

Water Conservation Budget Adjustment

ISSUE

A budget adjustment is required to add Natural Resource Canada (NRCan) and Federation of Canadian Municipalities (FCM) Funding to Capital Project P.02197 Water & Energy Conservation Initiatives. The Project has received \$128,901 in unbudgeted government funding as follows:

- \$125,391.76 from NRCan for a new Energy Manager and energy assessments at the Water and Wastewater Treatment Plants. Received in installments from 2020 to 2022.
- \$3,510.00 from FCM for development of the Equity Toolkit. Received in 2022.

RECOMMENDATION

That the Standing Policy Committee on Environment, Utilities and Corporate Services recommend to City Council that Capital Project P.02197 be increased by \$128,900 to be funded by NRCan and FCM.

BACKGROUND

Capital Project P.02197 Water and Energy Conservation Initiatives includes the development and implementation of initiatives associated with the reduction of water and greenhouse gases associated with water. It involves the long-term Water Conservation Strategy that aims to reduce water use through a series of initiatives for indoor and outdoor use in all sectors, including residential, industrial, commercial, institutional and the City of Saskatoon (City) itself. In May 2022, City Council approved in principle the Water Conservation Strategy. Water conservation initiatives are brought forward to City Council for deliberation throughout implementation. In 2022, Capital Project P.02197 supported the establishment of the Energy Management Program in Saskatoon Water.

The Standing Policy Committee on Environment, Utilities and Corporate Services, at its special meeting held on June 15, 2021, considered the Triple Bottom Line and Local Energy Access Partnership Update [Report](#) and resolved, in part:

That this report and administrative presentation with any relevant updates included, be referred to the Saskatoon Environmental Advisory Committee and the Diversity, Equity and Inclusion Advisory Committee for information and feedback.

On November 01, 2021, the Standing Policy Committee on Environment, Utilities and Corporate Services received letters from the two Advisory Committees.

DISCUSSION/ANALYSIS

NRCan Funding

In 2020, Saskatoon Water was successful in an application for funding and completed an Energy Management Project with NRCan under their Energy Manager Program. The Energy Management Project involved hiring an Energy Manager who would be responsible for making energy performance at the Water Treatment Plant, Reservoirs, Raw Water Intake, and Wastewater Treatment Plant visible to various levels of the organization so that actions can be taken to systematically drive energy waste, variability, and use down.

FCM Funding

Local Energy Access Partnership (LEAP) was a two-year multi-city, multi-sector initiative led by the Canadian Urban Sustainability Practitioners network, with funding from the Federation of Canadian Municipalities. The LEAP project supported participating cities, in the design and delivery of equitable clean energy programs that respond to the needs of low- and moderate-income households, as well as other community members who have been underrepresented in existing clean energy programs. This includes targeting programs for low to moderate income households with high utility burdens relative to their after-tax income. The Sustainability Department participated in the LEAP initiative to its completion in March 2021, and received funding to develop the [Equity Toolkit for Projects](#) through the initiative.

FINANCIAL IMPLICATIONS

Due to many factors, including multiple staffing changes in 2019 and 2020 along with the multiple changes within the financial systems also taking place at this time (transition to a multi-year base budget in 2020 and the transition to SAP in 2021) the formal process to add the grant funding to the capital budget was not completed when the City received the two grants. Through regular financial reporting activities this budget inconsistency was identified during a review of the 2023 year-end capital reporting that showed a different total budget amount from the Water Conservation Program files.

The process for any external funding applications has now evolved to a higher level of support and service from the Finance Department with clear and defined processes. Any external funding applications are now coordinated by the Financial Planning team. This ensures consistent funding program coordination throughout the corporation along with the assurance that the correct and appropriate budget documentation is completed in a timely manner.

This addition of the government funding received from NRCan and FCM to Capital Project P.02197 will match budgeted revenue and expenditures with actual amounts received and spent.

OTHER IMPLICATIONS

There are no privacy, legal, social, or environmental implications identified.

NEXT STEPS

The work described above is complete and no further steps are required.

Report Approval

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