

# Performance Infrastructure

*Building Healthy, Sustainable and Resilient Communities*



**Council Presentation**



# Uncovering Opportunities in All Building Types

Municipal Buildings



Recreational Centres



Community Housing



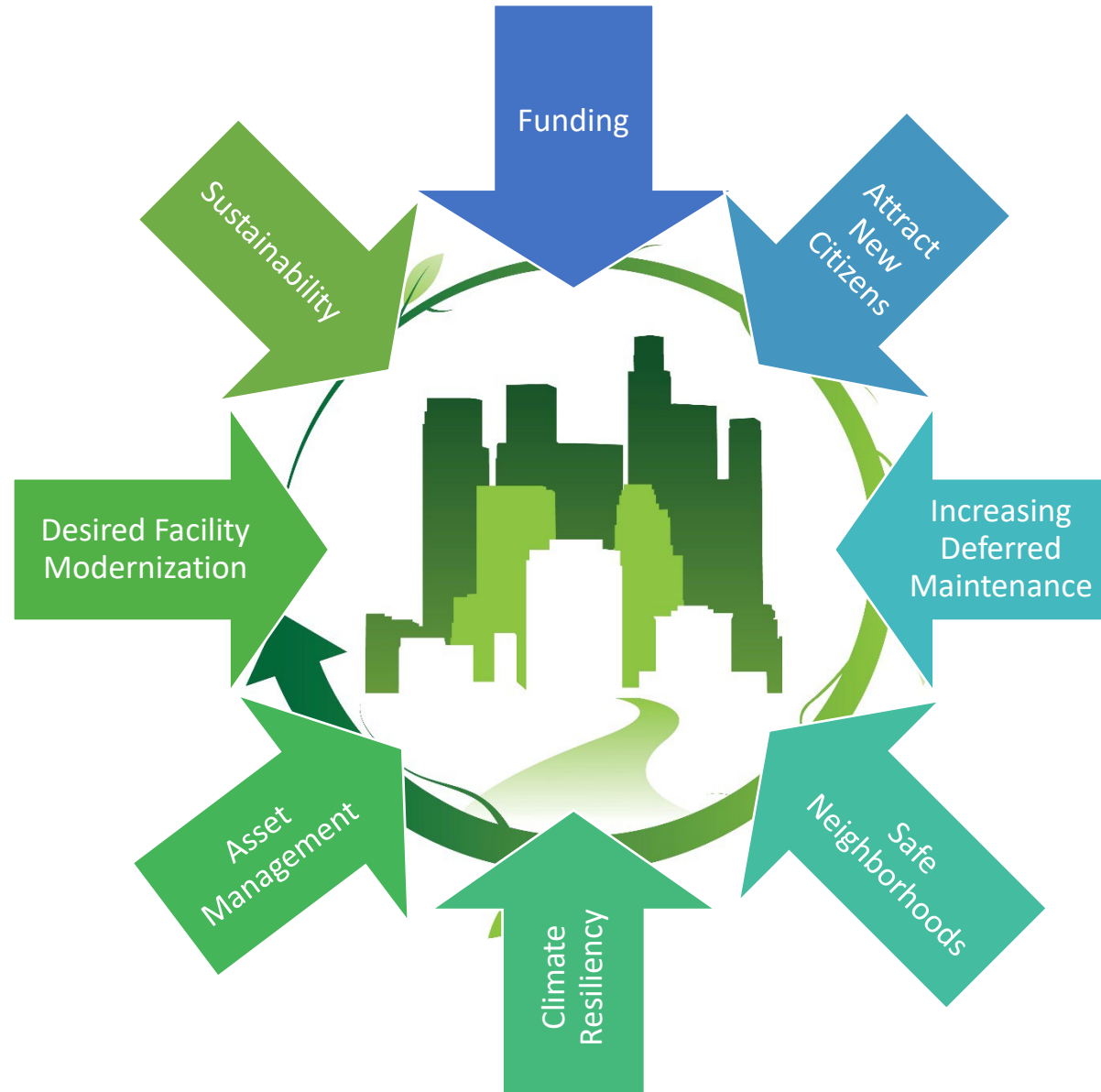
Water & Wastewater



Street lighting



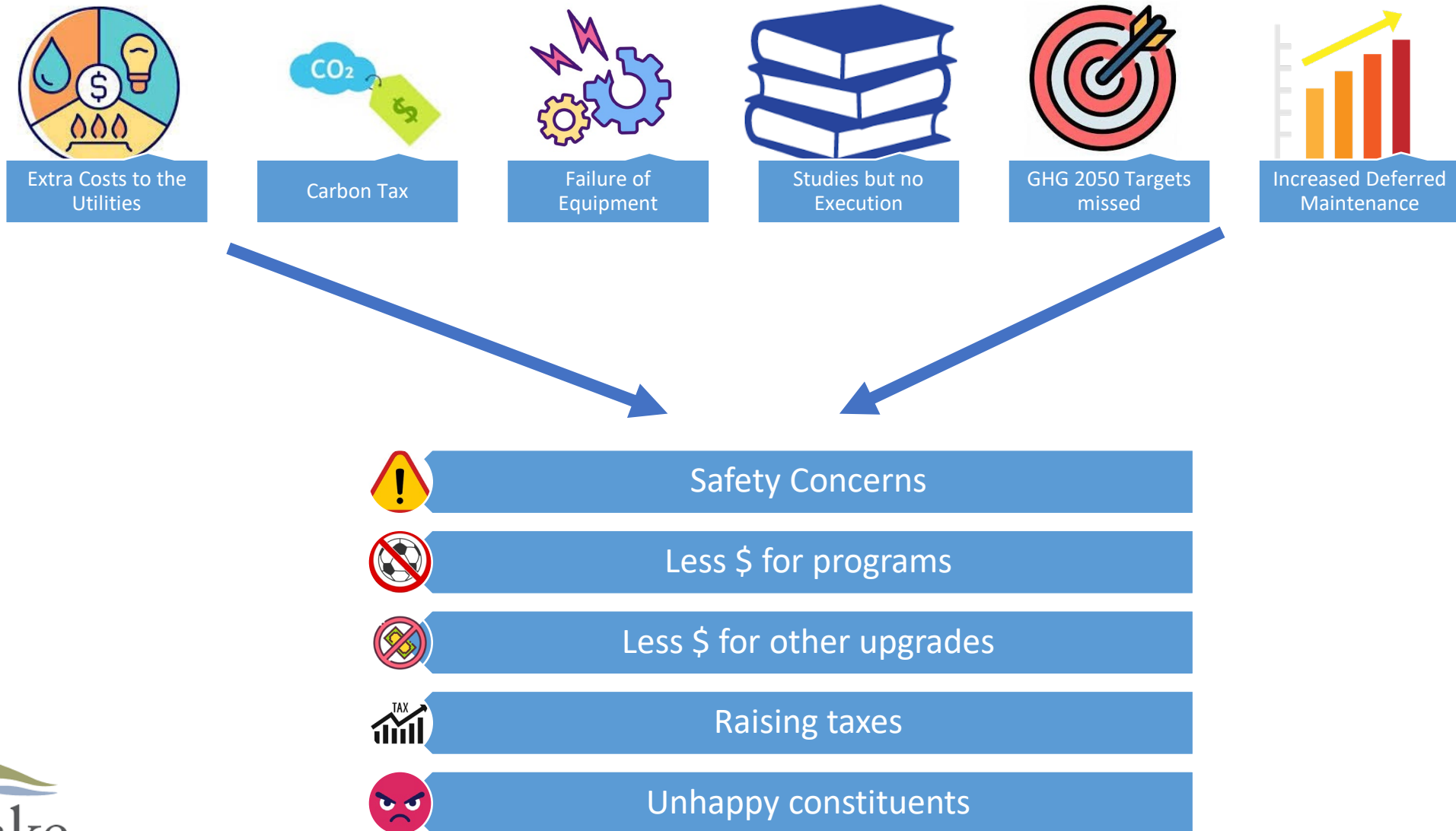
# Common Municipal Challenges



# Potential Barriers



# Implication



# Guaranteed Performance Contracting

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



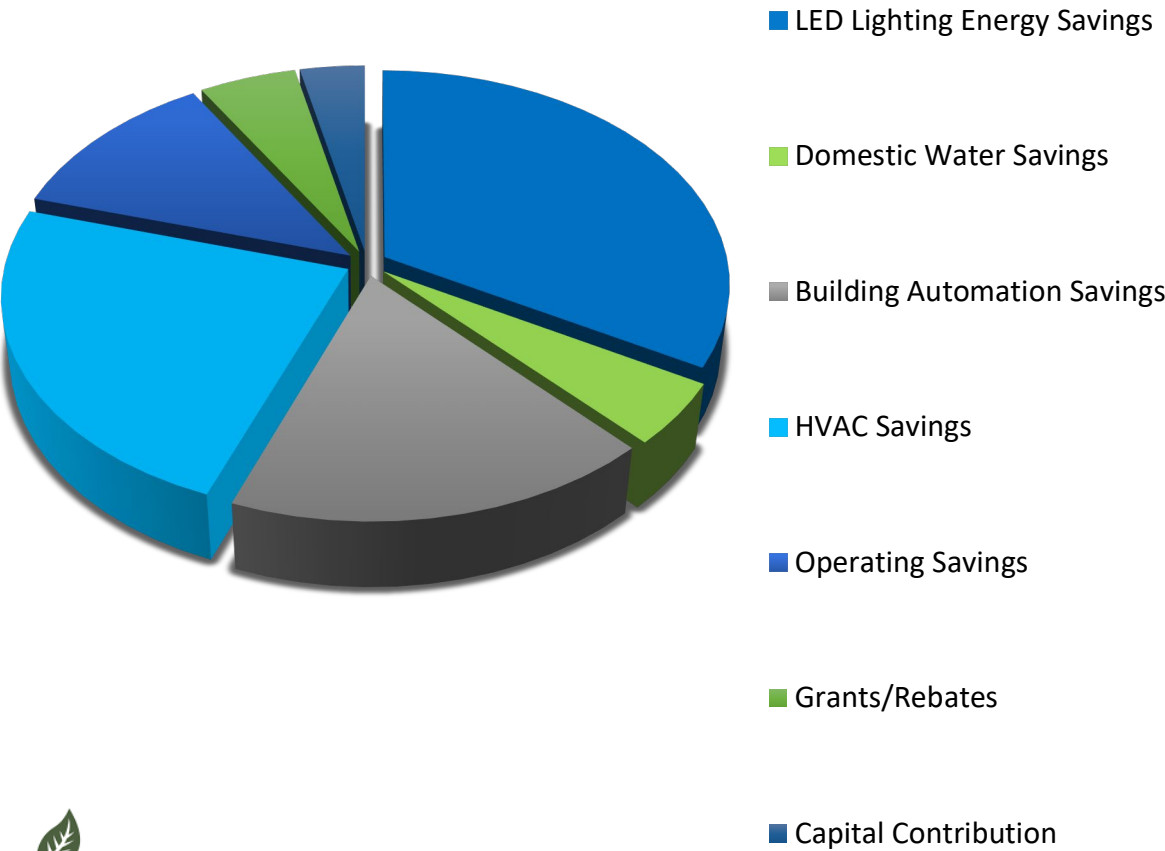
**Performance Contracting** is a procurement tool that allows you to leverage the savings you get from making building improvements in order to pay for the improvements.

**How does it work?**

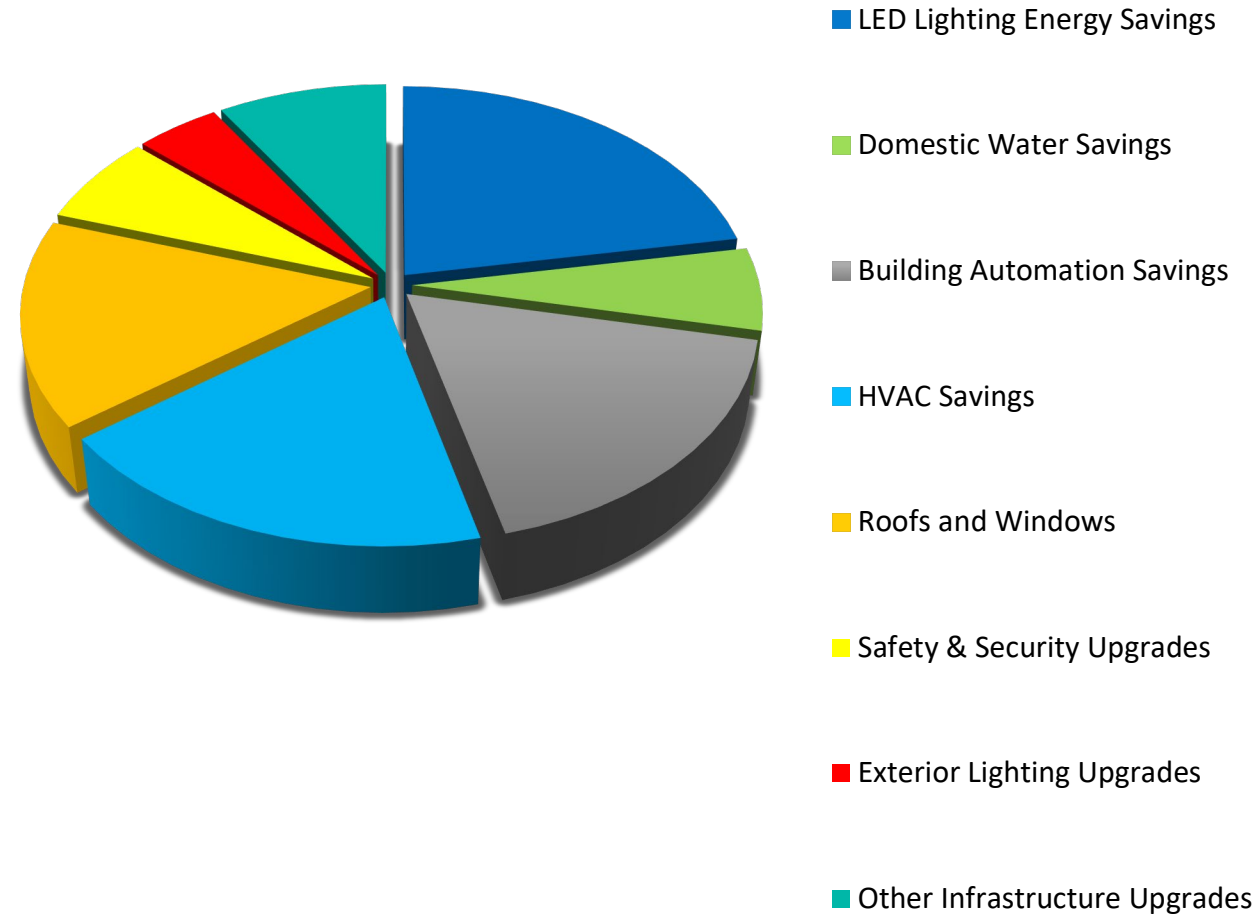


# Leveraging the Funding Sources

Sources of Infrastructure Improvements Funding

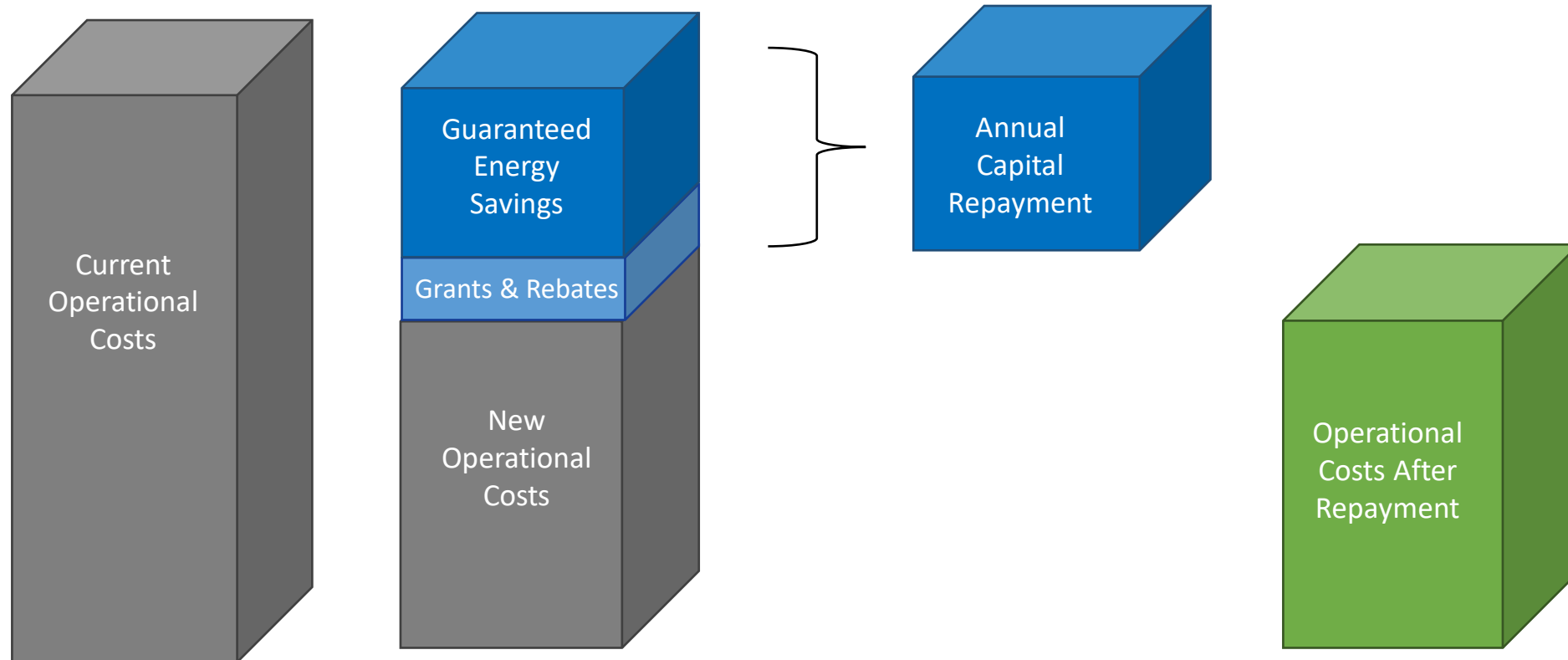


Uses of Infrastructure Improvements Funding



# Implementing Efficiency in a Budget Neutral Solution

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





*\$1 Million yearly utility spend*



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

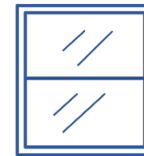
\$2,000,000  
Deferred Maintenance &  
Infrastructure Improvements



= 10 year simple payback

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

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

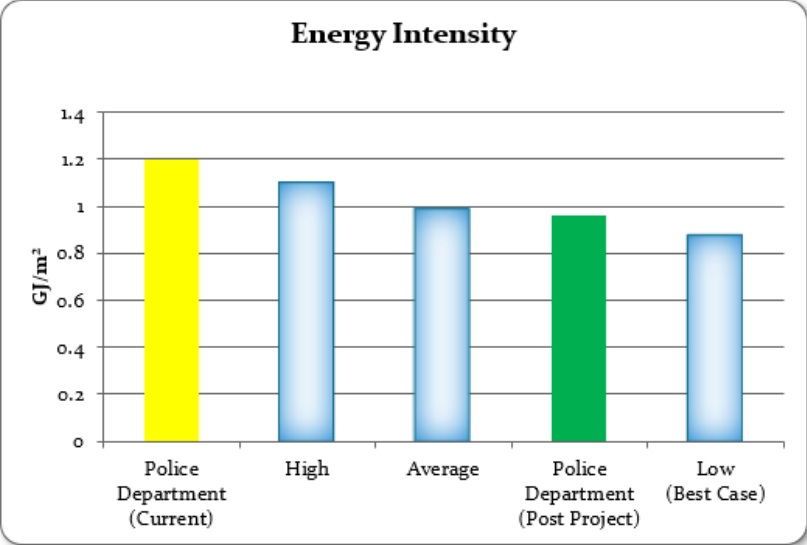


= 20 year simple payback

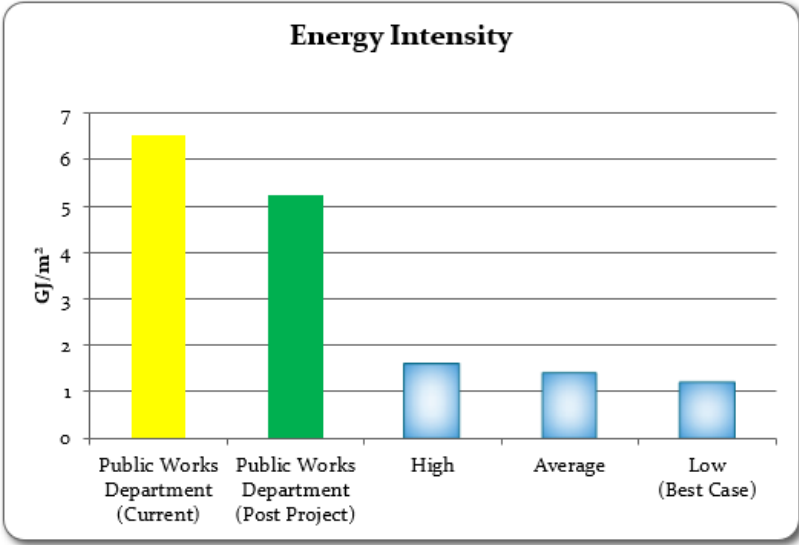


# Elliot Lakes Sample Facilities

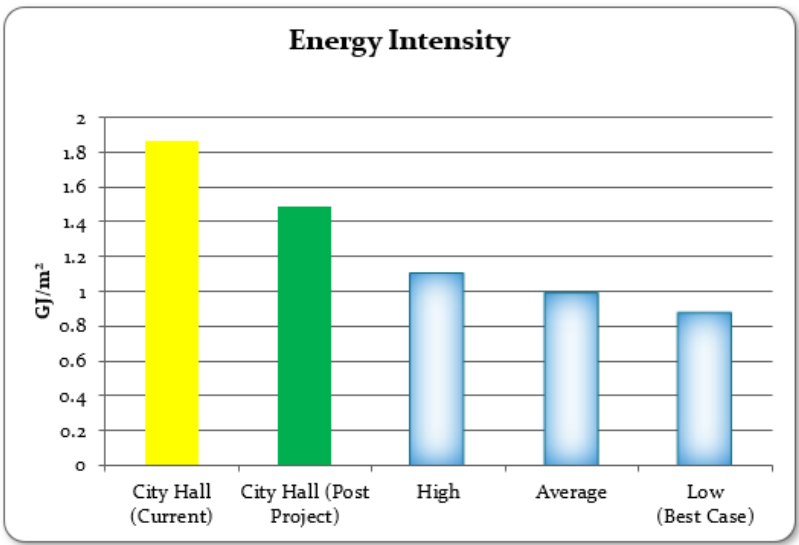
# Offices and Service Facilities



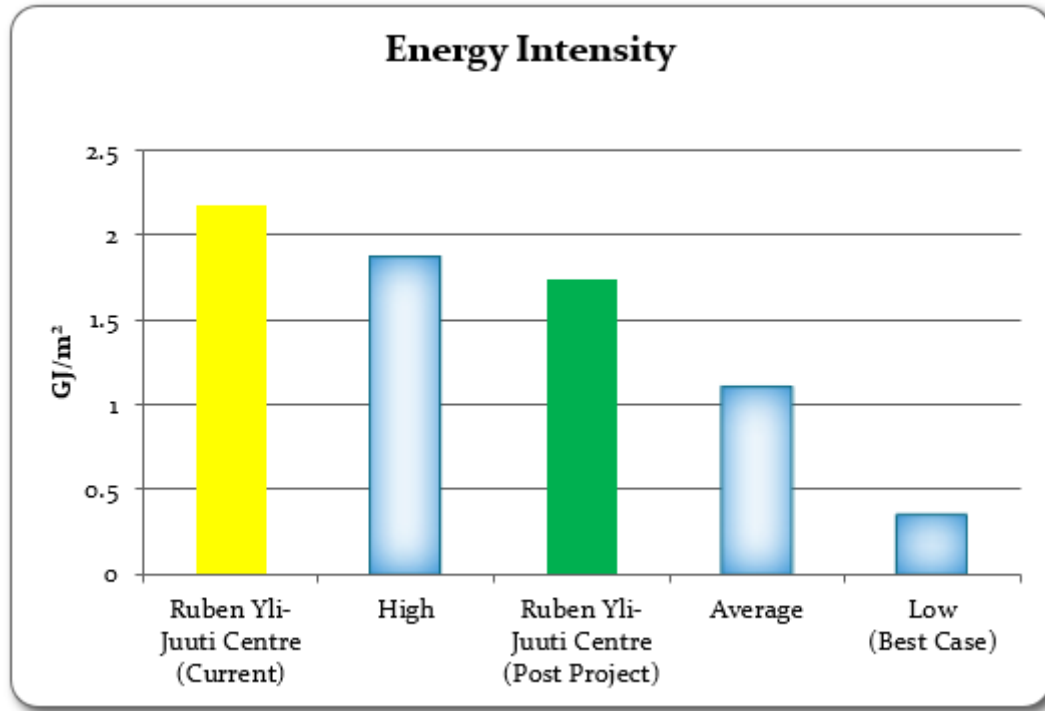
Police Department



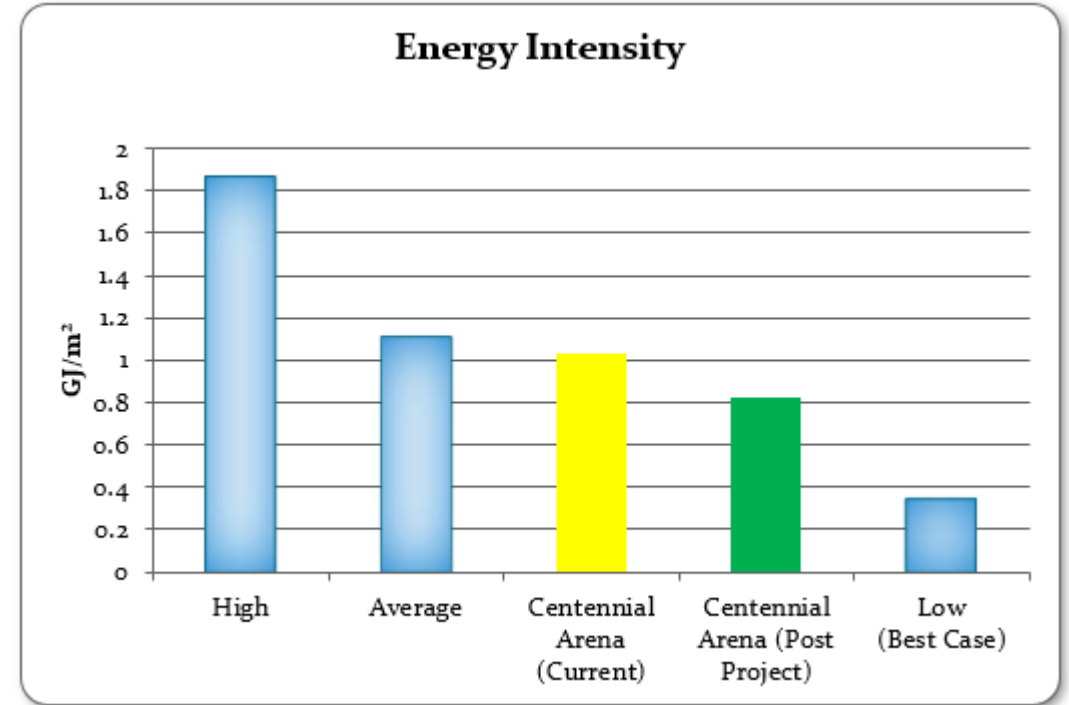
Public Works Department



City Hall

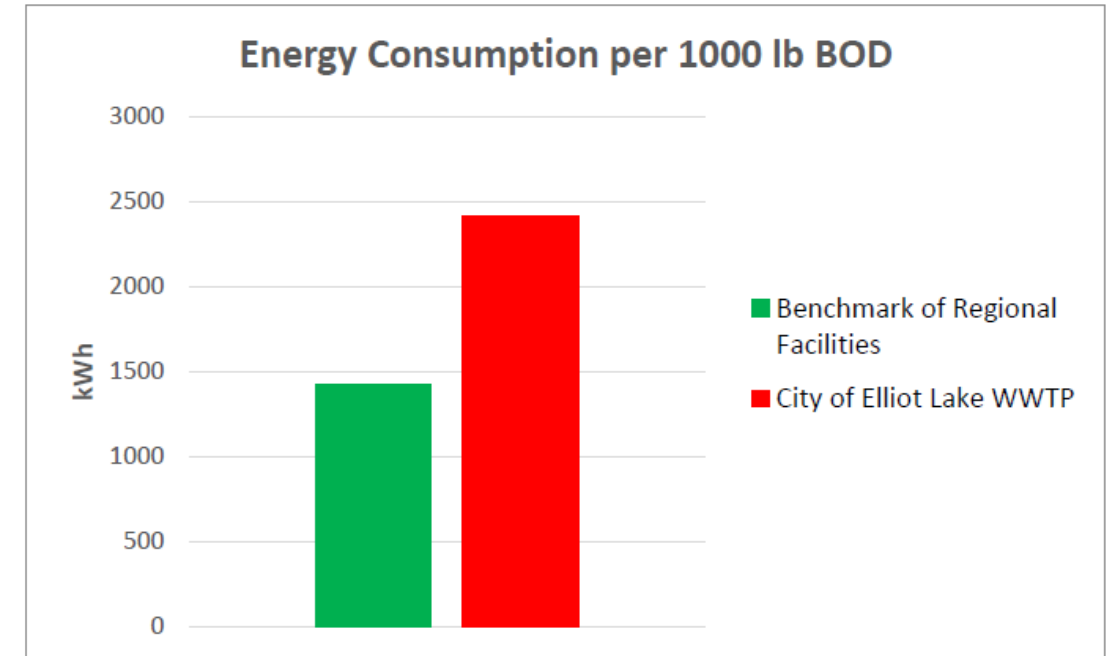
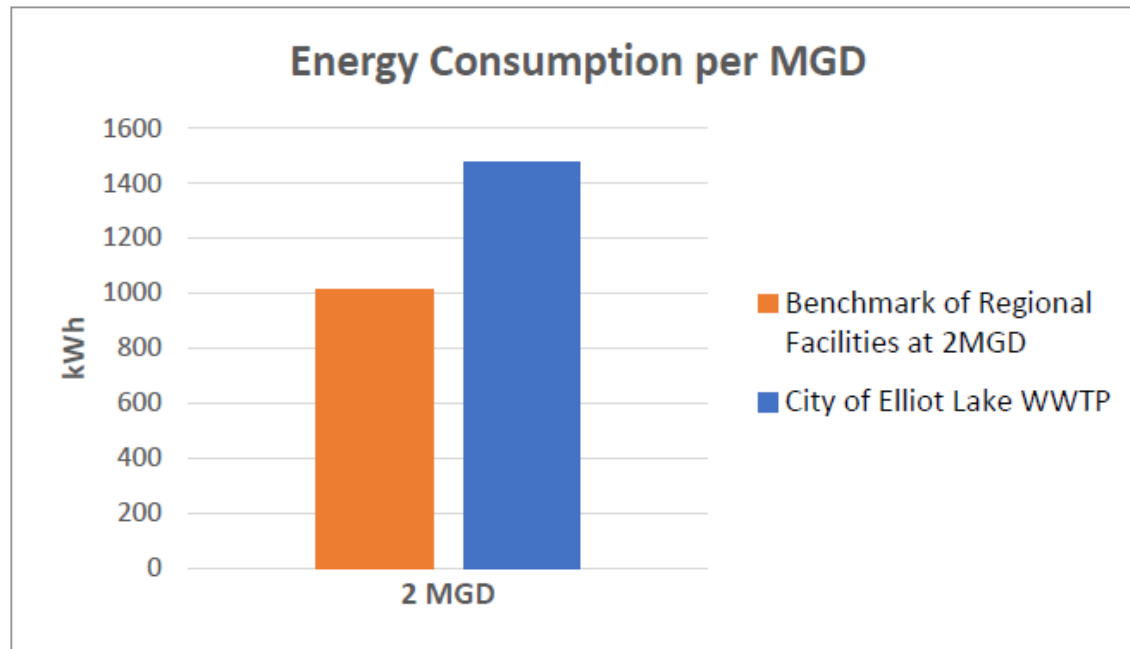


Ruben Yli-Juuti Centre



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

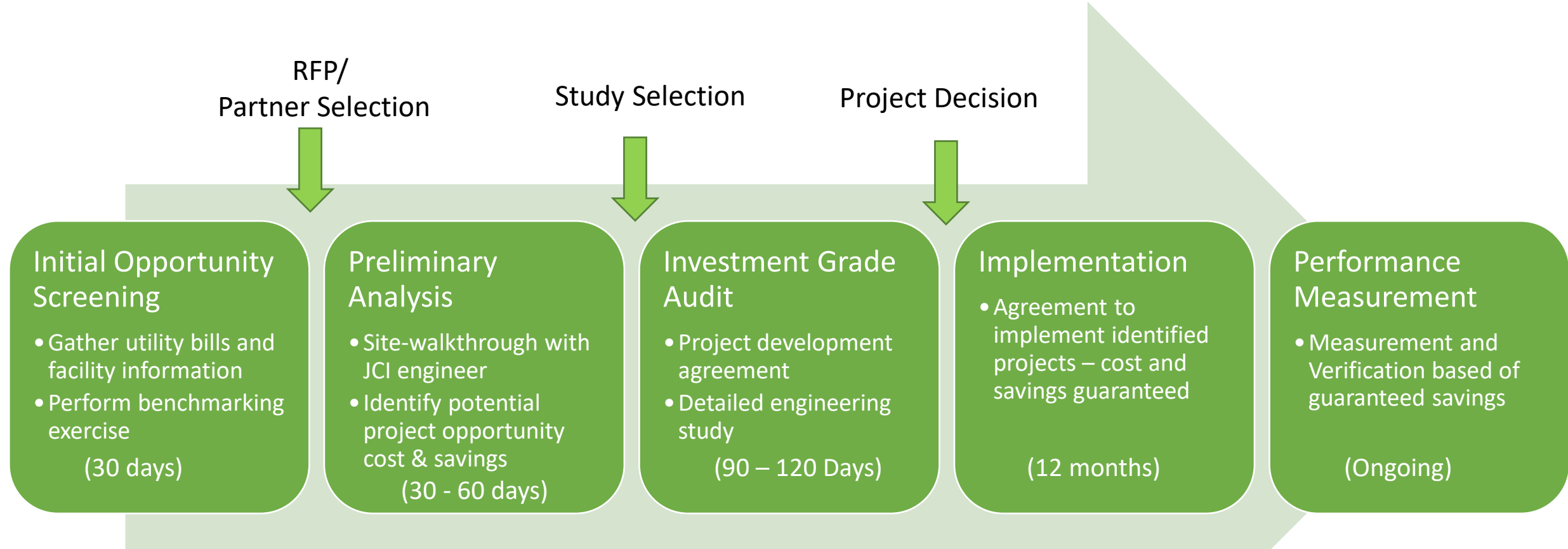
- Energy Savings
- Water Savings
- Address Deferred Maintenance Challenges
- Improved Occupant Productivity
- Economic development - Every \$1 of project value can represent a positive impact of \$2 - \$4 in the local economy



# Discussion on Different Delivery Models

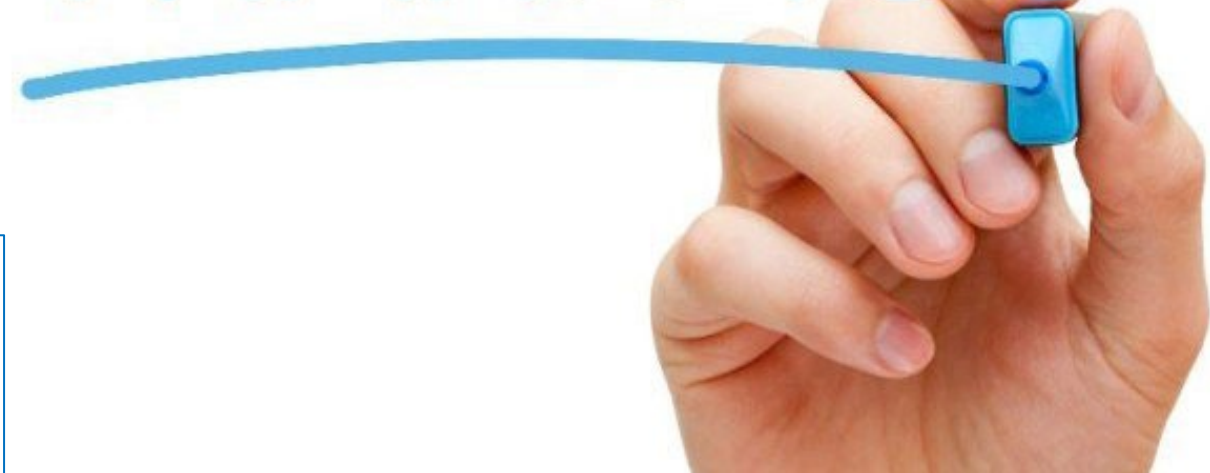
Project Criteria	Performance Infrastructure Model	Traditional Bid/ Spec Model
Financial Source	▪ Existing Budget	▪ Capital Outlay
Grants and Rebates	▪ Supported by Partner	▪ Internal Resources Required
Savings Guarantee	▪ Yes, Generally 3-20 years	▪ No Guarantee
Performance Guarantee	▪ Yes, Generally 3-20 years	▪ No Guarantee
Risk	▪ Energy Services Partner	▪ Customer
Cost Guarantee	▪ Yes, No Change Orders	▪ No Guarantee
Design Guarantee	▪ Yes	▪ No Guarantee
Equipment Selection	▪ Best Efficiency/ Value	▪ Low Bid
Contractors	▪ Most Qualified	▪ Low Bid
Project Duration	▪ 12-18 months	▪ Capital Dependent

# Project Development Process



# Feedback and Questions?

THANK YOU



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