutral Solution

Using *Energy Savings, Operational Savings and Grants & Rebates* to fund repayment of capital for building/ infrastructure needs.



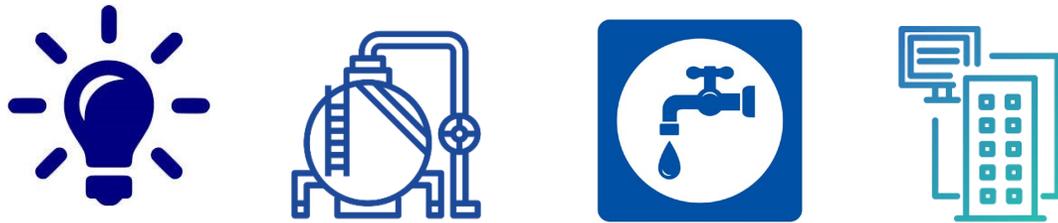
Payback examples

\$1 Million yearly utility spend



20% energy savings = \$200,000/year

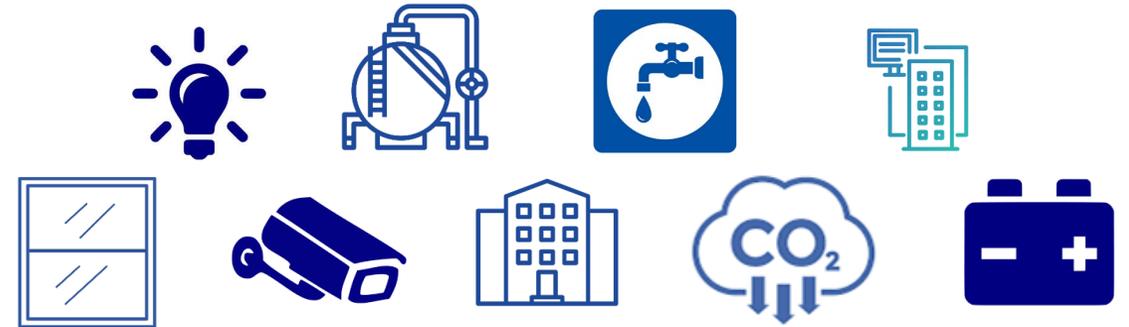
\$2,000,000
Deferred Maintenance &
Infrastructure Improvements



= 10 year simple payback

20% energy savings = \$200,000/year

\$4,000,000
Deferred Maintenance &
Infrastructure Improvements



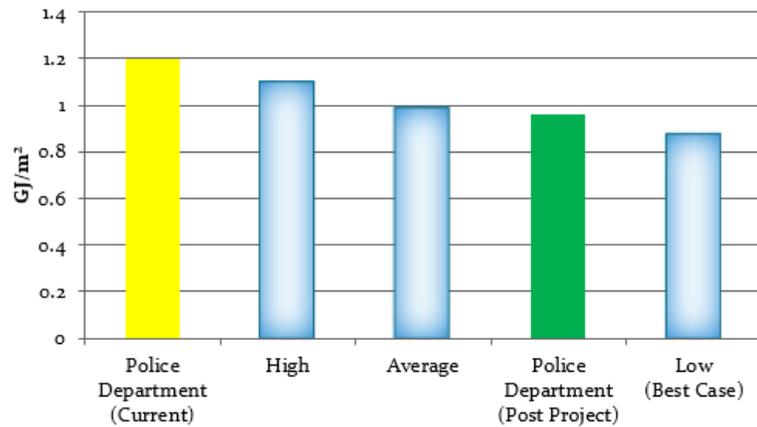
= 20 year simple payback



Elliot Lakes Sample Facilities

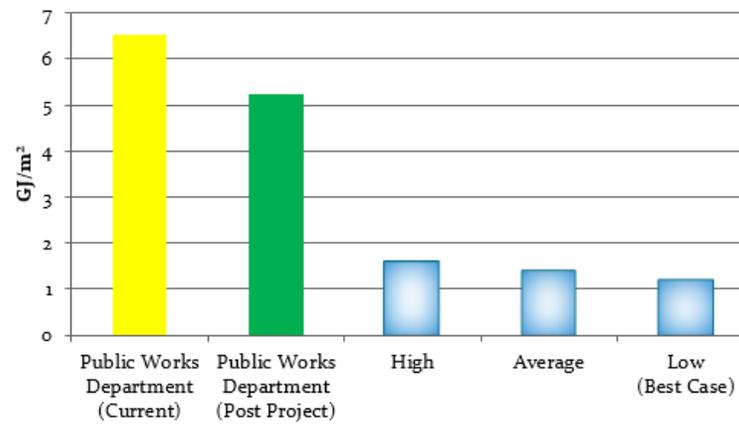
Offices and Service Facilities

Energy Intensity



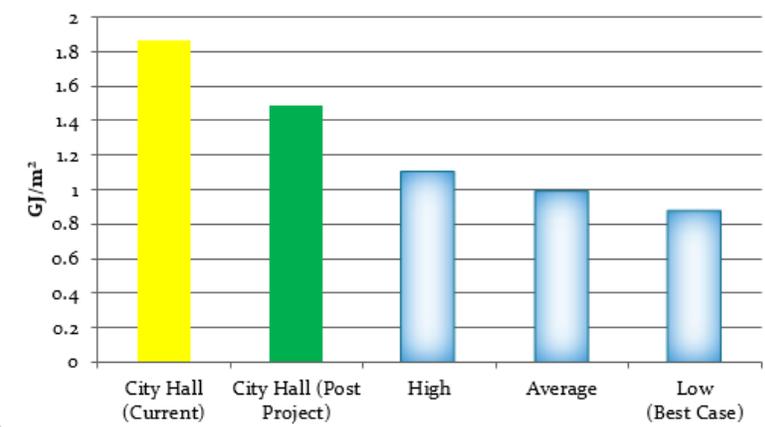
Police Department

Energy Intensity

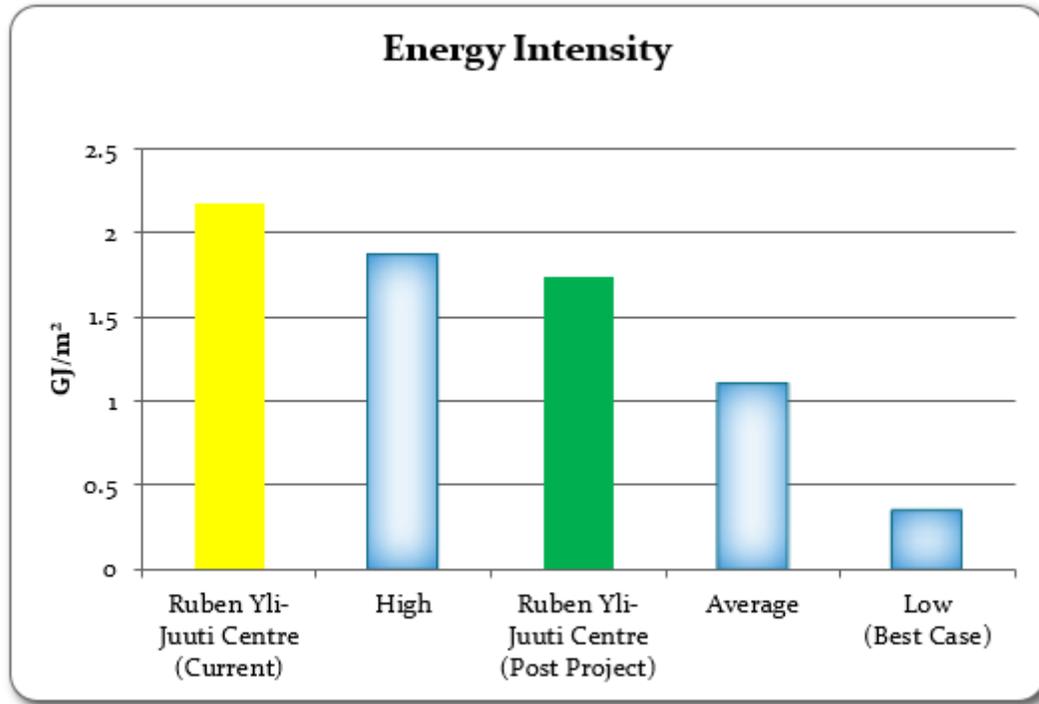


Public Works Department

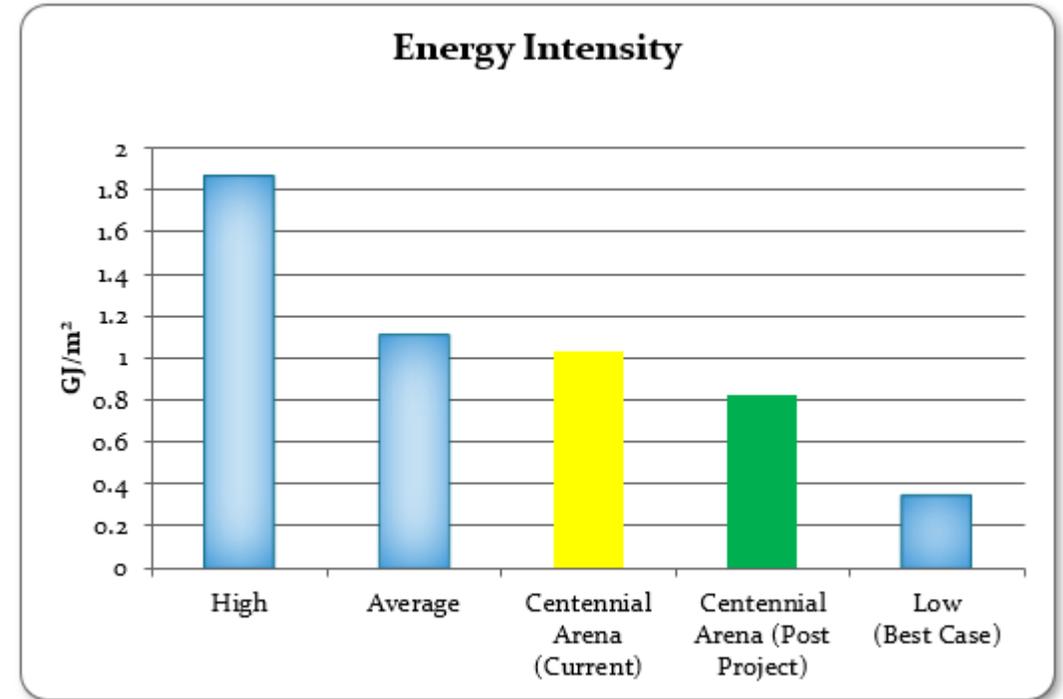
Energy Intensity



City Hall

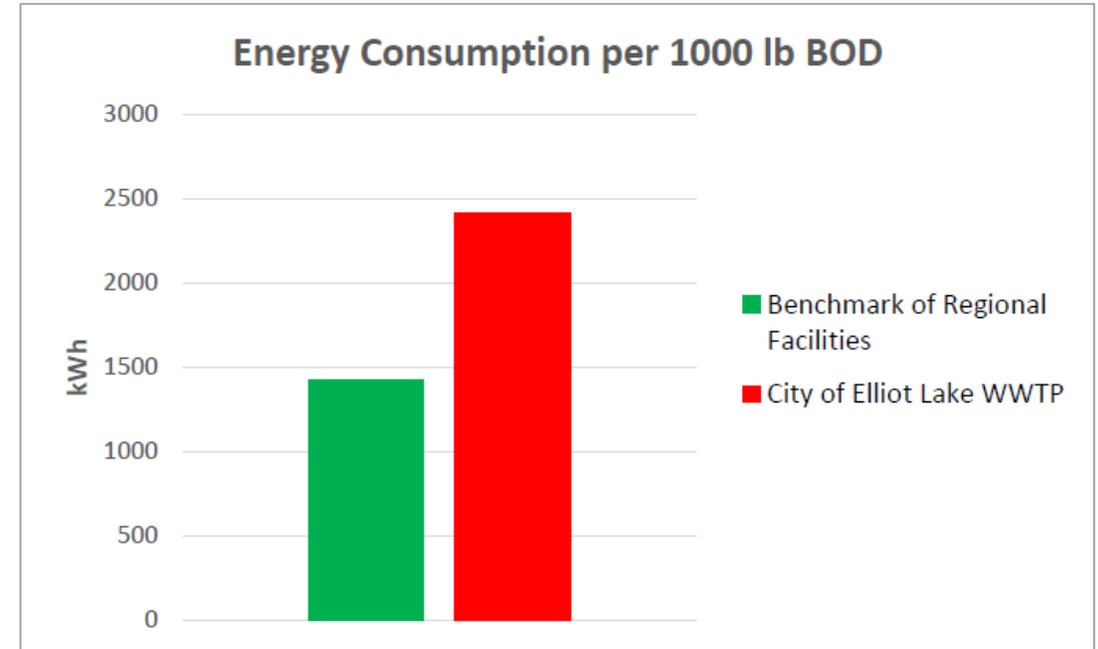
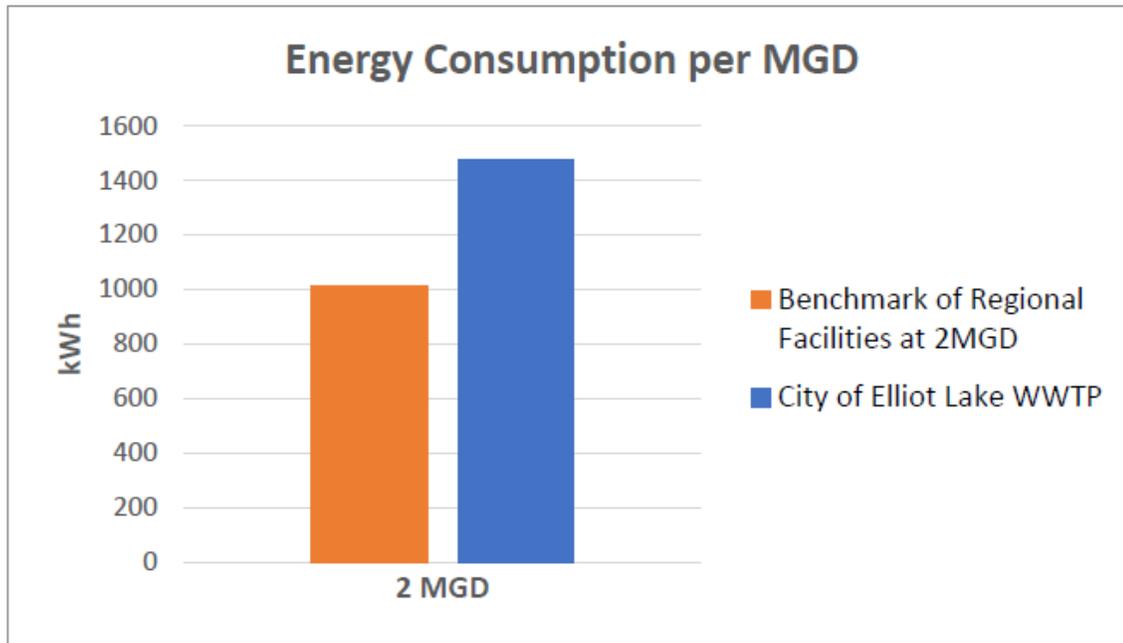


Ruben Yli-Juuti Centre



Centennial Arena

- Facilities total \$220,000 in energy spend
- Over half of Elliot Lake's facilities
- Recreation Centre usually yield the best savings



- Treatment facilities total \$227K
- Leverage savings from Wastewater and Water to support upgrades in other facilities



- ✓ Est. Annual Utility Spend 2019
~\$1.5M, electricity and natural gas combined
- ✓ **Performance Infrastructure Business Case**
 - ✓ Utility Savings: 20%
 - ✓ ROI: 15 years simple payback
 - ✓ Up to \$4.5M for energy savings measures, deferred maintenance & lifecycle renewal
 - ✓ Additional Water Savings in all facilities



Environmental Stewardship

- Greenhouse Gas reduction
- Renewable & Alternative Energy

Social Responsibility

- Job creation
- Local participation
- Community education and Public Awareness

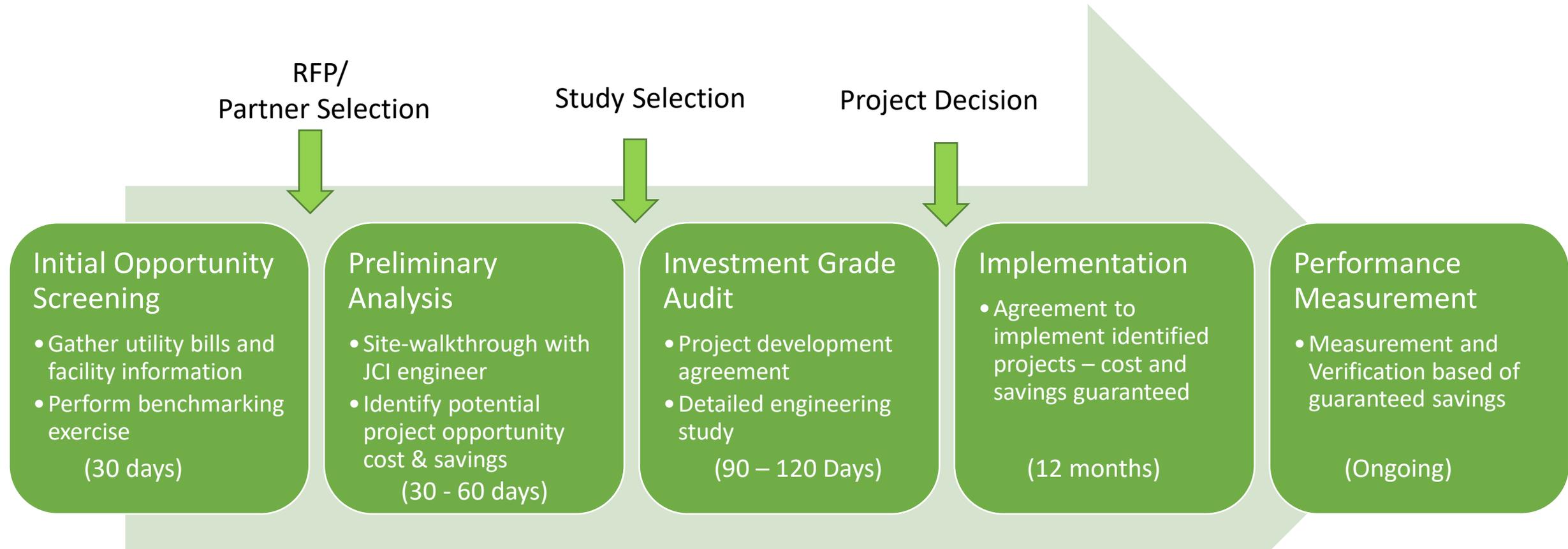
Economic Benefits

- Energy Savings
- Water Savings
- Address Deferred Maintenance Challenges
- Improved Occupant Productivity
- Economic development - Every \$1 of project value can represent a positive impact of \$2 - \$4 in the local economy

Discussion on Different Delivery Models

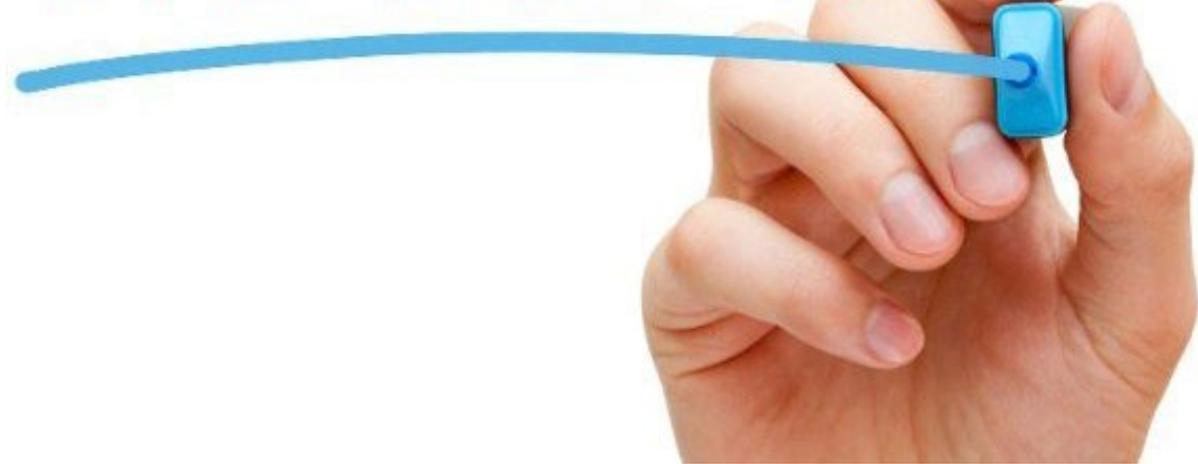
Project Criteria	Performance Infrastructure Model	Traditional Bid/ Spec Model
Financial Source	<ul style="list-style-type: none"> Existing Budget 	<ul style="list-style-type: none"> Capital Outlay
Grants and Rebates	<ul style="list-style-type: none"> Supported by Partner 	<ul style="list-style-type: none"> Internal Resources Required
Savings Guarantee	<ul style="list-style-type: none"> Yes, Generally 3-20 years 	<ul style="list-style-type: none"> No Guarantee
Performance Guarantee	<ul style="list-style-type: none"> Yes, Generally 3-20 years 	<ul style="list-style-type: none"> No Guarantee
Risk	<ul style="list-style-type: none"> Energy Services Partner 	<ul style="list-style-type: none"> Customer
Cost Guarantee	<ul style="list-style-type: none"> Yes, No Change Orders 	<ul style="list-style-type: none"> No Guarantee
Design Guarantee	<ul style="list-style-type: none"> Yes 	<ul style="list-style-type: none"> No Guarantee
Equipment Selection	<ul style="list-style-type: none"> Best Efficiency/ Value 	<ul style="list-style-type: none"> Low Bid
Contractors	<ul style="list-style-type: none"> Most Qualified 	<ul style="list-style-type: none"> Low Bid
Project Duration	<ul style="list-style-type: none"> 12-18 months 	<ul style="list-style-type: none"> Capital Dependent

Project Development Process



Feedback and Questions?

THANK YOU



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