



Final Report

Frontenac Municipalities – Service Delivery Review

October 9th, 2020



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Executive Summary

Summary of Scope and Results

Project Scope

Funded by the Ministry of Municipal Affairs and Housing's Municipal Modernization Fund, the Frontenac municipalities retained StrategyCorp to conduct a service delivery review. All aspects of the municipalities' administration and operations were in scope, excluding social and health services, such as Paramedic Services, Library, or Long-Term Care. The primary focus of this service delivery review is to understand, identify, and evaluate opportunities to achieve a more efficient and effective regional service delivery model across the Frontenac municipalities without compromising customer/taxpayer services. Through the creation of 64 different service profiles and organization-wide profiles for all municipalities, as well as benchmarking, over 150 potential improvement opportunities were identified spanning the entire organization. Ten initiatives were identified as high-priority. This report details the potential benefits and considerations of each of those initiatives.

Results



Ten high-priority initiatives developed that represent at minimum **over \$1.4 in annual operating and capital savings**. Additional savings opportunities were identified, but not quantified, due to data limitations.



Areas for staff productivity gains that together represent at minimum **\$500K in annual productivity gains**. Additional productivity gains were identified, but not quantified, due to data limitations.



5 operational improvement initiatives to drive efficiencies in back-office functions, making the most efficient use of taxpayer dollars to meet or exceed current service level expectations of residents and staff.



Through these initiatives, there are new revenue opportunities for the Frontenac municipalities. Collectively, the municipalities can increase **revenues by \$1M in potential grants to support increased infrastructure development**.



Coordinated approaches to maintaining key municipal infrastructure (roads bridges, waste management, and fire services) that will meet the needs of residents at a lower cost for communities.



An innovative approach to IT services to coordinate strategic investments in IT infrastructure, supporting increased coordination and collaboration amongst the Frontenac municipalities.

The recommendations in this report are based on an analysis of initiatives identified by staff, supported by external research into leading practice and comparators. Estimates are indicative and based on available data, which differs between the municipalities.

Current State Findings



Throughout the Current State Assessment process, key themes emerged that informed work to identify improvement opportunities:

- **Willingness to collaborate:** There is broad agreement across municipalities and staff levels that there are opportunities for greater collaboration on service delivery, that would improve efficiency and effectiveness and yield savings for other potential investment opportunities. Opinions vary widely on how those models should be pursued, and which tier should deliver.
- **Wide variations in municipal profiles:** Each of the Frontenac municipalities varies widely in population, geography, fiscal capacity, and service delivery models, which can create challenges in establishing equitable shared service structures.
- **Equity is a core concern for shared service opportunities:** There is a sentiment that shared services can work, but they must be “right for us”. For example, a perception of inequity in sharing of costs or the consistency of service-delivery among municipalities could present an obstacle to voluntary support by individual councils and communities, given the differences in size and capacity. Current shared services, such as IT, may be satisfactory, but differing perceptions of the fairness of the cost-recovery formula can undermine support and limit its potential for improvements.
- **Ad hoc communication and coordination:** Communication and coordination among and within the Frontenac municipalities often occurs on an ad hoc basis, without clear structures and processes to support consistent decision-making outside of local and County Councils. While there is an openness to collaboration across the municipalities, staff have limited time and resources to devote to working with their colleagues in other municipalities.
- **Pre-amalgamation legacy structures:** Some current structures, processes, and organizational designs are hold-overs from the pre-1997 era, which limit efficiency and effectiveness of operations across municipalities.
- **Digitization opportunities constrained by infrastructure issues:** While there are numerous opportunities identified throughout the current state assessment related to the digitization of processes, a lack of high-speed and broadband access in some areas will limit potential improvements.

These and other current state findings support the development of implementable initiatives based on the resources and unique considerations for each community.

The Opportunity for Collaboration

For each initiative, we evaluated the opportunities to collaborate using the key opportunity areas outlined below and assessed the degree to which collaboration is feasible for each of the Frontenac municipalities. Opportunity areas such as local priorities and resources were deemed out of scope.

Opportunity Areas

Priorities	Priorities are set by council, inherently local, and subject to competing demands.
Legacy Assets	Could municipalities coordinate assets to improve services? How does the current condition of assets present opportunities for or barriers to collaboration?
Policies	Could specific policies be improved or harmonized?
Processes	Could existing processes be improved or harmonized, or new processes established to improve service?
People	Could skills and capabilities be improved, and different resourcing models for services be utilized?
Equipment	Could municipalities collaborate on the procurement, utilization, and pooling of specialized equipment?
Resources	The financial resources available to maintain the operating and capital budgets.

Spectrum of Collaboration

	Collaboration	Shared Services	Integration	
Low impact	<p>Each municipality maintain local control, but effort made to level up to highest efficiency and service through sharing and adopting best practices</p> <ul style="list-style-type: none"> • Easy to implement • May not yield the greatest improvements 	<p>More active approach to collaboration among partners through resource sharing, and shared service delivery among willing partners.</p> <ul style="list-style-type: none"> • Requires greater compromise • May yield higher benefits • Potentially more difficult to implement 	<p>Migration of service to one provider, whomever that may be (county, special purpose body, lead municipality)</p> <ul style="list-style-type: none"> • Highest level of compromise required • Governance tools • Yield the greatest potential improvements • Politically and operationally feasible improvement options are constrained as it involves greater surrender of control 	High impact

Models for Intermunicipal Delivery: A Range of Options

There are different approaches for voluntary intermunicipal collaboration on service delivery, ranging from ad hoc collaboration to more formal arrangements. For each initiative we explored the potential governance structures as outlined below and identified which structure would be the most practical considering the needs of the municipalities.

For each initiative, we considered how the range of delivery options would satisfy a range of factors, including:

- ✓ The potential of a model to deliver cost savings and the materiality of those savings
- ✓ The existence of capacity to deliver (or the need to create new capacity) via in house or contracted services
- ✓ The ability of a model to continue to meet local service responsibilities and expectations and deliver on customer satisfaction
- ✓ The ability of a model to deliver appropriate accountability and policy leadership, without an undue burden on elected leaders or senior management
- ✓ The effect of a model on the existing workforce, including volunteers
- ✓ The fit of a model with the geographic realities of Frontenac, including the operational challenges of serving the extremities of North Frontenac and Frontenac Islands

Consistent with the terms of reference, this Report does not consider overarching change to governance structures, such as amalgamation.

Models for Intermunicipal Delivery: A Range of Options

Outlined below are the potential service delivery models to be considered for each improvement initiative. The governance considerations and general observations have been included for each. For each improvement opportunity identified through our Spectrum of Collaboration framework, we assessed the viability of the service delivery structure using the models described below.

Options						
	Local	Two or More Frontenac Municipalities Collaborate in Bilateral Shared Service Delivery	One Frontenac Municipality Provides Service to Some or All Frontenac Municipalities	County Provides Service to all Frontenac Municipalities	Municipal Service Corporation Provides Service to Some or All Frontenac Municipalities	Municipality Outside of Frontenac Provides Service to a Frontenac Municipality
Governance	<ul style="list-style-type: none"> Locally controlled Where there is collaboration, it is ad hoc Common Frontenac model at present 	<ul style="list-style-type: none"> This would require a structure for joint decision making, such as an intermunicipal board, depending on the level of integration of services Could also just be done by an informal steering committee 	<ul style="list-style-type: none"> This would require a contribution agreement and an MOU to set out service levels 	<ul style="list-style-type: none"> This would be viewed as a migration of service to the County, funded by the levy Utilizes existing governance structure 	<ul style="list-style-type: none"> A municipal service corporation with board members from each participating municipality would set policy Delivers an inclusive governance model May be perceived by public as duplicating County role 	<ul style="list-style-type: none"> This would require a contribution agreement and an MOU to set out service levels
Observations	<ul style="list-style-type: none"> By observation of staff, insufficient to capture all the benefits offered by collaboration opportunities “off the corner of the desk” 	<ul style="list-style-type: none"> Leverages existing or excess operational capacity At some point, decisions about service levels or dispute resolution escalate beyond the capacity of staff to resolve without political level decision making 	<ul style="list-style-type: none"> Utilizes an existing delivery structure This option is contingent on one municipality having the operational capacity to offer the service County could be the service provider, and if it was not a County service, would be governed by contribution agreement and MOU, not the levy 	<ul style="list-style-type: none"> May require creation of “all new” capacity at County if not an expansion of a current service Services provided by the individual municipalities could be consolidated at the County 	<ul style="list-style-type: none"> Corporation could contract for delivery or develop its own delivery resources There are overhead costs associated with implementing this model, including time burdens 	<ul style="list-style-type: none"> This is particularly relevant to North Frontenac and Frontenac Islands, which already collaborate with neighbours outside of Frontenac The best fit for partnering is “where you find it” based on business case and need not be restricted to inside Frontenac

Major Categories of Cost Savings

For the purposes of our analysis, we have identified three broad categories of cost savings:

New Revenues

New Revenues are **POTENTIAL INCREASED ANNUAL REVENUES**.

Common identifying features of New Revenues include:

- Creation of revenue-generating opportunities
- Focus on cost recoveries over cost savings

“Dark Green” Savings

“Dark Green” savings are **POTENTIAL DIRECT SAVINGS**.

Common identifying features of Dark Green cost savings include:

- Creation of tangible bottom line reductions for reinvestment opportunities
- Defined actions that are sourced from the profit and loss directly
- Process improvements that lead to cost and/or asset reductions

“Light Green” Savings

“Light Green” savings are **POTENTIAL PRODUCTIVITY GAINS**.

Common identifying features of Light Green cost savings include:

- Creation of improved productivity or positive changes in operations
- Creation of intangible cost avoidances
- Process improvements that over time can become cost savings

Identified revenues and savings could be used to reinvest in municipal services. Productivity gains could be used to allow for municipal staff to complete more value-added work.

Summary of Initiatives

The quantifiable benefits of each initiative have been categorized by either annual operating and capital savings, productivity gains and/or potential new annual revenues after the initiative has been implemented. Savings indicated in (brackets) indicate one time savings.

Initiative	Description	Revenues, Dark and Light Green Savings		
		Potential Increased Annual Rev.	Potential Direct Savings "Dark Green"	Potential Productivity Gains "Light Green"
Enhanced Collaboration on Roads and Bridges	• Develop a comprehensive strategic framework to coordinate capital projects, winter maintenance, and advocate for changes to provincial grants	\$1,000,000	\$447,000	-
Fire Services	• A municipality by municipality approach to coordinating fire services to improve service levels and reduce costs for select municipalities	-	\$100,000 (\$510K)	\$42,000
Waste Management	• Establish a coordinated inter-municipal body to support coordinated strategy and operations to address upcoming policy changes and identify operational improvements	-	\$49,000	\$13,000
Coordinating Building and Septic Services	• A regional approach to coordinate building and septic inspections for participating municipalities that will improve customer experience and support succession planning	-	-	Gains Likely
Coordinating By-law Services	• Improve service levels and value for money through coordinated approaches to by-law enforcement, establishing long-term goals of proactive enforcement driven by data collection	-	-	\$36,000
Collaborative Procurement	• Acquire in-house procurement expertise to decrease risk, improve staff productivity, and drive cost savings through collaboration	-	\$403,000 - \$1,369,000	-
Integrated Digital Strategy	• Establish a problem-solving approach to addressing issues with manual or paper-based processes, as well as existing IT solutions, through integrated and strategic IT investments	-	\$162,000	\$122,000
Policy & Process Harmonization: Development Services	• Adopt progressive policy tools and improve operations to coordinate approaches to waterfront development and drive regional growth	-	-	\$180,000
Coordinating Legal Services	• Share a Legal Services Coordinator to reduce third-party spending, improve information sharing, standardize processes and procedures, save staff time and improve productivity	-	\$32,000 - \$55,000	\$43,000
Human Resources Coordination	• Coordinate on similar HR functions, explore using similar successful HR vendors for cost savings and productivity gains, and pool benefits to experience cost savings and reduce risk exposure	-	\$253,000	\$68,000
Potential Annual Dark Green Savings (One Time Savings)		\$1.4M (\$510K)		
Potential Annual Revenues		\$1M		
Potential Annual Light Green Savings		\$500K		

Implementing a Program of Reforms

While implementation will be dependent on each community buying into each initiative and coordinating necessary approvals among staff and Councils, we have grouped initiatives as short, medium and long-term. It will require additional staff time and effort to increase coordination and formalize collaboration, and with more ideas and opinions, it can be challenging to come to consensus in a timely fashion. This could impact actual implementation timelines.

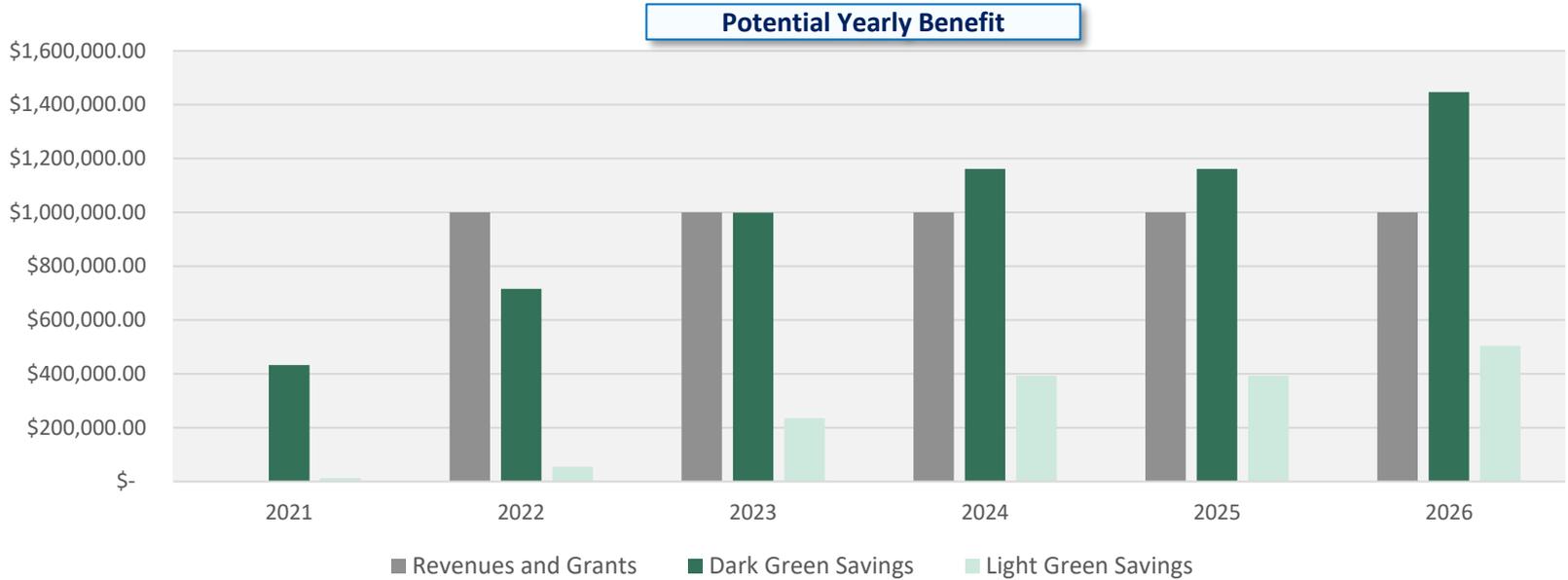
These groupings are based on a number of factors, including our assessment of:

- The potential for the initiative to yield savings, and the materiality of those savings in the big picture relative to the effort required;
- The need to prioritize to take advantage of available management time for special projects; and
- whether there are other factors that make it urgent, such as compliance requirements.

2021	2022	2023	2024	2025	2026 Onwards
Short Term Initiatives: <ul style="list-style-type: none">• Collaborative Procurement• Coordinating By-law Services• Enhanced Collaboration on Roads and Bridges• Fire Services• Coordinating Building and Septic Services (Part 8 Inspections)• Coordinated Legal Services					
	Medium Term Initiatives: <ul style="list-style-type: none">• Policy & Process Harmonization: Development Services• Waste Management				
			Long Term Initiatives: <ul style="list-style-type: none">• Human Resources Coordination• Integrated Digital Strategy		

Benefits over Time

The potential benefits of these initiatives will be realized overtime after implementation. Based on the groupings of initiatives on the previous slide, we have projected the benefits from 2022 - 2026 and beyond. Depending on the initiative, we have estimated it will take one to three years to realize the benefits. The chart below demonstrates benefits over time if no interventions were taken.





Benefit by Municipality

Section Overview

Each of the Frontenac municipalities has the ability to potentially increase revenues, achieve direct “dark green savings” and/or “light green” productivity gains from the resulting benefits of each of the ten improvement initiatives identified in this report. The total benefit of each initiative varies from municipality to municipality given the unique considerations for each municipality, as well as the suite of services that they offer.

Section Explanation

- The following five pages highlight the benefits per initiative for each municipality, including high-level examples of initiatives that are most impactful given the potential for cost savings, productivity gains, or feedback throughout the engagement period.
- We do not recommend that every municipality participate in each initiative, given the unique considerations for each municipality (proximity, service needs and composition, etc.)
- We have also outlined key qualitative impacts of the initiatives for each municipality.
- In the appendices, each initiative and its potential benefits are explained in further detail.

Municipality Specifics

- **South Frontenac** is at a time in its growth where it can still realize benefits by participating in shared services arrangements with other communities (fire, roads and bridges, etc.) but also has the growing capacity to bring services in-house as an independent service provider (building and septic). This is reflected in its suggested initiatives.
- **Central Frontenac and North Frontenac** could benefit from all initiatives because of their proximity to other municipalities and the services these communities provide.
- The practical realities of being island communities limits the ability of **Frontenac Islands** to collaborate on service delivery, but its not impossible. As a result, the initiatives suggested for this community are strategic in nature and will still yield material impacts for the municipality.
- The **County’s** opportunity to yield benefits from enhanced collaboration with local municipalities is different by the nature of the services it delivers. However, where there are savings and productivity gains for the County, they are material, and the County will benefit as a result of the operational and process improvements achieved across the Frontenac municipalities.
- Where relevant, opportunities to partner with municipalities outside the County are as relevant and valid as opportunities to partner with Frontenac municipalities (i.e. Kingston, Lennox and Addington, etc.)

Highlights for South Frontenac

South Frontenac could generate approximately \$398K in additional revenues, save \$637K in direct annual costs, and yield \$58K in productivity gains. In addition, service benefits specific to South Frontenac are outlined below.

Initiative Impact for South Frontenac	pg	Revenues	Savings	Productivity
Enhanced Collaboration on Roads and Bridges	22	\$398K	\$289K	-
Fire Services	33	-	\$58 (\$5K)	\$6K
Waste Management	45	-	\$1K	-
Coordinating Building and Septic Services	54	-	-	-
Coordinating By-law Services	65	-	-	\$15K
Collaborative Procurement	75	-	\$200 – 679K	-
Integrated Digital Strategy	82	-	\$50K	\$32K
Policy & Process Harmonization: Development Services	87	-	-	-
Coordinated Legal Services	96	-	\$8 - \$14K	\$5K
Human Resources Coordination	104	-	\$31K	-
Total		\$398K	\$637K	\$58K

Initiative Highlights



Fire Services – By voluntarily integrating its fire service with Central Frontenac, South Frontenac would decrease operating and capital costs while improving services such as training, inspections and investigations.



Roads and Bridges – These improvement opportunities, including capital project bundling and improved access to funding, would support South Frontenac staff in delivering high quality service in the most cost-effective way as possible.



Collaborative Procurement – Because of South Frontenac's size, it will benefit the most from a formalized collaborative procurement process to gain purchasing power. Annual savings estimates range from \$200,000 - \$680,000.

While these are just some of the benefits, all benefits for South Frontenac per initiative can be found in the appendix.

Highlights for Central Frontenac

Central Frontenac could generate approximately \$225K in additional revenues, save \$288K in direct annual costs, and yield \$82K in productivity gains. In addition, service benefits specific to Central Frontenac are outlined below.

Initiative Impact for Central Frontenac	pg	Revenues	Savings	Productivity
Enhanced Collaboration on Roads and Bridges	22	\$225K	\$64K	-
Fire Services	33	-	\$44K (\$505M)	\$6K
Waste Management	45	-	\$20K	\$10K
Coordinating Building and Septic Services	54	-	-	-
Coordinating By-law Services	65	-	-	\$4K
Collaborative Procurement	75	-	\$128 – 434K	-
Integrated Digital Strategy	82	-	\$14K	\$19K
Policy & Process Harmonization: Development Services	87	-	-	\$18K
Coordinated Legal Services	96	-	\$2 - 45K	\$25K
Human Resources Coordination	104	-	\$16K	-
Total		\$225K	\$288K	\$82K

Initiative Highlights



Fire Services – By voluntarily integrating its fire service with South Frontenac, Central Frontenac would not only experience annual savings and service improvements but potentially avoid a \$500K capital investment (minimum 1 pumper unit).



Building and Septic – By coordinating building services and bringing septic inspections in-house, Central Frontenac will be able to improve service levels, succession planning and staff efficiency.



Waste Management – Central Frontenac has shown demonstrated leadership on coordinating waste services. This initiative would formalize this process and alleviate Central Frontenac's staff from the administrative burden of ad-hoc coordination.

While these are just some of the benefits, all benefits for Central Frontenac per initiative can be found in the appendix.

Highlights for North Frontenac

North Frontenac could generate approximately \$250K in additional revenues, save \$205K in direct annual costs, and yield \$170K in productivity gains. In addition, service benefits specific to North Frontenac are outlined below.

Initiative Impact for North Frontenac	pg	Revenues	Savings	Productivity
Enhanced Collaboration on Roads and Bridges	22	\$250K	\$72K	-
Fire Services	33	-	-	\$17K
Waste Management	45	-	\$28K	\$3K
Coordinating Building and Septic Services	54	-	-	-
Coordinating By-law Services	65	-	-	\$15K
Collaborative Procurement	75	-	\$63 – 215K	-
Integrated Digital Strategy	82	-	\$29K	\$57K
Policy & Process Harmonization: Development Services	87	-	-	\$14K
Coordinated Legal Services	96	-	\$4 -\$6K	\$7K
Human Resources Coordination	104	-	\$9K	\$60K
Total		\$250K	\$205K	\$170K

Initiative Highlights



Fire Services – By establishing an automatic aid agreement with recommended joint South/Central fire service, North Frontenac can improve service levels.



Building and Septic – By coordinating building services and bringing septic inspections in-house, North Frontenac will be able to improve service levels, succession planning and staff efficiency.



Roads and Bridges – North Frontenac has 25% of the County’s roads with 7% of the County’s population. This initiative will support staff’s commitment to high quality roads and bridge services in the most cost-effective way as possible.

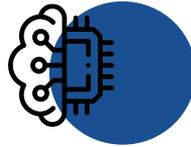
While these are just some of the benefits, all benefits for North Frontenac per initiative can be found in the appendix.

Highlights for Frontenac Islands

Frontenac Islands could generate approximately \$127K in additional revenues, save \$103K in direct annual costs, and yield \$55K in productivity gains. In addition, service benefits specific to Frontenac Islands are outlined below.

Initiative Impact for Frontenac Islands	pg	Revenues	Savings	Productivity
Enhanced Collaboration on Roads and Bridges	22	\$127K	\$21K	-
Fire Services	33	-	-	\$12K
Waste Management	45	-	-	-
Coordinating Building and Septic Services	54	-	-	-
Coordinating By-law Services	65	-	-	\$2K
Collaborative Procurement	75	-	\$6 – 19K	-
Integrated Digital Strategy	82	-	\$72K	\$14K
Policy & Process Harmonization: Development Services	87	-	-	\$17K
Coordinated Legal Services	96	-	\$1 - \$2.5K	\$2K
Human Resources Coordination	104	-	\$3K	\$8K
Total		\$127K	\$103K	\$55K

Initiative Highlights



IT – There are legacy manual processes that staff have shown interest in optimizing through digital solutions.



Building and Septic –By moving to a regional model Frontenac Islands could improve service levels.



Development Services – When key personnel retired, the Frontenac Islands lost in-house expertise. This initiative would save significant staff time filling the void of a planning assistant in-house.

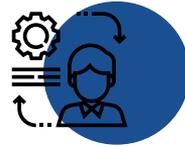
While these are just some of the benefits, all benefits for Frontenac Islands per initiative can be found in the appendix.

Highlights for Frontenac County

Frontenac County could save approximately \$220K in direct annual costs, and yield \$160K in productivity gains. In addition, service benefits specific to Frontenac County are outlined below.

Initiative Impact for Frontenac County	pg	Revenues	Savings	Productivity
Enhanced Collaboration on Roads and Bridges	22	-	-	-
Fire Services	33	-	-	-
Waste Management	45	-	-	-
Coordinating Building and Septic Services	54	-	-	-
Coordinating By-law Services	65	-	-	-
Collaborative Procurement	75	-	\$7 – 23K	-
Integrated Digital Strategy	82	-	-	-
Policy & Process Harmonization: Development Services	87	-	-	\$132K
Coordinated Legal Services	96	-	\$17 - \$29K	\$31K
Human Resources Coordination	104	-	\$194K	-
Total		-	\$220K	\$160K

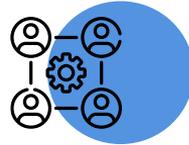
Initiative Highlights



Development Services – The County is unable to meet its development services KPIs because of the ineffective allocation of staff to low value-added services. By acquiring a community planning permitting system, the County service can be more effective.



Legal – As the County has the highest non-recoverable legal spend, they will benefit the most from a coordinated approach to legal services.



Human Resources – As the County has the highest employee benefit spend, they will benefit the most from pooling benefits with other municipalities.

While these are just some of the benefits, all benefits for Frontenac County per initiative can be found in the appendix.

Breakdown of Savings by Initiative

The potential benefits of participating in each initiative varies by community and are detailed in the initiative deep dive section.

Initiative	pg	Municipalities Annual Benefits														
		South			Central			North			Islands			County		
		Rev	Saving	Product	Rev	Saving	Product	Rev	Saving	Product	Rev	Saving	Product	Rev	Saving	Product
Enhanced Collaboration on Roads and Bridges	22	\$398K	\$289K	-	\$225K	\$64K	-	\$250K	\$72K	-	\$127K	\$21K	-	-	-	-
Fire Services	33	-	\$58 (\$5K)	\$6K	-	\$44K (\$505K)	\$6K	-	-	\$17K	-	-	\$12K	-	-	-
Waste Management	45	-	\$1K	-	-	\$20K	\$10K	-	\$28K	\$3K	-	-	-	-	-	-
Coordinating Building and Septic Services	54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Coordinating By-law Services	65	-	-	\$15K	-	-	\$4K	-	-	\$15K	-	-	\$2K	-	-	-
Collaborative Procurement	75	-	\$200 – 679K	-	-	\$128 – 434K	-	-	\$63 – 215K	-	-	\$6 – 19K	-	-	\$7 – 23K	-
Integrated Digital Strategy	82	-	\$50K	\$32K	-	\$14K	\$19K	-	\$29K	\$57K	-	\$72K	\$14K	-	-	-
Policy & Process Harmonization: Development Services	87	-	-	-	-	-	\$18K	-	-	\$14K	-	-	\$17K	-	-	\$132K
Coordinated Legal Services	96	-	\$8 - \$14K	\$5K	-	\$2 - 45K	\$25K	-	\$4 - \$6K	\$7K	-	\$1 - \$2.5K	\$2K	-	\$17K - \$29K	\$31K
Human Resources Coordination	104	-	\$31K	-	-	\$16K	-	-	\$9K	\$60K	-	\$3K	\$8K	-	\$194K	-
Total		\$398K	\$637K	\$58K	\$225K	\$288K	\$82K	\$250K	\$205K	173K	\$127K	\$103K	\$55K	-	\$218K	\$160K

Estimates are indicative and have been rounded. Actual savings will be dependent on implementation costs.



Appendix A: Initiative Deep Dive

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CATEGORY	INITIATIVE	PAGE NUMBER
Resident Facing	Enhanced Collaboration on Roads and Bridges	23
	Fire Services	34
	Waste Management	46
	Coordinating Building and Septic Services	54
	Coordinating By-law Services	65
Back Office	Collaborative Purchasing	75
	Integrated Digital Strategy	82
	Policy & Process Harmonization: Development Services	87
	Coordinated Legal Services	96
	Human Resources Coordination	103



Enhanced Collaboration on Roads and Bridges

Initiative Overview

Collaboration

Shared Services

Integration

Initiative

Description

This initiative presents three opportunities that can be considered in tandem with the recommendations of the Regional Roads Network Report, and if implemented, would include:

- Operational benefits
- Reduction in capital costs
- Remedy provincial policy that currently underfunds the Frontenac Municipalities because they do not have County level participation in road delivery.

There are both operational “quick-wins” and longer-term capital process improvements that would yield significant efficiencies in refurbishing of local bridges and roads in need of repair, as well as other capital construction projects.

High Level Structure

1

Establish a Public Works Managers Committee that meets monthly to discuss opportunities to collaborate across the municipal works departments.

2

Implement an inter-governmental relations strategy to remedy the inequitable access to provincial funding.

3

Consider the business case for sharing in-house night shift winter control services.

Benefits Overview

Total New Annual Revenues

Total Annual Savings

South Frontenac	\$398,000	\$289,000
Central Frontenac	\$225,000	\$64,000
North Frontenac	\$250,000	\$72,000
Frontenac Islands	\$127,000	\$21,000
Total	\$1,000,000	\$447,000

Other Benefits

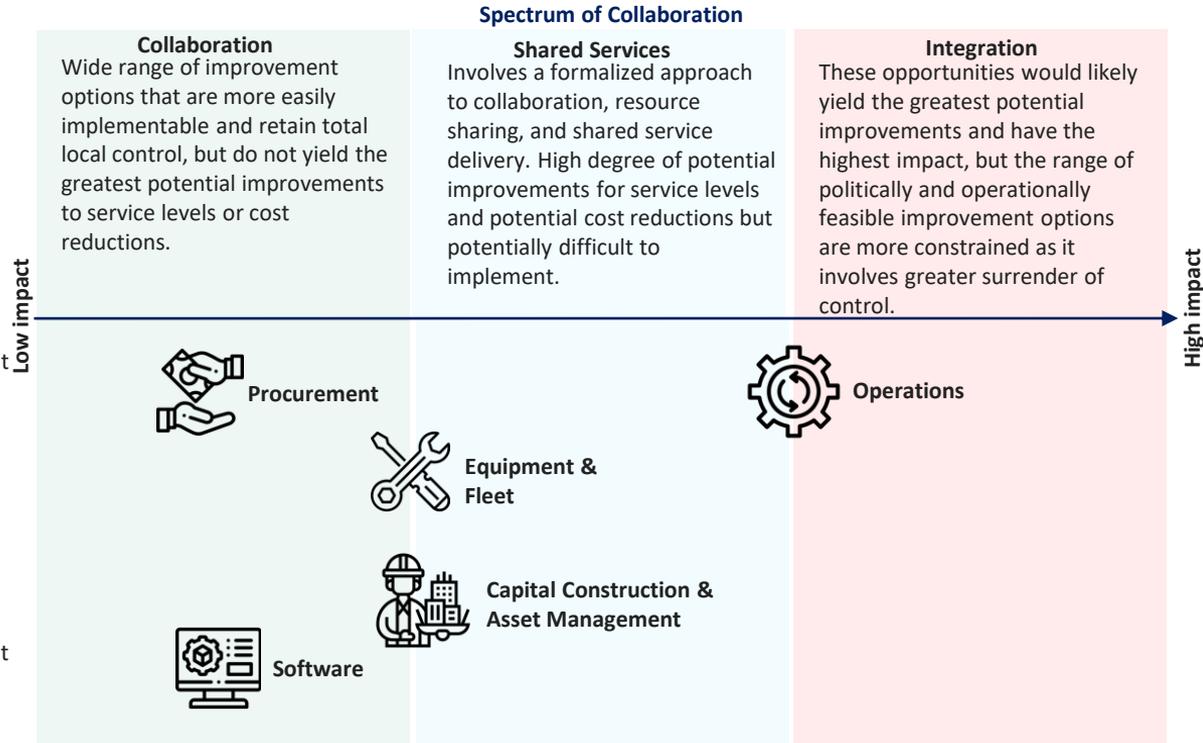
- Established processes for enhanced collaboration will support the Frontenac municipalities in incrementally pursuing improvement opportunities along the spectrum of collaboration in areas such as asset management and equipment and fleet procurement, which by the nature of their expense, yield significant opportunities for cost savings and reinvestment opportunities.

A Framework for Collaboration

Staff and Senior Leadership across the local Frontenac municipalities came together as a group to identify tactical opportunities to increase collaboration in the maintenance, operations, and delivery of road and bridge services. The goals of these improvement opportunities are to reduce costs, improve efficiency and effectiveness, and gain equitable access to provincial infrastructure funding even in the absence of a County-led regional roads network.

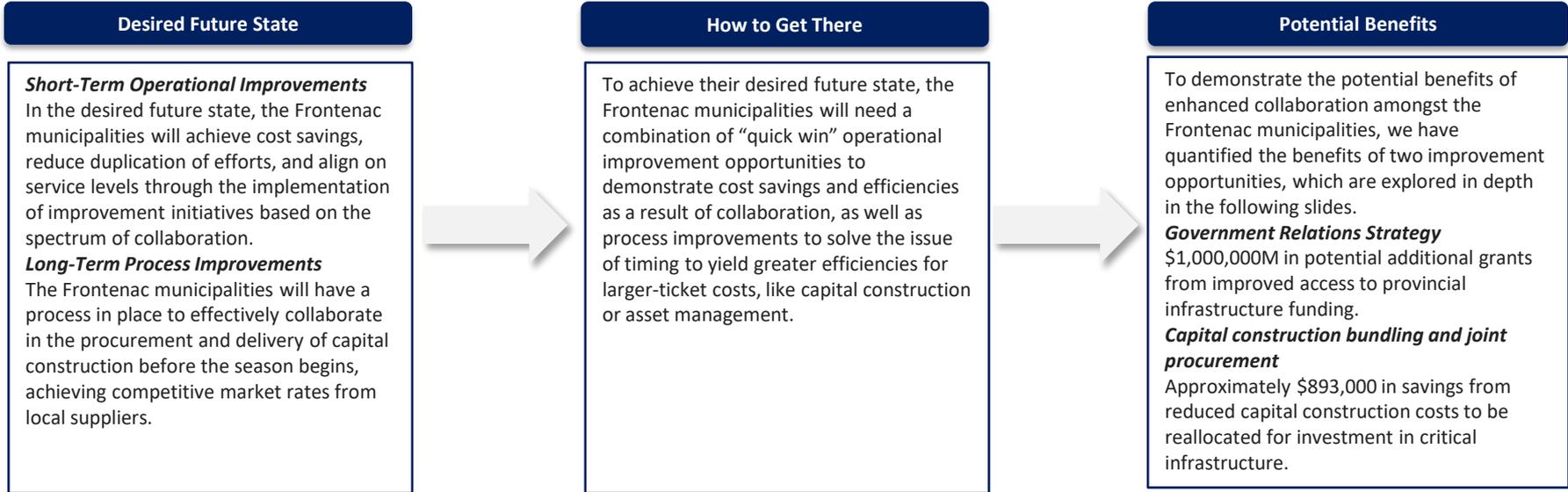
StrategyCorp asked staff to identify what degree of collaboration makes the most sense for five opportunity areas:

- 1. Operations**
 - There are opportunities to collaborate in the delivery of key services to provide similar levels of service.
- 2. Software**
 - Staff identified the importance of procuring the same software and its role in optimizing asset management practices.
- 3. Procurement**
 - There are numerous products and services currently contracted by each Frontenac municipality that represent high-impact opportunities for collaborative procurement, but formalizing coordinated approaches remains a challenge.
- 4. Equipment & Fleet**
 - Staff identified that this is a high-impact area to share services and avoid unnecessary operating and capital expenditures, but opportunities must consider potential diseconomies of scale once you factor in the geography of the Frontenac municipalities.
- 5. Capital Construction & Asset Management**
 - Based on municipal best practice across Ontario, and as reiterated by staff, increased collaboration in the procurement and delivery of capital construction projects has the potential to optimize costs and help to avoid unnecessary capital and maintenance expenditures.



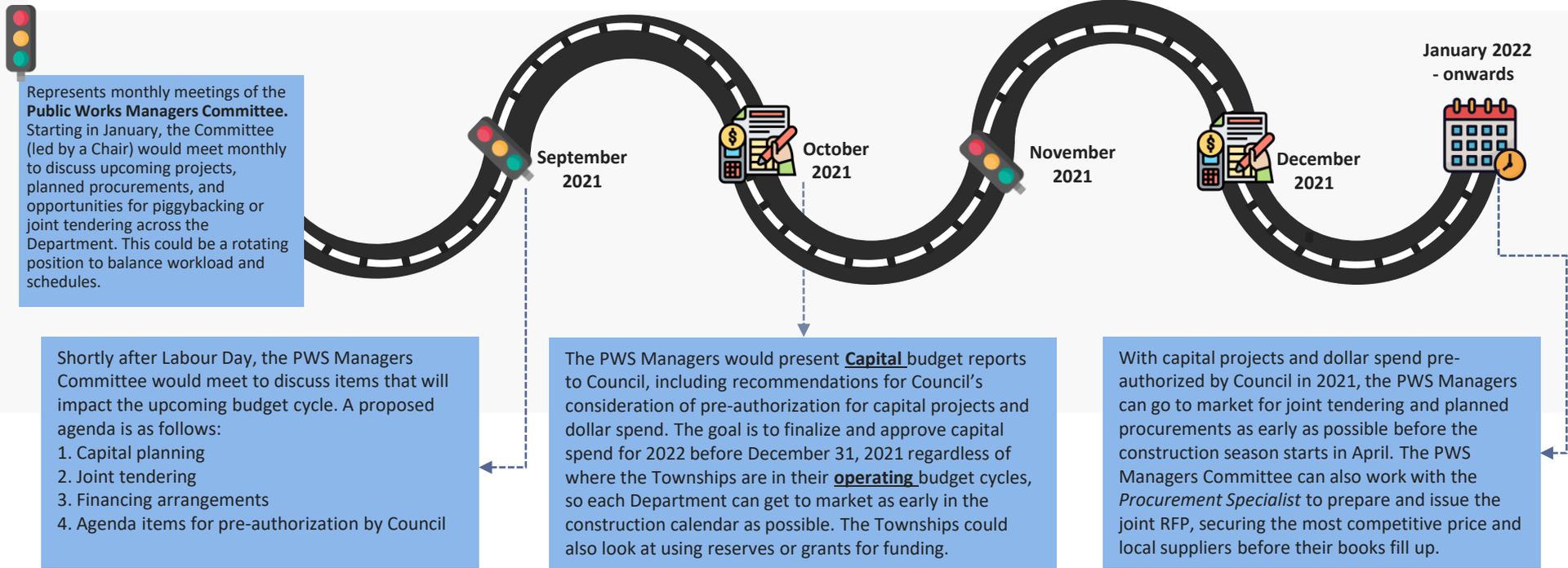
Current State Challenges & Future State Opportunities

- Throughout this service delivery review project, staff across the local Frontenac municipalities identified common process and operational improvement areas that challenge their ability to effectively collaborate to drive cost reductions and operational efficiencies.
- Without a formalized process, the municipalities miss out on opportunities to achieve economies of scale through collaboration, and to identify opportunities to collaborate before the construction season, which would yield the greatest efficiency gains and cost reductions.
- Attempts to formalize routine meetings to enhance collaboration were thwarted by changes to staff schedules and on-site protocols as a result of COVID-19 and competing priorities.
- As well, the impact of the Regional Roads Network study remains unknown as the Frontenac municipalities consider the recommendations contained within the report. However, staff also recognize that there are opportunities to see collective improvements in service levels and cost reductions in Roads and Bridges, supporting asset management planning and investments.



Recommendation 1: Create a Forum for Intermunicipal Collaboration on Capital Projects

A Public Works Managers Committee would be established to identify opportunities for enhanced collaboration and joint procurement on roads and bridges projects. The goal would be to achieve the benefits of capital project bundling described on slide 30. This Committee would also support the achievement of other improvement initiatives identified in this section as well as those described in the *Waste Management* initiative. Outlined below is a proposed process to structure this forum.



Capital Project Bundling

Ontario Good Roads Association recommends that municipalities explore project bundling for a slate of analogous or “generic” projects. Outlined below are common challenges faced by municipalities that can be mitigated by project bundling, the benefits, and examples.

- **Capital infrastructure projects are challenging for smaller municipalities:** Civil infrastructure remains a burden for many rural municipalities. A vast inventory of water and wastewater systems, drainage works, and rural roads and bridges must be supported by small populations and limited fiscal resources. Across Ontario, hundreds of small bridges need repair or replacement. For example, individual bridge projects can be a major financial burden for a township or municipality.
- **Municipalities can coordinate to find vendors:** Similar projects (preservation, rehabilitation or replacement projects) from different municipalities are bundled into an overarching evaluation, design, construction, financing and maintenance initiative. They are tendered to a single general contractor or bid consortium, in a time-limited, set-price contract. The winning bid consortium uses repetitive processes and standardized designs to effect savings, often employing local delivery agents bound to centrally determined design specifications and execution provisions.
- **Bundling can lead to significant cost savings:** Properly structured capital project bundles can save tremendous costs through economies of scale, as well as shorten the timelines that it would take to build or rehabilitate a certain number of structures if they were completed separately.
- **Decreases risk exposure:** As there are multiple projects being completed in a portfolio, the risk per project decreases as the risk is spread over multiple projects and for multiple municipalities.

Examples of Project Bundling:

- A report from Ontario’s Ministry of Transportation found that municipal governments could save between 13 and 20 per cent on bridges and culverts using the bundled model.
- The report from the Ontario Good Roads Association used Wellington County as a proxy for rural Ontario and the potential for bundled capital projects, and found that this was effective in yielding contract savings for “design-build” contracts for bridges and culverts.
- This is done commonly in American County and State governments and they are seeing large cost savings. Examples include Erie County, New York, Indiana Department of Transportation, which saved over \$50M due to project bundling. Nebraska, working with specific County governments, saved over \$40M over ten years.

Recommendation 2: Intergovernmental Relations Strategy

Remedy provincial policy that currently underfunds the Frontenac Municipalities because of the fact that they do not have County level participation in road delivery. The local Frontenac Municipalities should advocate to the Ministry of Transportation (MTO) and Infrastructure Ontario (IO) to improve equitable access to infrastructure funding regardless of governance structure. This revenue could be used to improve road infrastructure.

Proposed Narrative

- Access to infrastructure funding should be driven by an allocation methodology that is neutral to the governance structure of municipal government when the legislated requirements and functions of roads and infrastructure maintenance are administered at the lower-tier level.
- Access to provincial infrastructure funding for roads construction and maintenance is currently biased in favour of single-tier and upper-tier municipalities with ownership and administrative responsibilities for regional and local roads.
- A recent report by KPMG found that Frontenac County, on average, receives 81% less grant dollars per lane kilometer compared to neighbouring municipalities where the Counties maintain a regional roads network. In 2018, this resulted in an average of \$3 million less in conditional and tangible capital asset grants.¹

1 Step 1: Formation of a Strategy

This government relations strategy would identify other municipalities that are also disadvantaged in their access to funding because of their structure and come together as a unified voice to demand immediate change from government in advance of the next grant cycle.

2 Step 2: Advocacy

Advocate for the change to the allocation methodology to key players in the space, such as the Ontario Good Roads Association, Association of Municipalities of Ontario, and the Municipal Finance Officers' Association of Ontario, to build a coalition of supporters who would be willing to put their name behind this change in communications to government.

3 Step 3: Activate

Submit a letter to MTO and IO requesting immediate reform to the allocation methodology so that it is neutral to the governance structure, leveraging the support of comparable municipalities and the coalition of supporters across the municipal sector as developed in Step 2.

If the Frontenac municipalities secure access to even 1/3rd of grants that they are not currently eligible for through this strategy, that is a difference of \$1M CAD in revenue annually.

Recommendation 3: Business Case for Shared Overnight Winter Controls

There is an opportunity to consider the business case for sharing in-house night shift winter control services. At present, the Frontenac municipalities use a combination of contracted services and in-house staff to deliver overnight winter control services. These include snow clearing/plowing for arterial, collector, and residential routes. South Frontenac is considering changes to its road operations, including taking some maintenance services in-house. At the time of writing, Central Frontenac has not yet presented its business case for a similar approach. It is recommended that North Frontenac and Central Frontenac review the merits of a shared approach with South Frontenac to this delivery model to reduce or limit overtime costs and the affect of on-call assignments on work schedules for all participating municipalities.

Benefits

- Whether winter control services are administered in-house or contracted, each of the Frontenac municipalities require in-house staff to supplement the dedicated service through overtime when weather conditions require, which results in significant overtime expenses for Public Works Operators/Foremen (Patrollers).
- As well, the *Employee Standards Act* mandates “rest time” in between shifts, which has been identified as an issue impacting Public Works staffs’ regular roles and responsibilities.
- A shared overnight snow plowing/clearing service, managed out of South Frontenac, has the potential to significantly reduce overtime costs associated with winter control services for arterial, collector, and residential routes, depending on where in-house staff focus their patrols for night shifts.

Key Considerations

- Considering the vast geography of North Frontenac, Central Frontenac, and South Frontenac, and depending on the weather conditions, the Townships may still require some contracted services for winter controls. However, a shared service agreement with dedicated FTEs, operationalized out of South Frontenac, would mitigate overtime costs for the Townships’ Operators/Foreman (Patrollers), reduce the risk of overtime hours conflicting with regular work schedules and duties, and maintain consistent levels of service across the Townships.
- The estimated potential savings assume a 75% decrease in overtime arising from bringing this service in house.
- Actual savings would be dependent on whether a shared service could meet the minimum maintenance standards as required by the *Highway Traffic Act* in a timely fashion.

CURRENT COSTS

Central Frontenac – 2019 Overtime Costs ¹	\$116,153
South Frontenac – 2019 Overtime Costs	\$54,455
North Frontenac – 2019 Overtime Costs	\$33,954

POTENTIAL SAVINGS ASSUMPTIONS

Central Frontenac: assuming a 75% decrease in overtime hours	\$87,115
South Frontenac: assuming a 75% decrease in overtime hours	\$40,841
North Frontenac: assuming a 75% reduction in overtime hours	\$25,466

Cost Benefit Analysis

Presented below is the cost benefit analysis for each of the quantified improvement opportunities detailed in this improvement initiative, *Enhanced Collaboration on Roads and Bridges*. There are two financial benefit categories: 1) cost savings and 2) new revenues, and the cost benefit assumptions have been provided below.

1 Annual Cost Savings

COST BASE – CAPITAL CONSTRUCTION COSTS				
	North Frontenac	Central Frontenac	South Frontenac	Frontenac Islands
Average Capital Construction Costs (2017 – 2019)	\$1,444,969	\$1,275,456	\$5,789,333	\$428,831
5% Savings from Bundling ¹	\$72,428	\$63,772	\$289,166	\$21,441
COST BASE – OVERTIME SNOW REMOVAL/PLOWING COSTS				
	North Frontenac	Central Frontenac	South Frontenac	Frontenac Islands
2019 Overtime Costs	\$33,954	\$116,153	\$54,455	-
75% Reduction in Overtime ²	\$25,466	\$87,115	\$40,841	-

2 Annual New Revenues

REVENUE STREAM - CONDITIONAL AND TANGIBLE CAPITAL ASSET GRANTS				
	North Frontenac	Central Frontenac	South Frontenac	Frontenac Islands
KM of Regional Roads ³	240 KM	216 KM	382 KM	122 KM
Proportion of Total KM of Roads (960 KM)	25%	22%	40%	13%
Proportion of Grant Total (\$1M)	\$250,000	\$225,000	\$397,917	\$127,083

¹Bundling bridge projects for P3s tied to big savings for towns, counties. QP Briefing. October 2013.

²Assumed 75% reduction in overtime costs from shifting to a shared dedicated in-house overnight shift.

³Based on the County of Frontenac's Official Plan.

Implementation & Risk Management

RISKS AND BARRIERS

- **Administrative support:** Staff identified that the main challenge inhibiting increased coordination and formalized collaboration processes is administrative support to organize routine meetings. There is a potential opportunity to leverage the *Procurement Specialist* to address these challenges.
- **Time management:** It will require additional staff time and effort to increase coordination and formalize collaboration, and with more ideas and opinions, it can be challenging to come to consensus in a timely fashion.
- **Regional roads network:** As the Frontenac municipalities consider the recommendations contained within the Regional Roads Network report, they will have to also be measured alongside the recommendations of this improvement initiative.
- **Geography:** Depending on the product or service considered for joint procurement, given the vast and differing geography of the Frontenac municipalities, there is a potential for diseconomies of scale.

IMPLEMENTATION TIMELINE

Activities

Consider business case for in-house snowplow and removal service.

Q4 2020

Q1 2021

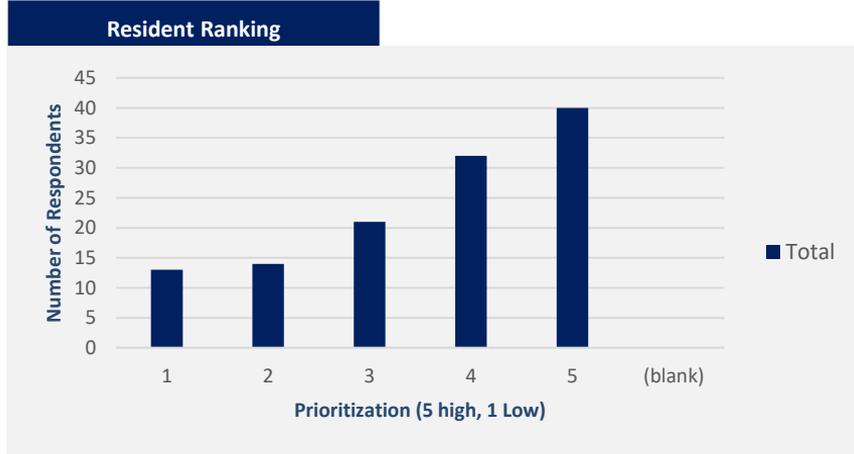
Q2 2021 - Onwards

Beginning January 2021, establish project cadence for monthly meetings of the Public Works Managers Committee.

Assess opportunities for joint tendering and collaborative procurement, focusing on opportunities to drive cost savings and efficiencies in capital construction costs at the end of Q3 2021.

Resident Feedback

Roads and bridges were a part of the resident survey. Outlined below is the qualitative and quantitative feedback from Frontenac residents.



Ranking

- Tied for the highest average priority ranking from residents (3.6)
- 33.33% of respondents (40) indicated that this was their top priority – this was the highest of all responses

Summary of Comments

The majority of respondent were in favour of collaboration, and only a few noted that they do not think that collaboration is appropriate or warranted. Sample quotes from residents include:

“Equipment is expensive and a necessity. Sharing resources, including maintenance makes sense.”

“Hard to establish county wide priorities for road infrastructure depending on each township's asset management status. Focus should be on boundary roads, road accessed through other townships for joint maintenance agreements. Also I think joint procurement opportunities would be beneficial.”

“With the roads and bridges being one of the most expensive costs to each municipality it should provide some savings to collaborate certainly on yearly maintenances.”



Fire Services

Initiative Overview

Collaboration

Shared Services

Integration

Initiative

Description

This initiative approaches fire coordination on a municipality by municipality approach. For South Frontenac and Central Frontenac, there is a unique opportunity to voluntarily integrate their fire services to improve service levels while reducing costs. As North Frontenac has already chosen a strategic direction following a 2019 study, we recommend that an automatic aid agreement be established between North’s service and South-Central’s service. Due to Frontenac Islands’ geographical separation, it is not practical to enter into direct aid agreements, however we do recommend a Frontenac Fire Training Committee be established for recruit training to benefit all Frontenac municipalities. In addition, all communities should establish an inspection agreement to support this service.

High Level Structure

- 1 South and Central: Voluntarily integrate services to reduce expenditures and improve service levels.
- 2 North: Formalize automatic aid agreement with South-Central and participate in coordinating recruit training for productivity gains, and investigation/inspection services where possible for service improvements.
- 3 All: Participate in coordinating recruit training for productivity gains, and investigation/inspection services where possible for service improvements.

Benefits Overview

Total Annual Savings with One-Time Savings in Brackets – Dark Green

Productivity Gains - Light Green

South Frontenac	\$58,000 (\$5,000)	\$6,400
Central Frontenac	\$44,000 (\$505,000)	\$6,400
North Frontenac	-	\$16,800
Frontenac Islands	-	\$12,400
Total	\$100,000 (\$510,000)	\$42,000

Other Benefits

- North Frontenac: Improved service through automatic aid agreement with South-Central’s service
- Frontenac Islands and North Frontenac: Improved service through an agreement for inspection services provided by South-Central

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- SF and CF: There will be full-time staffing considerations for the integrated service. There will be one Joint Chief and Deputy Chiefs with new responsibilities. In addition, volunteer change management must be considered and well executed to maintain volunteers for the services.
- Additional administrative support would likely be required to support this voluntary service integration, as well as coordinating training and inspections.

PROCESS AND GOVERNANCE

- SF and CF: An intermunicipal governance structure is proposed to manage this new service.
- NF, CF and SF: An automatic aid agreement will change how these services respond to ice water rescue for North Frontenac, and North Frontenac Fire Department would provide service to some of Central's current service area.
- All services: As there will be more required coordination on training curriculum development and training between services, the process in which these services and the curriculums developed will change.
- All services: As there will be more coordination on investigation and inspections, the process of which these are managed should be coordinated between Frontenac communities.

TECHNOLOGY AND INFRASTRUCTURE

- SF and CF: Technology systems of the two services will need to be evaluated and merged.
- SF and CF: The joint fire location study should review existing and needed fire locations.

RISKS AND BARRIERS

- **Ensuring that volunteers are treated respectfully and that all impacts of change are properly addressed:** Fire departments run on people. Volunteers are essential to the service. Similarly, leadership needs to be properly engaged. Accordingly, all changes must be designed in a way that is mindful of the impact on members of the Fire Service. For South Frontenac's and Central Frontenac's services, change management will be key if the voluntary service integration is to go forward. To mitigate the change, the structure of this new service has the existing volunteer base reporting to Deputy Chiefs for their current areas. This will help minimize the impact to the services' volunteers.
- **Coordinating services:** For the coordination of services (training and inspections), finding staff time to manage coordination may be a challenge. By South and Central merging services and having Deputy Chiefs responsible for training and fire prevention, this will allow for more staff specialization which should support coordination.

South and Central Services: Possibility for Service Integration

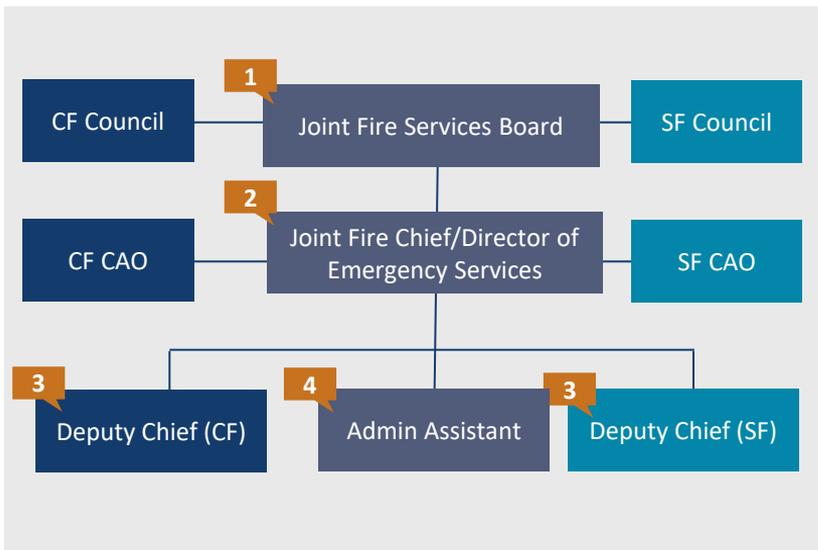
Both South and Central Frontenac are contemplating Fire Station location studies in the near future. Furthermore, Central Frontenac is in the process of recruiting a new Fire Chief and South Frontenac is developing plans to implement new enforcement and revenue generating programs. The respective circumstances of both services provide an opportunity to review voluntary service integration. Benefits for an integrated service could be:

- **Staffing:** A combined South-Central service would have more specialized roles (Deputy Chiefs in charge of Fire Prevention and Training). This would allow for increased focuses into these services, improving service levels. Additional administrative support would likely be required to support the joint service.
- **Facilities:** While just completing the fire stations study together would lead to \$10,000 in savings, the study will likely conclude that Central Frontenac's Parham Station #4 could service South Frontenac's Station #1 service area and that South Station #3 could service the southern area of Central Frontenac. In addition, the location study will likely conclude that Central Frontenac's Henderson Sub Station should be divested as it is currently not operational. The divestment of stations could generate revenues and reduce operational spending by \$20,000.
- **Fleet:** A common fleet management plan, including maintenance schedules and capital replacement plans could be put in place with consideration for each Township's budgets, and with apparatus rotated appropriately to provide maximum service delivery while maintaining insurance ratings. Redundant or currently inadequate apparatus could be divested of. While an asset management plan for this service is being updated, an integrated service would potentially eliminate the need to purchase at least 1 pumper unit, saving Central Frontenac at minimum \$500,000.
- **Fire Underwriter Survey:** By consolidating stations along the Townships' border, volunteer complement and apparatus can be deployed in a way that improves the Fire Underwriters Survey for various areas of both Townships. The estimated savings would be \$50 – 100 insurance premium per household.
- **Improve Services:** By expanding the capacity of the service, it would be able to improve its service levels (i.e. – fire inspection on request, smoke alarm program, code infraction fines, improved training (coordinated with North and Islands), burn permit programs, enhanced emergency management training/preparedness. This enhanced programming would not only improve service levels but generate revenues at approximately \$10,000 - \$15,000 per year per community.

Note: An automatic aid agreement was reviewed as a possible alternative to the proposed integrated service. However, an automatic aid agreement could help with operational improvements for some areas of the two services. It would not yield the savings in capital (\$605K) and staffing (\$80K annually) which are material. In addition, it would not improve services such as training and fire prevention.

South and Central Services: Proposed Structure

Using the Drummond/North Elmsley Township and Tay Valley Township integrated fire service as a model, we suggest the following organizational structure:



Organizational Description

- **#1 Joint Fire Service Board:** Using Drummond/North Elmsley and Tay Valley Townships as a model, this service would create a Joint Fire Services Board to govern the service. We suggest equal council board appointments from both municipalities. Processes should be created to ensure this Board has decision making abilities.
- **#2 Joint Fire Chief/Director of Emergency Services:** This service would have one Joint Fire Chief/Director of Emergency Services. The Joint Fire Services Board would select this position in consultation with Councils and CAOs. This position would oversee the services for both South and Central Frontenac.
- **#3 Deputy Chiefs:** There would be two Deputy Chiefs overseeing the fire halls and volunteers in their municipalities. In addition, one Deputy Chief would cover Fire Prevention including inspections and investigations. To support the other Frontenac services, if needed and if available, this position would support inspections and investigations to other Frontenac communities on a cost recovery basis. The other Deputy Chief would be responsible for training. This position would also work with the services in North and the Islands to coordinate curriculum development and joint training exercises where possible.
- **#4 Administrative Assistant:** This would be a new position to support the administrative function and integration of the two services.

Note: By having the two Deputy Chiefs responsible for the current fire service areas, this is intended to mitigate change management issues that the volunteer services may have due to this merger.

South and Central Services: Jurisdictional Examples

A joint fire service is not uncommon in Ontario. Below are examples in neighbouring Drummond/North Elmsley and Tay Valley Townships and the Township of Georgian Bluffs' use of an inter-township Fire Board for some of its areas of service with the Municipality of Meaford.

DNETV Fire Services

In May 2005, the Tay Valley Township and Drummond North/Elmsley Township Councils both supported the Fire Services Review Committee's recommendation to merge the BBD&E Fire Department and the South Sherbrooke Fire Department into one department governed by one board - the Drummond/North Elmsley Tay Valley Fire Services Board. The merger took effect on January 1, 2006.

This voluntary service integration allowed the services to reduce expenditure while protecting service levels. In addition, this service operates with over 60 volunteer fire fighters.

There are three council appointees from Drummond/North Elmsley and three appointees from Tay Valley. DNETV operates under the direction of a six-member Fire Rescue Board.

Implications:

- DNETV Fire Services demonstrates the viability of voluntarily integrating fire services while relying on volunteer firefighters.

Township of Georgian Bluffs

The Township of Georgian Bluffs has a mixed approach to fire services. For the south end of the municipality, fire services are provided through an Inter-township Fire Board with the Municipality of Meaford. For the northern area of Georgian Bluffs, Georgian bluffs contracts for fire services from the South Bruce Peninsula.

The Inter-Township Fire Department is jointly owned by the Township of Georgian Bluffs and the Municipality of Meaford. This service is governed by three elected officials from Georgian Bay and two officials from Meaford.

The Inter-Township Fire Department is comprised of one full-time Fire Chief, one full-time Deputy Chief, and 39 dedicated volunteer members.

Implications:

- Georgian Bluffs uses a mixed approach of contracting some of its service areas and collaborating with Meaford through a shared service model to meet its fire needs.

South and Central Services: Cost Benefit Analysis

Outlined below are the potential savings of this merger.

Financial Summary – Central Frontenac	
One Time Savings	
Not requiring to purchase minimum 1 pumper unit	\$500,000
Divesting sub-stations (Piccadilly sub-station and Henderson sub-station) ¹	Savings TBD
Joint location study savings	\$5,000
Total One Time Savings	\$505,000
Annual Savings	
Reducing facility operation costs	\$20,000
Reduced staffing costs (short-term) including costs and overhead of new administrative assistant	\$4,000
Fleet operation cost reductions	\$10,000
New program revenues	\$10,000
Total Annual Savings	\$44,000
Financial Summary – South Frontenac	
One Time Savings	
Divesting sub-stations (Station #1)	Savings TBD
Joint location study savings	\$5,000
Total One Time Savings	\$5,000
Annual Savings	
Reducing facility operation costs	\$20,000
Reduced staffing costs (short-term) including costs and overhead of new administrative assistant	\$18,000
Fleet operation cost reductions	\$10,000
New program revenues	\$10,000
Total Annual Savings	\$58,000

South and Central Services: Implementation Considerations

Outlined below are implementation considerations. There are likely to be implementation costs of integrating this service.

Sequencing	Description
1a	<ul style="list-style-type: none"> • Joint Fire Location Study: South Frontenac and Central Frontenac should complete a joint fire location study to understand how to best maximize existing fire halls.
1b	<ul style="list-style-type: none"> • Terms of Reference and Municipal By-laws: Each municipality will have to create their own by-law to merge the services. In addition, terms of reference could be created for this joint service, if desired.
2	<ul style="list-style-type: none"> • Board Appointments: Once a Joint Fire Services Board is created, each municipality will need to appoint its councillor representatives.
3	<ul style="list-style-type: none"> • Asset Management Planning: Both communities would be responsible for the integrated service.
4	<ul style="list-style-type: none"> • Staffing: Once a Joint Fire Services Board is created, the Board would appoint the service’s Joint Fire Chief/Director of Emergency Services. Staffing models and assignments will have to be determined by the participating municipalities.
5	<ul style="list-style-type: none"> • Operationalizing service: Once this appointment is decided, the Joint Fire Chief would then begin to integrate the services including Deputy Chief assignments (Trainer vs. Fire Prevention), volunteer change management exercise, process consolidation, etc.

North Frontenac: Two Services under one Municipality

North Frontenac recently conducted its own independent fire service study in 2019. This report was completed by the Loomex Group. Council decided to keep the status-quo instead of merging the two services operating within North Frontenac. Due to this recent strategic decision, StrategyCorp recommends an automatic aid agreement is established between North's service and the new integrated service in South and Central. North Frontenac's service would also coordinate auxiliary services with the other Frontenac services where possible, including training, fire inspections and investigations.

Areas of Collaboration:

- **Explore an Automatic Aid Agreement:** North Frontenac Ward 2 and 3 Fire Service has drafted an Automatic Aid agreement with Central Frontenac, whereby South-Central Frontenac Fire Department would provide ice water rescue for North Frontenac, and North Frontenac Fire Department would provide service to some areas of Central's current service area. This agreement should be explored. To ensure that it is operationalized, if the voluntary service integration is pursued, both municipalities should be consulted as they may be involved in delivery.
- **Standardize training coordination between Frontenac communities:** Using the successful intermunicipal Lennox and Addington training committee as an example, the Frontenac services should work collaboratively to standardize curriculum and delivery, where possible. This will support staff productivity and coordination on specialty training. However, volunteer needs must be respected.
- **South-Central as a service provider for Inspections:** While North Frontenac has a limited amount of investigations and inspections, North could pay South-Central for this service when needed to support its staff. This would be done on a cost-recovery basis. Kaladar Barrie has an existing service agreement with Napanee for this service.

Frontenac Islands: Geography Limiting Coordination

Frontenac Islands' fire service is geographically isolated from the other Frontenac fire services. As a result, the ways in which this service can coordinate with other fire services are limited.

Areas of Collaboration for all Frontenac municipalities:

- **Investigations:** While not a frequent occurrence for Frontenac Islands' fire service, when an investigation occurs, it puts a large strain on Frontenac Island's fire service to complete an investigation because of limited staff capacity and experience. To support this service, South-Central's integrated service could provide this service on a cost recovery basis. This would support Frontenac Islands' needs and allow for greater inter-municipal collaboration on fire services.
- **Training Coordination:** As the South-Central service will have a deputy chief focused on fire training, the Frontenac services should work collaboratively to standardize curriculum and delivery, where possible. This will support staff productivity and coordination on specialty training. However, the volunteer needs must be respected.

This areas should be explored to improve service levels and reduce costs for Frontenac Islands and the other municipalities.

Interservice Training Committee: A Proven Model

North Frontenac's Kaladar Barrie service already participates in a training collaborative with all other fire services in Lennox and Addington. The primary focus is to coordinate recruit training (Fire Level I and II). There is some collaboration on other training between the Lennox and Addington fire service. The Kaladar Barrie Fire Chief estimates that by coordinating on training it saves the individual fire service 400+ hours annually of staff time. These savings are regardless of the recruit class size as even a class of one recruit requires significant staff work.

Frontenac Training Committee should be established as a training committee between the services to coordinate the administration of Fire Level I and II. Using the Lennox and Addington model as an example, the components of this Committee would be:

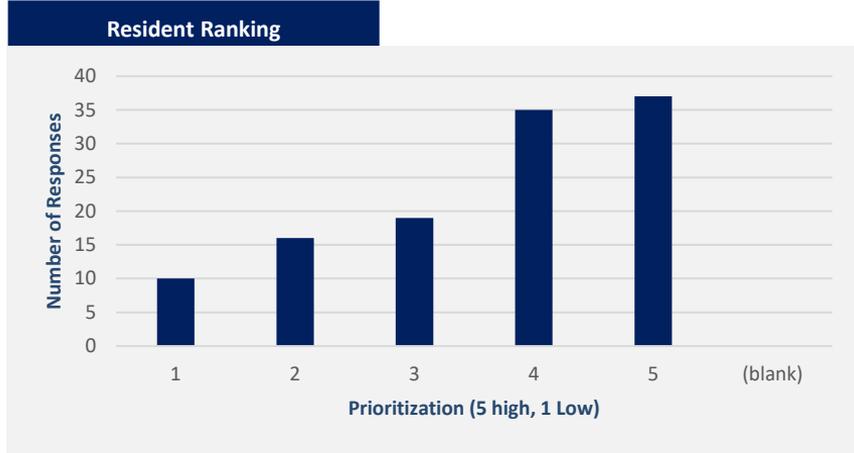
- **Create a joint schedule for an annual recruit training program:** While the annual recruit sizes vary between the communities (Frontenac Islands recruits on a needs basis to South Frontenac is recruiting 20 volunteers every two years), all Frontenac communities would create a joint recruit training schedule. The committee would create a curriculum to be followed and assign different services and sections of the curriculum to deliver. Frontenac recruits, regardless of service, would be in the same recruit class. Classes would be administered by a range of instructors across the services. This would be determined when the committee creates the schedule. As done in Lennox and Addington, training locations would change to accommodate the different communities. While distance is a concern, the same concern exists in Lennox and Addington and has proven to be effective. Frontenac Islands may have specific travel restrictions that affects the participation. This would be reviewed to the needs of the individual recruit.
- **Collaborate with the Lennox and Addington Training Committee on specialized training:** While the services have all mentioned that there is existing collaborating on specialized training, more formalized opportunities to collaborate can be achieved. To formalize these processes, the Frontenac Fire Training Committee would help formalize training collaboration between the Frontenac services. In addition, the Frontenac Fire Training Committee should formalize processes with the Lennox and Addington Fire Training Committee.

Outlined below are potential productivity gains by municipality if this committee was established. Estimates are based on staff time associated with training requirements.

Fire Service Productivity Gains (Staff Time)		
Service	Annual Recruits	Productivity Gains
South Frontenac	10	\$12,400 (\$6,200 each)
Central Frontenac	5	
North Frontenac Service Only*	2/3	\$16,800
Frontenac Islands	Approx. 1	\$12,400

Resident Feedback

Fire services was a part of the resident survey. Outlined below is the qualitative and quantitative feedback from Frontenac residents.



Ranking

- Tied for the highest average priority ranking from residents (3.6)
- 29% and 32% indicated that this was their second highest priority and top priority respectively

Summary of Comments

The vast majority are in favour of collaborating, with most commenters identifying ancillary services specifically, like training, bulk purchasing, and general administration, as potential high impact improvement areas.

Most commenters noted that this is an important service that should be standardized and coordinated across the Frontenac municipalities to achieve equity of service, but most commenters also identified that they are happy with existing service levels. Some noted that the reliance on volunteers does drive the need to maintain local/Township control and management as they believe the volunteers and the fire services have a deeper understanding of the local conditions. Sample quotes from residents include:

“Coordination of the support aspects of the Fire Services will not only help in the reduction of costs.”

“Safety is a priority. Sharing administrative services makes sense. Cost efficiencies can be realized with ongoing and continuing training.”

#1 Priority- this vital service needs support and collaborative thinking to assist all residents equally! Coming together in Fire Services makes perfect sense.”



Waste Management

Initiative Overview

Description

Waste management is a significant cost for municipal governments. Increased collaboration amongst the Townships to coordinate the hauling, transfer, and disposal of solid waste, hazardous materials, and recycling may offer increased opportunities for savings and efficiencies. To achieve this, the participating municipalities could use the *Public Works Managers Committee* to coordinate strategy and implement operational opportunities for collaboration. In the short term, there are a number of collaborative initiatives that could reduce costs and improve staff productivity.

High Level Structure

- 1 Leverage the *Public Works Managers* committee to identify and implement opportunities for savings through collaboration.
- 2 Coordinate on grinding, compacting and hauling services.
- 3 Coordinate on industrial and commercial waste diversion policies.

Benefits Overview

Total Savings (Dark Green) and Productivity Gains (Light Green)

South Frontenac	\$1,000	-
Central Frontenac	\$20,500	\$10,000
North Frontenac	\$28,000	\$3,000
Total	\$49,000	\$13,000

Other Benefits

- A coordinated approach to waste policies including commercial and industrial waste diversion.
- A coordinated approach to extended producers' responsibility.
- The opportunity to identify increases in operational improvements leading to cost savings and improved productivity.

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- Formalize Public Works Manager Committee (*see Enhanced Collaboration on Roads & Bridges*) that meets frequently and identify how the management of this committee would be divided between managers and their respective staff to ensure fair distribution of workload.

PROCESS AND GOVERNANCE

- Create joint processes for hauling of recyclable materials for Central and North Frontenac.
- Develop a coordinated approach to commercial and industrial diversion.
- Monitor ongoing provincial policy developments on extended producers' responsibility and coordinate an approach once announced.

TECHNOLOGY AND INFRASTRUCTURE

- Operationalize quick win opportunities including joint tendering of grinding service and use of North Frontenac's compacting equipment in Central.
- Identify upcoming major capital investments per community's service and explore joint purchasing and tendering.

RISKS AND BARRIERS

- Coordination fatigue:** Staff and council are already at or over capacity, so adding more meetings or Committees may be challenging for staff and Council to commit to given the time and resource requirements. However, as evident in the 2019 Cambium Waste Management Review and raised by staff and Council interviews, each individual waste service will find upcoming policy changes (extended producers' responsibility) challenging to address alone. By creating a formalized approach to collaboration, each community will better address these upcoming barriers and collaborate to reduce costs and improve staff productivity in the long-term.

IMPLEMENTATION TIMELINE

Activities

Formalize Public Works Manager Committee

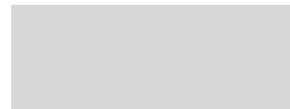
Operationalize quick win opportunities (grinding, compacting, recyclables hauling)

Develop coordinated polices and waste management strategies

Year 1

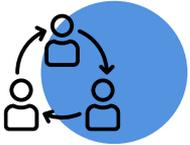
Year 2

Year 3

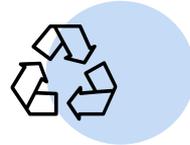


Current Challenges Facing Frontenac Municipalities' Waste Services

Using information provided by staff and the 2019 Cambium Waste Management Review, there are challenges facing the different waste services that improved coordination may help to mitigate.



Establishing collaboration – The Frontenac Municipalities' waste management program may be at a disadvantage when weathering the current uncertainty in the provincial waste sector. A collaborative, unified approach across the county and even beyond represents an opportunity to reduce operating costs through efficiencies, and municipalities can strengthen their “bargaining” position for any pending changes.



The municipalities face continued uncertainty with the impacts of the impending extended producers' responsibility – The Province has been delayed in tabling legislation that would change the roles and responsibilities of municipalities in transfer and disposal of recyclables. This continued uncertainty also stalls the municipalities in moving forward with any changes to improve the recovery rates of their Blue Box costs.



Improved data tracking – The municipalities would benefit from having a clearer understanding of tonnages and full costs for each waste stream. Better and more accurate data tracking is needed for some municipalities. This is echoed by the Association of Municipalities of Ontario and Stewardship Ontario in anticipation of potential changes driven by the Waste Free Ontario Act.



Varied approaches to public education and waste diversion – The four Townships vary in their approaches to waste diversion policies, such as programs for organics and composting, as well as public education to encourage these programs. There are lots of opportunities to standardize these approaches and training/public education materials, but it can be challenging to find the time to come together to coordinate.

Frontenac Waste Management

Outlined below are two regional approaches to waste management services. These examples have the County playing a lead role.

Essex Windsor Solid Waste Authority

Established in 1994, the Essex-Windsor Solid Waste Authority (EWSWA) is the governmental agency charged with the responsibility of providing an economical and environmentally conscious integrated solid waste management system for the County of Essex and the City of Windsor.

EWSWA is governed by an equal number of elected officials from the City of Windsor and the County of Essex. The EWSWA focuses on regional waste diversion and waste disposal including recycling and organics/yard waste. This includes creating a coordinated waste master plan for all municipalities.

The local municipalities and the City are responsible for collection.

Implications:

- In the long-term, the Frontenac municipalities could use a similar governance model to support service standardization, long term strategy, and capital purchases to improve services.

Lanark County Municipal Waste Group

The Waste Management Group (MWG) is comprised of the five Lanark County municipalities.

After several meetings with Waste Management staff a tentative agreement for a three-year extension of the existing recycling contract was negotiated. This proposed contract was then reviewed by representatives of the Municipal Waste Group who approved the agreement subject to the approval of the members' councils. All the involved municipal councils have since approved the agreement by motions of council and as of January 2010 all six parties to the agreement have signed it. As of March 2010 the Contractor also signed the agreement.

The recycling contract had no contract price increase except an annual CPI increase while service levels increased. The group was convinced that the economies of scale by working together on such a project were undeniable. This group continues to collaborate on waste initiatives.

Implications:

- The Frontenac municipalities could establish a similar working group to manage third party service providers to decrease expenditure and/or improve service levels.

Quick Wins: Operational Changes

Through staff consultation, we identified several quick-win operational improvement opportunities. This highlights the benefits of formalized collaboration between the communities on this service. Outlined below are some opportunities that could be explored.

Operational Changes				
Service	Description	South Frontenac Savings	Central Frontenac Savings	North Frontenac Savings
Grinding	<ul style="list-style-type: none"> By coordinating a third-party provider the communities could save money. 	\$1,000	\$2,000	\$2,300
Compacting	<ul style="list-style-type: none"> Central Frontenac contracts this service. While North Frontenac has a mobile compactor. North could share with Central. 	NA	\$5,500	Revenues Generated TBD
Recyclables Hauling	<ul style="list-style-type: none"> North and Central could collaborate to haul recycle to Kingston collaboratively, saving costs and improve staff productivity. However, they would have to send their recycling to the same location. 	NA	\$13,000 (\$10,000)	\$25,500 (3,000)
Total Savings (Productivity Gains)		\$1,000	\$20,500 (\$10,000)	\$28,000 (\$3,000)

Coordinated Approach: Commercial & Industrial Waste Diversion

Through staff consultation, it was identified that it would be beneficial to have an integrated municipal approach to commercial and industrial waste diversion. Outlined below are different integrated approaches to this topic.



The District of Muskoka has a coordinated plan that restricts the quantity of recycling from businesses. Recyclables set out on the curbside by businesses on the normal collection route are picked up, to a limit of four blue boxes.



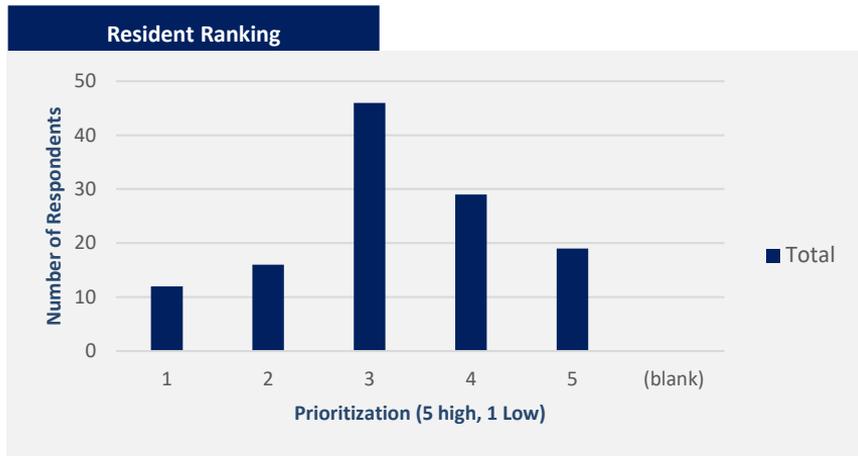
Oxford County also has a coordinated plan for business waste. Like the District of Muskoka, there is a coordinated approach to restrict the amount of recycling materials produced by businesses. In addition, there is one facility that accepts construction and demolition materials for the entire County on a cost-recovery basis. This site has the tools and processes to complete this work on a cost-recovery basis.

Implications:

- The Frontenac municipalities could establish a coordinated approach to commercial and industrial waste diversion, considering further research into cost of implementation.
- By establishing a coordinated approach across the communities, there will likely be greater compliance and enforcement, and support the municipalities as they transition to Full Producers Responsibility.
- The Frontenac municipalities could establish restrictions on the amounts of recyclable materials generated by an individual business or coordinate an approach to how the communities will process larger waste materials such as construction and demolition materials.

Resident Feedback

Waste Management was a part of the resident survey. Outlined below is the qualitative and quantitative feedback from Frontenac residents.



Ranking

- Received a high average priority ranking of 3.2
- 37% of respondents ranked this as a third priority

Summary of Comments

Alongside the other top ranked priorities, most comments indicated that they were in favour of collaboration.

Most cited wanting to do more for the environment, achieving efficiencies and reducing costs through cooperation, and addressing potential future capacity issues. Like Fire Services, commenters noted that a County-wide approach would be one way to have equitable and consistent services for residents (such as curb side pick up, etc.) Sample quotes from residents include:

“All are very important and separate operations on all three don’t make much sense. They should have been coordinated or amalgamated years ago for both economic and environmental reasons.”

“Need to think of county wide ways to reduce waste.”

“Given the limited landfill space and cost to close/remediate landfills, any collaboration here will save money long term. With producer responsibility becoming reality the cost for recycling may not be as important; just the garbage/waste component.”



Coordinating Building and Septic Services

Initiative Overview

Description

As of January 2021, all the Frontenac municipalities will assume legislated responsibility for the administration and management of Part 8 Septic Inspections under the building code. There is opportunity to share in the delivery of this service to reduce costs and maintain or improve existing service levels. This initiative explores the possibility of North Frontenac, Central Frontenac and Frontenac Islands coordinating building and septic services to improve service levels, succession planning and staff efficiency. South Frontenac plans to hire an internal resource to meet their immediate needs but remains committed to opportunities to coordinate as a municipal service provider for Part 8 inspections or joining the joint service in the future.

High Level Structure

- 1 Determine optimal governance structure for delivery of this joint service.
- 2 Hire appropriate building inspectors and administrative staff to operationalize service.
- 3 Create clear procedures to coordinate service and service all municipalities.

Benefits Overview

Benefits

- The participating communities will have a stronger building and septic service that will be more efficient as it will plan across municipalities instead of independently.
- There could be cost savings for the municipalities over time as the regional service will only need one Chief Building Official.
- Residents will receive a better more coordinated service as building inspections and septic inspections will be completed by one service provider.
- Depending on capacity and demand for service, further benefits and efficiencies could be realized by South Frontenac participating in the joint delivery of these services.

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- Identify and recruit building staff with septic 8 experience to work for the regional services.
- Identify and recruit administrative staff person to support intermunicipal service.
- Create clear staff reporting structure for governance considerations.

PROCESS AND GOVERNANCE

- Determining the optimal governance structure for participating communities (one municipal provider or County provider).
- Create a contribution agreement to report staff time like the planning agreement already in place.
- Create processes to service all communities, standardize policies, and prioritize tasks.
- Assess capacity for South Frontenac to offer Part 8 septic inspections in the near term.

TECHNOLOGY AND INFRASTRUCTURE

- Determine how the service will work with the existing technology platforms already used by municipalities.
- Over time, determine if using one system is optimal for this service.
- Determine how to migrate KFL&A information into service.

RISKS AND BARRIERS

- **Projected revenues:** This initiative is based on 2019 KFL&A revenues and Frontenac Islands building revenues. If these 2019 revenue figures diminish, the service would not be cost-neutral. However, in conversations with staff, demand is likely to increase. This is echoed in conversations with KFL&A Public Health.
- **Attracting qualified candidates:** For this initiative to be successful, the service will need to attract building inspectors with septic 8 experience. This may be challenging because KFL&A past clients will likely also be looking for staff with experience. In addition, it may be hard to find local talent with this experience as it was previously provided by KFL&A.

IMPLEMENTATION TIMELINE

Activities

- Address immediate requirement for administration of Part 8 Septic Inspections
- Determine governance structure and contribution agreement for joint service
- Hire building inspectors and administrative support and appoint Regional CBO
- Operationalize service and complete ongoing reviews

2020

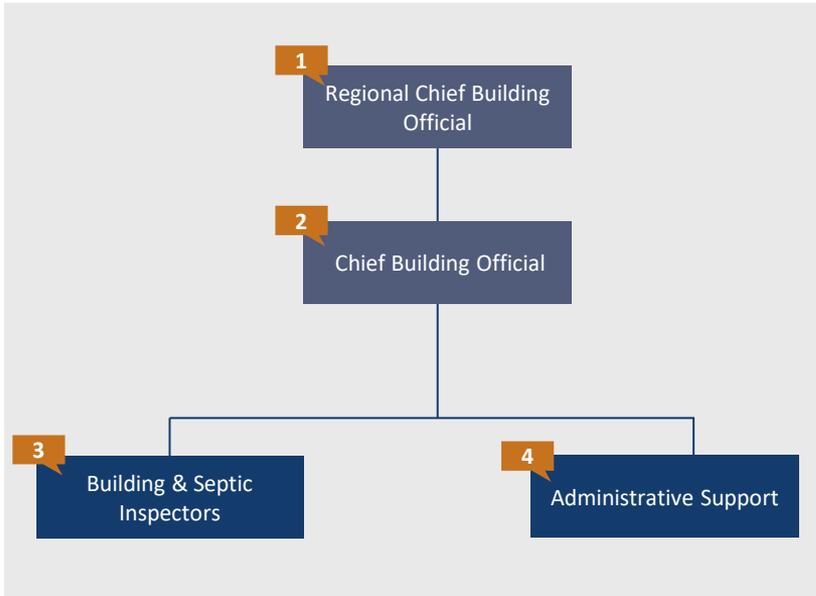
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Future State: Coordinated Building and Septic Services

Outlined is a suggested organizational chart for a coordinated building and septic service for North Frontenac, Central Frontenac, and Frontenac Islands



Organizational Description

- **Municipal Governance:** Depending on the preferences of the participating communities, one municipality could offer this service for all communities. Additionally, the County could offer this service.
- **#1 Regional Chief Building Official:** This person would be responsible for performing the CBO duties for their municipality, as well as the new, enhanced responsibilities for the coordinated service.
- **#2 Chief Building Official:** The other Chief Building Official would remain a CBO for their community and report into this new service. This person would have additional support from the Building & Septic Inspectors and Administrative Support. Over time, through attrition and retirement, this position would likely become an additional building inspector role, resulting in cost savings. Both the RCBO and CBO would primarily service the community they are employed to service and would complete building and septic 8 inspections, as necessary.
- **#3 Building & Septic Inspectors:** The Intermunicipal Service would hire two Building and Septic Inspectors with septic 8 experience. These people would primarily focus on Part 8 Septic inspections, servicing Frontenac Islands under the guidance of the Regional Chief Building Official and completing other inspections in North and Central Frontenac.
- **#4 Administrative Support:** This person would support the intermunicipal service with compliance, data entry, reporting and scheduling inspections to ensure they are the most logical and efficient for staff. Currently, Central Frontenac's Development Services Assistant spends 20% of their time supporting Central Frontenac's building services. So their roles and responsibilities in performing administrative support would also be taken into account.

Governance Considerations

The participating municipalities will need to determine the optimal approach to service governance. Outlined are three different options.



Option One: One Municipal Provider

This option would have either Central Frontenac or North Frontenac provide this service to the other municipalities and be responsible for its governance and oversight.

- The one municipal service provider would provide governance and oversight of the service, but service delivery would be in accordance with local agreements and considerations.
- The other participating municipalities would have a contribution agreement with that municipality much like the current agreement for planning services provided by the County.

Benefits

- All service staff would have a clear reporting structure.

Drawbacks

- The municipalities paying for this service would have limited control and governance over this service.
- This puts increased risk on the service provider municipality in providing this service to other municipalities.



Option Two: Inter-Municipal Board

The participating municipalities would create an inter-municipal service board with equal appointments of Council members from all participating municipalities.

- Once bylaws and governance structures are agreed to between the communities, an inter-municipal service board would be created with equal Council representatives from each community.
- The Regional Chief Building Official would report to this service board.
- A contribution would be created to fund this service including salaries.

Benefits

- Each municipality would have a clear role in participating in the service's governance.

Draw Backs

- While the service's staff would report to the board, they would be employees of multiple municipalities. This may make coordination challenging.



Option Three: County Provider

As done by other Counties (Dufferin and Lambton), the County could provide this service on behalf of participating municipalities.

- A contribution agreement would be created to fund this service including salaries.
- Existing staff would be transferred to the County and new staff would be County employees.

Benefits

- The County is already providing shared services for North, Central and the Islands for planning services.

Drawbacks

- This would be an entirely new service area for the County.
- The physical location of the County office would make it difficult to operationalize this service.
- This would be a large change for existing staff, as well as residents, as all staff would be hired by a new municipality.

Cost Benefit Analysis

Financial Summary	
Increased Revenues	
Projected 2020 Revenues from Part 8 Septic Inspections (North, Central, and Islands)	\$185,000
2019 Frontenac Islands Building Revenues	\$33,000
Total Increased Revenues	\$218,000
Increased Costs	
Increase of salary for Regional Chief Building Officer	\$10,000
New FTE Building and Septic Inspectors (two) and associated overhead (30% of salary)	\$156,000
New FTE Administrative Support and associated overhead (30% of salary)	\$52,000
Total Increased Costs	(\$218,000)

Considerations

- While this model is currently cost neutral, historic data from KFL&A saw a 5% year-over-year growth in septic 8 inspections for the three municipalities. In addition, staff from all communities believe that demand will increase in the coming years. If this 5% growth rate is continued, expected revenues from this service in 2021 would be \$193,000, creating a balance of \$8,000. However, it is important to note that any revenue increase must cost recovery basis.
- This financial projection maintained the current resident servicing fee for septic 8 inspections that KFL&A charged residents.
- To support Frontenac Islands’ building inspection needs, this model used Frontenac Island’s 2019 building inspections revenues to support this service.
- In addition, if North Frontenac and Frontenac Islands standardized their policies to adopt a mandatory septic reinspection service, the regional service would have additional revenues that could be used for a building reserve.
- Conversations with KFL&A indicated that an approach such as this one (where surplus revenues are maintained in a reserve) would be beneficial as demand for service has been trending upward year over year, so it can help cover unexpected increases in cost for service.
- For the service’s funding model, we suggest a similar model that is used for the regional planning service. This model would project revenues and costs per participating communities. At the end of the year, staff time would be reconciled, and costs would be reallocated to reflect actual workload.

Benefits to Frontenac Communities and Residents

Outlined below are the benefits this model would have for all Frontenac communities and residents.

North and Central Frontenac

- **Increase service levels:** Both communities would now have access to an administrator and two building and septic inspectors. This would relieve the pressures the community's CBOs currently face to complete all inspections, managerial responsibilities, and administrative functions of their services.
- **Improved succession planning:** As these departments are currently staffed by one person able to complete inspections, they are at risk of succession issues. This model would support succession planning as there are pooled resources.
- **Decreased staff costs:** In the longer term, through attrition and retirement, the service would have one Regional Chief Building Officer. This would result in cost savings for both North and Central Frontenac.

Frontenac Islands

- **Service level improvement:** Frontenac Islands staff and Council are unsatisfied by the contracted building service they are currently using. This inter-municipal service model would allow them access to improved services.
- **Decreased staff costs:** In the longer term, through attrition and retirement, the service would have one Regional Chief Building Officer. This would result in cost savings for Frontenac Islands.

County

- **Better integration with Planning Services:** The County's planning services raised concerns on KFL&A responding to their inquiries in a timely manner for septic 8 inspections during the COVID-19 pandemic. By moving this service in-house, there would be better coordination with the County's planning service.

South Frontenac

- **Improved coordination:** Through this model, South Frontenac would only have to coordinate or liaise with one service.
- **Coverage for septic and other inspections:** By bringing the service in house for the other Frontenac communities, this service could act as coverage for South Frontenac for vacations, etc.

Residents

- **Improved services without increased fees:** The intermunicipal service would be a one-window approach to building and septic. This would improve the customer service elements without increasing KFL&A and other fees. This was reiterated in conversations with KFL&A, where the decision to divest was made in part to encourage a "one-window" approach without increasing fees.

Jurisdictional Examples

Outlined below are two regional approaches to building services. These examples have the County playing a lead role.

Dufferin County

Dufferin County has a county-level building division which reviews building permits and employs a Chief Building Official. This service is administered for all community municipalities. The county manages building permits for changes and additions to properties including but not limited to: new buildings or structures, building additions, sheds, structural alterations, and swimming pools and decks.

In February 2020, Dufferin County launched an online portal for all County residents to submit building permit applications electronically, with local municipalities reviewing the applications to ensure adherence to by-laws. This change is intended to remove the need for two separate reviews and fee payments at the municipal and County level and streamline the process.

Implications:

- The participating Frontenac communities could explore a similar technology solution to support resident submission and reviews.

County of Lambton

The County of Lambton Building Services Department has a coordinating role for all 11 municipalities under its purview and manages building permits for changes and additions to properties including but not limited to: new house or structures, demolition of an existing structure, additions or alterations to houses or accessory buildings, electrical, mechanical or plumbing changes, and swimming pools.

The County provides the following services to the municipalities: issuances of building permits, assess compliance with the Ontario Building Code, inspections and enforcements.

The municipalities provide the following service to residents: administration for all building permit applications and access for residents to all permit applications forms (i.e. submitting forms at municipal offices).

Implications:

- The participating Frontenac communities could explore similar roles of local municipalities to ensure appropriate resident access.

Other Key Considerations

Outlined below are implementation considerations for this initiative.

Area	Consideration
Open Permits	<ul style="list-style-type: none"> Based on conversations with KFL&A Public Health and staff across the Frontenac municipalities, the Public Health Unit will not be issuing permits after November 13th, 2020 so that all open permits will hopefully be closed by December 31st, 2020.
Information Sharing & Technology	<ul style="list-style-type: none"> The Frontenac municipalities can expect to be given access to an online database with folders for each municipality to access all the Public Health records for Septic 8 inspections. KFL&A confirmed that they already went through the process of scanning their paper-based records so they will be made accessible in PDF/Word/Excel format through this data base (most likely Sentry File). Each Frontenac municipality uses different technology systems to manage their building inspection service. As a joint service, determining how these systems will work together or how information will migrate to one system will be a key consideration.
Enforcement & Non-Compliance	<ul style="list-style-type: none"> Based on conversations with KFL&A, they indicated that they do not have any data on hours spent on enforcement and non-compliance, but noted the following: <ul style="list-style-type: none"> Enforcement and non-compliance is rare, as the process is codified in the Ontario Building Code and the legislation is quite clear for stop work orders. When there are issues of non-compliance, it is almost always rectified quickly and within the scope of the Inspector. However, where there are lawsuits, it can take a long time to come to a resolution, and they had an insurance deductible for anything over \$10,000 in legal expenses. There is the potential for increasing issues of non-compliance if the municipalities pursue a re-inspection program, which could increase legal expenses.

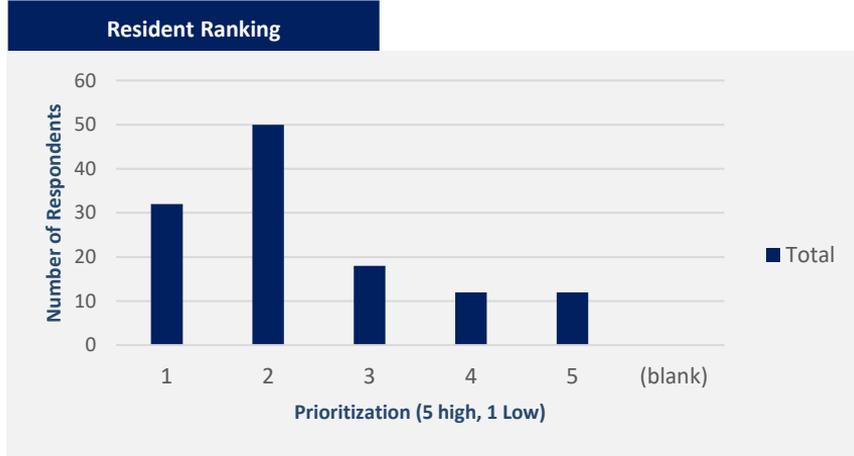
Other Key Considerations

Outlined below are implementation considerations for this initiative.

Area	Consideration
Recruitment of Experienced Inspectors	<ul style="list-style-type: none">• KFL&A Public Health noted that their Part 8 Inspectors were all Public Health inspectors who received certification and training to administer Part 8 Inspections. They have diverse backgrounds, often coming from sciences such as Microbiology or Chemistry, but were trained on land control and land use processes and requirements upon joining KFL&A. To that end, its important to note that there may be opportunities to recruit for this experience in non-traditional fields.• KFL&A also pointed to a very large network of inspectors with resources available for support and best practice sharing.• While the Public Health Unit will not be in a legal position to offer Part 8 Septic inspections as of January 1st, 2021, they reiterated that they are always willing to provide guidance and support should a municipality or inspector have any questions regarding an inspection.

Resident Feedback

Coordinating building and septic services was a part of the resident survey. Outlined below is the qualitative and quantitative feedback from Frontenac residents.



Ranking

- Received the lowest priority ranking (2.3) of the five resident facing initiatives
- Over 40% of respondents indicated that this was amongst their lowest priority issue areas

Summary of Comments

Commenters reiterated that this service matters to lakeside residents more so than others, but this should be a local responsibility.

There is a consistent messaging of the importance of this service for preserving the quality of the lakes and waterways. Some noted that the current travel time and processes for inspections can be cumbersome, and consistent policies and interpretations would make things easier for all. Sample quotes from residents include:

“With Public Health moving to not do Septic Inspections it will fall on the municipalities to contract the service out or do it in house. It may be beneficial to have a septic inspections team within the County that would be subject matter experts which would free up the building inspectors up to do their regular jobs.”

“This should be a part time job that could be shared with the other Townships.”

“Building inspections have become onerous. Some people have built outside of Frontenac to avoid local inspectors and regs.”

“Shared services could resemble previous KFLA PH service - it worked well for years.”



Coordinating By-law Services

Initiative Overview

Description

The Frontenac municipalities are currently serviced by Frontenac Municipal Law Enforcement for by-law and municipal law enforcement services. The municipalities have identified common issues with existing service levels, as outlined in *Current State Challenges*. As the municipalities are experiencing an increase in demand for by-law services, they have an opportunity to improve service levels, while using a data driven approach to proactive enforcement. This initiative proposes a phased approach for improving service levels, cost-recovery, and eventually increasing revenues by entering into an improved joint by-law enforcement contract and the use of Administrative Monetary Penalty System (AMPS) to streamline the adjudication process.

High Level Structure

- 1 Consider use of AMPS for enforcement of key by-laws, such as Loitering or Burning Permit By-law offenses.
- 2 Enter into a joint by-law enforcement contract with FMLE or go to market for a new vendor.

Benefits Overview

Total Productivity Gains (Light Green)

South Frontenac	\$15,000
Central Frontenac	\$4,000
North Frontenac	\$15,000
Frontenac Islands	\$2,000
Total	\$36,000

Other Benefits

- By improving service level expectations in a revised, joint by-law enforcement agreement, the Frontenac municipalities can work towards a proactive, cost-recovery model for by-law enforcement services.
- Through a phased approach initially focusing on improving service levels and working towards cost-recovery, and then using data collection and analysis to adjust enforcement levels towards high-need enforcement areas, the municipalities will be better positioned to increase revenues from improved enforcement and the use of AMPS.
- The County can also enter into the joint by-law enforcement agreement for Care & Use By-law and Weed Inspections, supporting the maintenance of the K&P trail.

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- This approach will require the Clerks and Senior Leadership to review existing contracts and relevant by-laws of each municipality, and as a group, determine the most important provisions to include in a renegotiated or new joint contract with the service provider, with common by-laws where appropriate, but unique schedules for each municipality where required.
- In the long-term, if the AMPs model is approved for adjudication and enforcement, a municipally appointed Screening and Hearing Officer would be recruited.

PROCESS AND GOVERNANCE

- A phased approach will require the Frontenac municipalities to routinely assess the current performance of the contract provider, as well as reassess the provisions in the contract to determine whether service level expectations are being met based on demand for service.
- This process could be formalized in a semi-annual meeting of the Clerks and Senior Leadership. At mid-year, the group would review monthly reports for each municipality and assess data collection and reporting, trends in complaints, and how to target enforcement for the next season. At year-end, the group would review the annual report, assess the performance of the contract and vendor, and make adjustments to the provisions of the contract as necessary to meet service level expectations.

RISKS AND BARRIERS

- **Harmonization of by-laws:** This initiative supports the Frontenac municipalities in identifying opportunities to harmonize applicable by-laws to streamline the process for enforcement and maintain consistent service levels, but the unique nature of each municipality must also still be captured in any new contract with FMLE or an alternate vendor.
- **Limited competition:** There is potentially limited alternative service providers for municipal law enforcement services, but jurisdictional examples of the use of other providers is included in this report.

IMPLEMENTATION TIMELINE

Activities

- Review existing contracts as a group to harmonize applicable by-laws and prepare provisions for new contract
- Renegotiate contract with FMLE or go to market for alternate service provider through RFP
- Assess return on investment for transitioning to AMPS model and transition by-law adjudication and enforcement to single AMPS structure

Q1 2021

Q2 – Q4 2021

2022 - 2023

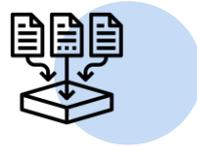


Current State Challenges

Common issues with existing by-law enforcement services provided by Frontenac Municipal Law Enforcement (FMLE) were raised by all municipalities.



Administrative burden – The existing contract with FMLE does not include administrative support for mandatory inspection reporting, drafting letters & notices of contravention, and setting up reminders for compliance follow-ups and extensions. Depending on seasonal demand, this administrative work can account for 80% of work effort of affected staff.



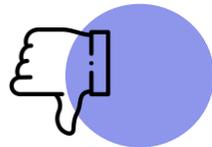
Limited data collection and reporting – The current contract does not include provisions for data collection and reporting. As a result, the municipalities cannot assess for trends and changes in demand.



Challenges with communications and information sharing – The municipalities have identified that they at times receive monthly invoices from FMLE for by-law enforcement without any record of a complaint coming in through the municipality.



Manual processes – There are many manual processes. These processes for data entry and reentry exacerbates administrative burden for affected staff.



No value for money – The Frontenac municipalities recognize the importance of effective by-law enforcement to achieve their regional growth objectives and want a proactive approach to enforcement that meets service level expectations. They are not currently recovering costs for enforcement.



Reactive approach & changing demographics – The municipalities are experiencing an increasing number of complaints and an increase in “urban expectations” of some residents, but without the proper provisions for proactive enforcement, the process remains complaint driven and administratively burdensome.

Cost Overview of Current State Challenges

Outlined below is the current estimated cost in staff time of current processes and procedures for by-law enforcement. This is reflective of the significant additional staff time required to administer by-law enforcement infractions on top of current contract costs with FMLE. Cost benefit assumptions are outlined in *Appendix C*.

NORTH FRONTENAC ¹			CENTRAL FRONTENAC		
Position	Cost Per File	2019 Files (49)	Position	Cost Per File	2019 Files (113)
CAO	\$650	\$31,865	CAO	\$5	\$551
CEA	\$727	\$31,608	AA	\$135	\$15,254
CPM	\$64	\$3,143	CBO	\$22	\$2,531
CBO	\$57	\$2,811	DSA	\$16	\$1,823
PWM	\$64	\$3,143	TOTAL	\$178	\$20,165
TOTAL	\$1,563	\$76,569			
SOUTH FRONTENAC			FRONTENAC ISLANDS		
Position	Cost Per File	2019 Files (489)	Position	Cost Per File	2019 Files (47)
Clerk	\$89	\$43,736	CAO	\$165	\$7,771
CEA	\$64	\$31,403	TOTAL	\$165	\$7,771
TOTAL	\$154	\$75,139			

Where the availability of data varied across the Frontenac municipalities, estimates were used to identify approximate costs and savings. Approximate costs are estimates based on staff experience given data limitations, unless otherwise stated.

¹Based on documented processes, data collection, as well as monthly and annual reports. Actual costs vary annually and based on the by-law complaint received (staff required to comment, court cases, etc.)

Desired Future State: A Phased Approach to Coordinated By-law Services

1 Enter a joint, improved contract

- The Frontenac municipalities could enter into a joint by-law enforcement contract, with unique schedules for specific enforcement requirements of each municipality. This will be data driven and have specific provisions to improve service levels, including required conditions for inspections and measurements, data collection and reporting, and follow-up procedures.
- The improved service level expectations and standards of reporting will support the transition to an AMPS model.
- By entering into a joint enforcement contract, the required review of existing by-laws for possible harmonization will support the municipalities' longer-term objectives of harmonizing policy and process procedures across the development services.
- The County has an opportunity to join the contract with a Care & Use By-law for the K&P trail, as well as Weed Inspection services, and will ultimately benefit from improved enforcement across all Townships.

2 Consider use of AMPS for adjudication

- The Frontenac municipalities can gradually transition POA to the AMPS model to reduce administrative burden on staff and reduce costs associated with legal fees and Court Administration costs incurred by the by-law enforcement agency.
- South Frontenac is starting to move towards an AMPS model with their Loitering By-law, and Central Frontenac is doing the same with their Burn Permit By-law.
- The Frontenac municipalities could use these by-laws as pilot projects to assess the cost savings and avoidance of the AMPS model. Following this, they could then move towards transitioning all by-laws to an AMPS model when they are updated or presented to councils.
- Since the municipalities all use the same lawyer for preparing by-laws, they can use a boiler-plate/blanket administrative by-law that each municipality can add schedules to for each AMPS fee they want to apply. South Frontenac already has one that can be used.

3 Proactive approach to enforcement

- After one-year of entering into a new, joint by-law enforcement agreement that is data driven, the Frontenac municipalities could come together as a group and assess the data to identify where the contract could be amended to focus on proactivity and adjusted to meet seasonal fluctuations in demand for certain by-law enforcement services.
- Based on the contract provisions and stipulations, the municipalities have an opportunity to conduct targeted enforcement blitzes and scheduled enforcement to proactively address seasonal issues and improve revenue generation.
- If the data indicates that the municipalities are receiving complaints of which there isn't a by-law in place to capture those issues, the municipalities have an opportunity to prepare a by-law for Council consideration and approval, with enforcement and adjudication using the AMPS model.

Recommended Option 1: New Contract with FMLE + AMPS

If the Frontenac municipalities enter into a joint contract with FMLE, suggested contract provisions to improve service levels are provided below. In parallel, the Frontenac municipalities could transition to the use of AMPS for relevant by-laws to reduce administrative burden and expenditures.

Elements of a Renegotiated Contract	
Service Area	Contract Provision
Inspections & Measurements	FMLE would use an Official Detailed Inspection Report, with specific requirements, such as measurements, for inspections under the Residential Tenancies Act.
Data Collection & Reporting	FMLE would provide monthly reports using a standardized reporting template advising of the status of complaint files, date of initial investigation, and <u>date of follow up</u> , and annual reports providing data and trend analysis.
DOLA	FMLE would proactively mitigate DOLA infractions by following-up with repeat offenders.
Scheduled Enforcement Periods	After one-year of data collection and analysis, at the direction of the Frontenac municipalities, FMLE would facilitate proactive enforcement for commonly contravened by-laws based on seasonal demand.
Scope of Service	After one-year of data collection and analysis, the Frontenac municipalities have the right to add/remove by-laws based on demand.

Administrative Monetary Penalty System
<p>What is AMPS?</p> <ul style="list-style-type: none"> The Administrative Monetary Penalty System (AMPS) is an adjudication process for issuing by-law infraction tickets in-house rather than through the court system. It is an emerging approach to dealing with minor by-law infractions, while increasing compliance and streamlining the enforcement process. The AMPS model reduces the administrative burden and costs associated with adjudicating by-law enforcement charges against an Offender through a time-limited process that does not go to court. Staff/Enforcement Officers are not required to repeatedly follow up with an Offender, and appeals do not enter the court system where they can take 6 months – 1.5 years to come to resolution. The next slide explains how AMPs works in more detail.
Potential Benefits of this Model
<ul style="list-style-type: none"> By negotiating an improved by-law enforcement contract, with specific provisions to increase service levels, follow-up procedures, and data collection, the municipalities can save at minimum 20% in staff time and productivity. By moving towards an AMPS model for by-law enforcement, the municipalities can save staff time, reduce costs associated with legal fees, and reduce fees associated with Court Administration time spent by FMLE Enforcement Officers as they prepare for prosecution and appearances in court.

Use of AMPS for By-Law Enforcement

Many municipalities are slowly transitioning to the use of the AMPS model to administer and adjudicate by-law enforcement infractions and tickets in-house rather than through the already overburdened and slow court system. Outlined below is how the AMPS model works, and what the potential benefits are for the Frontenac municipalities.

AMPS Model – By-law Infraction



How it Works

- Following similar processes, once a complaint is received by the Township, the By-Law Enforcement Officer is notified of the by-law infraction and is dispatched to investigate and collect evidence.
- Once the infraction is documented, the Enforcement Officer issues the Notice of Contravention and accompanying fine. Depending on if the Offender does not comply, prepare ticket and notify Offender of opportunity to schedule a hearing.
- Where the Offender opts for a hearing, there is a scheduled appointment (available once a month) with a Screening and Hearings Officer (a municipally appointed employee) who can modify, cancel, or affirm penalties. The dispute is not required to be settled in court by an adjudicator.
- A ticket issued under AMPS has a life-cycle process, so once a decision is made the decision is final, there is no appeal process.
- Review hearings under the AMPS model are held only one a month and the decision is final either that day or very shortly thereafter, whereas in the current court system, and based on experiences across the Frontenac municipalities, it can take **6 months to 1.5 years** to complete the process from by-law breach to when a fine is levied after an appeal. This comes with a cost of approximately **\$25,000 in legal fees**, as well as staff time to prepare required paperwork and documentation, and increased monthly invoice costs from FMLE to prepare for and attend court appearances.

Recommended Option 2: Go to Market for New Vendor + AMPS

Option Overview

1. The Frontenac municipalities could go to market through a Request for Proposal to seek a new vendor for by-law enforcement services. Similarly to Option 1, the municipalities would issue an RFP for one joint contract for by-law enforcement services, with unique by-law enforcement schedules where appropriate or required for each municipality.

Going to Market Through an RFP

Benefits

- By going to market through a joint contract, there is an opportunity for the Frontenac municipalities to achieve economies of scale and competitive market prices reflecting the size and scope of this service requirement. Based on comparable experiences with collaborative procurement contracts, it can be estimated that the savings for each municipality would range from 5% - 15%.
- Different enforcement agencies could have more modern and data driven approaches to by-law enforcement, potentially covering many of the new provisions to be included in a renegotiated contract with FMLE (which could come at increased cost) including data collection and reporting, inspection and measuring, and follow-ups with offenders following notice of contravention.
- Different enforcement agencies may also have E&O insurance coverage, reducing the costs for the Townships to pay for that coverage.

Key Considerations

- Given the expansive geography of the Frontenac municipalities, options for alternative service providers may be limited.
- The municipalities could leverage the *Procurement Specialist* to prepare the RFP and administer the procurement process to save staff time.
- An alternative service provider may have experience or skill sets not readily available by FMLE, such as Weed Inspection and Removal services.

Jurisdictional Examples & Case Studies



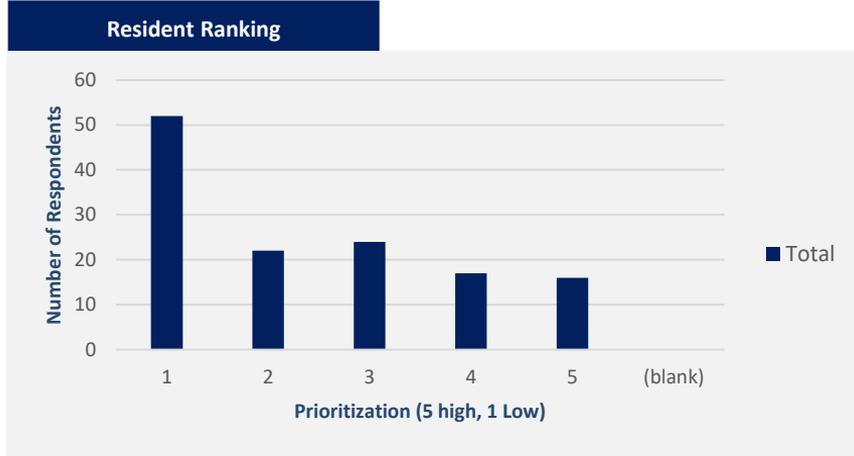
The five communities of Hastings County, Tweed, Deseronto, Madoc, Stirling-Rawdon and Tyendinaga entered into an agreement with the Canadian Corps of Commissioners for By-law Enforcement Services. They are in the process of establishing a Joint Service Administration to respond to complaints or concerns received, rather than receiving complaints through each Township for dispatch to the Commissioners.



Municipalities in Lanark County, including the Townships of Montague and Drummond/North Elmsley have contracted private services for DOLA, Property Standards, and By-law enforcement infractions. These independent private contractors are often retired police officers, as is the case in these municipalities.

Resident Feedback

Coordinating by-law services was a part of the resident survey. Outlined below is the qualitative and quantitative feedback from Frontenac residents.



Ranking

- Received a lower priority ranking (2.4)
- Most respondents indicated that by-law and septic inspections were their two lowest priorities

Summary of Comments

Commenters were generally divided on whether they thought that collaboration was feasible. For the naysayers, they iterated that by-law is a more politicized service rather than administrative, and with the different by-laws across the Townships, it would be hard to enforce.

These commenters prioritized enforcement of local by-laws now rather than improving the County-wide service. Others, however, saw this as an opportunity to standardize and enforce across the Townships, which they welcomed. Those who were supportive did also see value in bringing the service in house. Compared to the other initiatives however, this one was seen as the least important and was ranked the lowest priority for almost 40% of respondents. Sample quotes from residents include:

“Also very important. There are too many by-law inconsistencies between the various townships.”

“Each township has specific by-law needs and I think coordinating this might be more challenging than other categories. Having said that, I believe by-law enforcement will become more important as we develop more policies and take a more active enforcement position than in the past. I just think this is more of a politicized process than administrative.”



Collaborative Procurement

Initiative Overview

Description

Currently, Senior Management across all municipalities are responsible for procurement. Staff recognize the benefits of collaborative procurement, but without the time or resources, they cannot consistently identify and implement opportunities to do so. This initiative presents the potential savings generated from collaboratively purchasing commodities or services based on the experiences of comparable jurisdictions. As well, this initiative assesses the cost-benefit analysis of hiring a Procurement Specialist to be shared amongst the municipalities.

High Level Structure

1

Hire a Procurement Specialist to support all municipalities.

2

Establish process for routine collaborative procurement.

Benefits Overview

Total Direct Savings including Staff Costs

South Frontenac	\$200,000 - \$679,000
Central Frontenac	\$128,000 - \$434,000
North Frontenac	\$63,000 - \$215,000
Frontenac Islands	\$5,500 - \$19,000
County	\$7,000 - \$23,000
Total	\$403,000 - \$1,369,000

Other Benefits

- Improved staff productivity
- Decrease risk exposure through acquiring an in-house procurement specialist

Initiative Background

OPERATING CONSIDERATIONS

PEOPLE

- Identify and recruit Procurement Specialist.
- Determine which municipality this new resource would be employed by.

PROCESS AND GOVERNANCE

- Determine the optimal process for consistently engaging with Department Heads and Treasurers/Clerks from each municipality to identify collaborative purchasing opportunities to address ongoing operating needs.
- Create a contribution agreement to report staff time like the planning agreement already in place.
- Determine whether contracts would be managed by one Frontenac municipality on behalf of interested municipalities, or if each interested municipality would manage their own contract.

RISKS AND BARRIERS

- **Geography:** Depending on the commodity or service, North Frontenac and the Frontenac Islands may not experience the same financial benefits to collaborative procurement given costs associated with travel.
- **Scale and scope of projects:** While greater frequency, scale, and scope for projects may achieve economies of scale and more competitive pricing, it may also disqualify smaller, local contractors or bidders.
- **Unique requirements of each municipality:** For this initiative to be successful, any efforts to enhance collaborative purchasing across the Frontenac municipalities must consider the unique requirements of each municipality. As such, the Procurement Specialist must be responsible for assessing the viability of each group purchase against the needs of the municipalities.

IMPLEMENTATION TIMELINE

Activities

Prepare report for Council consideration and approval

Prepare shared service agreement for joint Procurement Specialist

Prepare job description and post for Procurement Specialist

Recruit and onboard successful candidate

Q4 2020

Q1 – Q2 2021

Q3 – Q4 2021



Jurisdictional Examples

Outlined below are municipal examples of successful collaborative procurement initiatives undertaken by lower and upper tier municipalities across Ontario. In both cases, they leveraged cooperative purchasing organizations, such as OECM and AMO (Local Authority Service), to achieve cost savings.

Collaborative Procurement Case Studies



In 2012, the Municipal Finance Officers' Association of Ontario released a report titled *Shared Services in Ontario's Local Public Sector: Localizing Accountability*, which providing guidance for municipalities on how to develop, govern, and sustain shared services. As part of their report, they explored five case studies, including the Peterborough County Purchasing Group. Their case study found that **this purchasing collaborative saved 5-15% of product and service costs.**¹



The York Region N6 is a purchasing collaborative comprised of the six northern municipalities in York Region: Town of Georgina, Town of East Gwillimbury, Town of Whitchurch-Stouffville, Town of Newmarket, Town of Aurora, and the Township of King. The group works together under the following key tenets: (1) equality regardless of size, (2) ability to take calculated risk and use innovation, and (3) ability to participate or not. **Together, the group has found 5-10% in savings by working together.**²

Cooperative Purchasing Organizations



OECM is a not-for-profit collaborative sourcing partner for Ontario's broader public sector. Their marketplace offers products and services available to be purchased through OECM agreements in categories such as Facilities and Operations, Finance, and IT. Purchasing through OECM not only helps to achieve competitive pricing, **with average overall savings of 37%**³, but ensures compliance with broader public sector procurement directives and regulatory requirements.



AMO is working with municipal associations from across the country to offer cooperative purchasing to members through its LAS program. LAS leverages the buying power of member organizations to yield important benefits, such as competitive pricing, consolidated invoices, additional time to pay, and greater bargaining power to secure better prices.⁴

¹*Shared services in Ontario's local public sector: localizing accountability.* Municipal Finance Officers' Association of Ontario. 2012.

²*York Region N6 collaboration initiatives.* Ontario Municipal Administrators' Association. 2018.

³OECM. 2020. *Harnessing the power of cooperative purchasing.* Municipal World. 2020.

Collaborative Procurement Net Savings

Provided below are a list of commonly purchased commodities and service categories that illustrate the potential for cost savings through collaborative procurement. Estimates are indicative of potential cost savings using 2019 actuals and actual savings will vary by municipality and procured commodity or service.

Services and Commodities by Municipality					
Service/Commodity Grouping	South Frontenac	Central Frontenac	North Frontenac	Frontenac Islands	County
Commodities (Gravel, Sand, Salt, etc.)	\$1,499,000	\$265,000	\$729,000	-	\$10,000
Public Work Services (Road Paving, Blasting, etc.)	\$2,269,000	\$2,779,000	\$694,000	\$69,000	-
General Contracted Services (Engineering, Plumbing, etc.)	-	-	\$25,000	-	\$66,000
Waste Services (Garbage Disposal, Recycling Services, etc.)	\$984,000	-	\$64,000	\$63,000	\$21,000
PPE	-	-	\$8,000	-	\$65,000
Total	\$4,787,000	\$3,060,000	\$1,520,000	\$1,32,000	\$162,000
5% Savings	\$239,000	\$153,000	\$76,000	\$7,000	\$8,000
10% Savings	\$479,000	\$306,000	\$152,000	\$13,000	\$16,000
15% Savings	\$718,000	\$459,000	\$228,000	\$20,000	\$24,000

The above are general cost categories for commonly purchased goods and services, and each municipality's cost data may not be included in each cost category where not applicable or readily available.

Cost Benefit Analysis

Financial Summary	
New Costs – 2021	
Procurement Specialist (Salary plus overhead/benefits)	\$80,000.00
Total New Costs	\$80,000.00
Projected Net Annual Savings (all Frontenac Municipalities)	
5% Savings	\$403,000
10% Savings	\$886,000
15% Savings	\$1,369,100
Average Annual Savings	\$886,000

Considerations

- In the desired future state, the Frontenac municipalities will hire a new contracted resource whose salary is supported by all Frontenac municipalities through part of the cost savings achieved through collaborative procurement initiatives across the Frontenac municipalities. There will be staff time and administrative support required as the Specialist is recruited and onboarded.
- It is suggested that the cost for the resource be managed and allocated using a managed service agreement.
- This resource would:
 - Identify opportunities for collaborative purchasing of commodities and services
 - Work with interested Frontenac municipalities to agree upon specifications for the bid based on the unique requirements of each municipality
 - Assess the procurement policies and by-laws of each interested municipality for requirements to tender, go to market, sole source, etc.
 - Submit the bid to tender (depending on the dollar value of the project or commodity)
 - Work with the Frontenac municipalities to identify the successful proponent
- Across the Frontenac municipalities, tenders are consistently managed and tracked through the Treasury department, with Department heads responsible for producing the written scope of the RFP through standardized language. This already consistent approach will support the development of a centralized and coordinated system for collaborative purchasing, managed and lead by the Procurement Specialist, who would be responsible for managing the administration of these contracts.

Best Practices in Municipal Procurement

Using Ontario Municipal Knowledge Network's research in Leading Practices in Municipal Procurement, we have outlined areas in which the Procurement Specialist could support Frontenac municipalities in adopting best practices to decrease the municipality's risk and increase vendor performance.



Governance improvements – The Procurement Specialist could work with the municipalities to ensure that there are procurement planning requirements for communities and that all procurement policies contain best practices such as: requirements for types of goods and services, segregation of duties, records retention and dispute resolution mechanisms, etc.



Resource, Training and Support – This resource would ensure that all communities have templates and forms that are easily accessible to staff and holds training sessions for individuals that participate on evaluation teams, as well as other training and resources for Frontenac staff.



Process efficiency – This resource would support improved process workflow of approving large purchases to standardize processes and improve staff productivity.



Cost Savings – This resource could support municipalities in creating standardized metrics to measure the result of a procurement to support learning and cost savings. In addition, this resource could support the adoption of innovative methods such as research auctions for goods and services in which price is the primary consideration.



Contracting – This resource could support municipalities in adopting a vendor performance monitoring policy to ensure contract compliance and assist in identifying vendors that may be excluded from future competitions.



Joint procurement – This person would support staff to identify what goods and services would be good candidates for joint procurement and what procurement consortiums to participate in.



Integrated Digital Strategy

Initiative Overview

Collaboration

Shared Services

Integration

Initiative

Description

While the County currently provides IT services to the local municipalities, the procurement of software is managed at the departmental level across each of the municipalities, with each municipality approving software procurements through their standard approval process. All municipalities are informed about annual planned IT projects through a steering committee process. However, there is no integrated long-range planning, and IT resources are brought into decisions about potential software solutions on an ad hoc basis. By developing an integrated, longer-term planning and solution development process, the County and municipalities could better address areas of concern and leverage economies of scale in IT investments. A formalized process for integrating IT into municipal IT investment decisions could improve outcomes and staff productivity.

High Level Structure

- 1 Review internal budgeting and purchase approval processes for IT.
- 2 Develop an integrated process to funnel solution development through the County IT department at the outset of any potential software procurements.
- 3 Leverage the Business Analyst role to serve in a problem-solving capacity to assist in scoping potential IT solutions for municipalities that express a need.
- 3 Develop a formal process to build a backlog of issues and requests, and develop a 5-year digital roadmap and strategy on a rolling basis.

Benefits Overview

Example Project: Digital Records Management

Total Savings (Dark Green) and Productivity Gains (Light Green)

South Frontenac	\$50,000	\$32,000
Central Frontenac	\$14,000	\$19,000
North Frontenac	\$29,000	\$57,000
Frontenac Islands	\$72,000	\$14,000
Total	\$162,000	\$122,000

Key Considerations

- The estimated annual costs associated with disparate records management practices across the Frontenac municipalities was used to demonstrate the adverse affects of paper-based and manual processes on staff time and productivity to demonstrate potential savings from a coordinated effort to address an area of shared concern.
- Each solution identified and addressed through a coordinated process will increase net savings and productivity gains resulting from an integrated digital strategy.

Initiative Background

OPERATING CONSIDERATIONS

PEOPLE

- County Business Analyst role could convene and drive the problem-solving and long-term planning process forward.

PROCESS AND GOVERNANCE

- Map current procurement and approval processes across municipalities and departments.
- Develop an integrated IT solution development and delivery process that funnels requests for potential IT solutions through the County IT department.
- Develop a standardized problem-solving process and approach for IT to work with municipal departments prior to procurement to scope issues and identify appropriate solutions.
- Build a process for building a backlog of requests and issues and developing an integrated 5-year roadmap across the County and local municipalities.
- Revise Steering Committee process to facilitate longer-term planning and reporting.

TECHNOLOGY AND INFRASTRUCTURE

- Increased use of shared platforms and solutions, where feasible and beneficial.
- Decreased variety of software solutions with similar functionality within and across municipalities.

RISKS AND BARRIERS

- **Change management:** This will involve a change to procurement and governance of IT across all municipalities, much of which is currently decentralized. This will require that department heads are engaged early and often.
- **Varying needs across municipalities:** The current technology stack used varies from municipality to municipality, and will in some cases limit the business case or potential economies to be realized through shared platforms and procurements.
- **Limited broadband access:** A number of solutions may present the best option for one municipality, but fail to meet the needs of another, given differences in broadband access.

IMPLEMENTATION TIMELINE

Activities

Develop integrated solution development and long-term planning processes

Identify and begin execution on pilot project (e.g. Records Management)

Identify lessons learned from pilot project and revise process as necessary

Implement revised solution development and planning process and develop first 5-year plan

Year 1

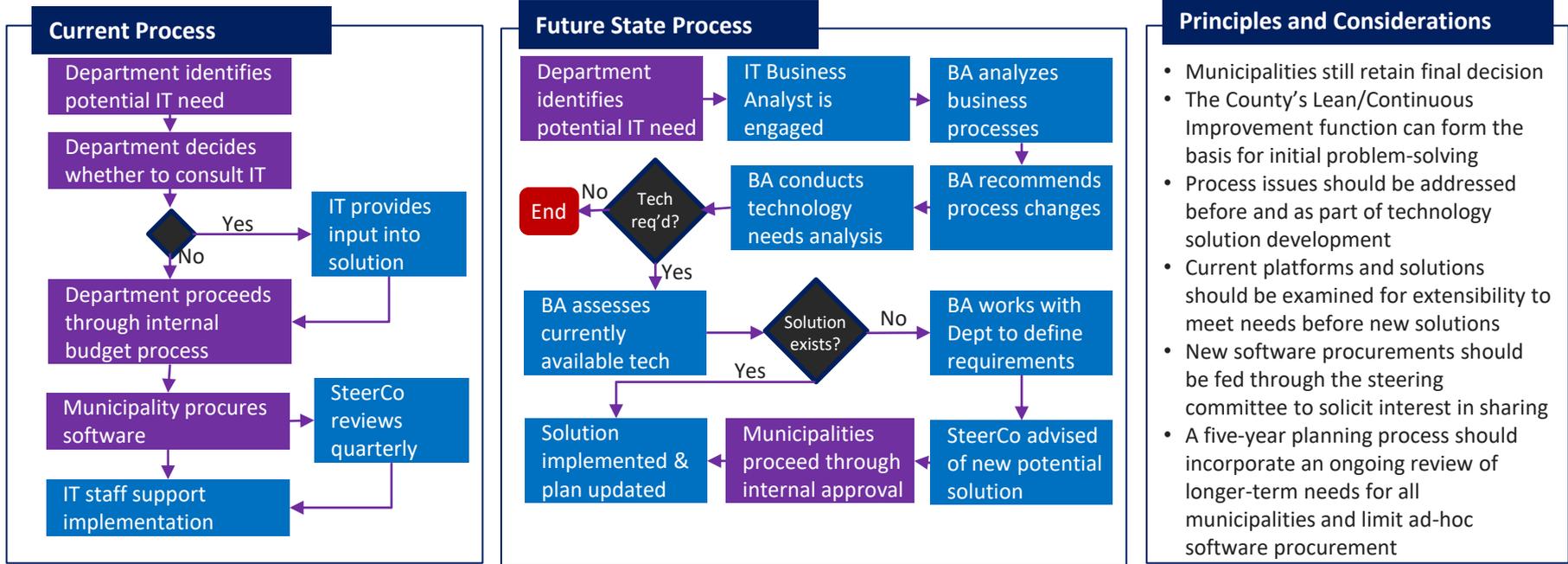
Year 2

Year 3



Transitioning to an Integrated Digital Strategy

This initiative should define and implement a process that integrates and improves the ways in which the Frontenac Municipalities make IT investment decisions. This should include formalizing an approach to integrating IT staff in the full decision-making lifecycle, from needs analysis through to solution delivery and implementation. It should also include an ongoing process to identify pain points and desired projects as the basis for an integrated 5-year roadmap that plans out IT investments, the required resources, and the opportunity to share investments, across the municipalities.



Example Pilot: Digital Records Management Processes

The proposed process and approach are intended to drive two outcomes: maximize the use of existing investments to limit new solutions required and reduce costs, and to enable the municipalities to proactively plan over a long-time horizon to jointly address shared areas of concern that are challenging or suboptimal to address individually. Records management was chosen as an example pilot because it is identified as a significant area of concern for all municipalities, but represents a significant challenge. By jointly planning for and investing in a solution to establish a digitized records management policy and approach, substantial hard and soft cost savings can be realized (staff time, or potentially reduced storage costs), while reducing organizational risk.

ESTIMATED COSTS OF CURRENT RECORDS MANAGEMENT PROCESSES – STAFF TIME (hours per day)				
Employee Activity	Average Time Spent – North Frontenac	Average Time Spent – Frontenac Islands	Average Time Spent – Central Frontenac	Average Time Spent – South Frontenac
Retrieving documents	2 hours	0.5 hours	1 hour	0.5 hours
Filing/Re-filing	2 hours	0.5 hours	1 hour	0.5 hours
Making copies & storing	2 hours	0.5 hours	1 hour	0.5 hours
Estimated Yearly Cost of Staff Time	\$28,642	\$14,320	\$18,720	\$32,198
ESTIMATED COSTS OF CURRENT RECORDS MANAGEMENT PROCESSES – PHYSICAL STORAGE COSTS				
Total Annual Physical Storage Cost	North Frontenac	Frontenac Islands	Central Frontenac	South Frontenac
	\$29,041	\$72,173	\$14,299	\$50,203
Annual Costs of Current Records Mgmt. Processes	\$57,683	\$86,493	\$33,019	\$82,401

When considered together, the total approximate annual cost of existing records management processes is \$260,000.



Policy & Process Harmonization: Development Services

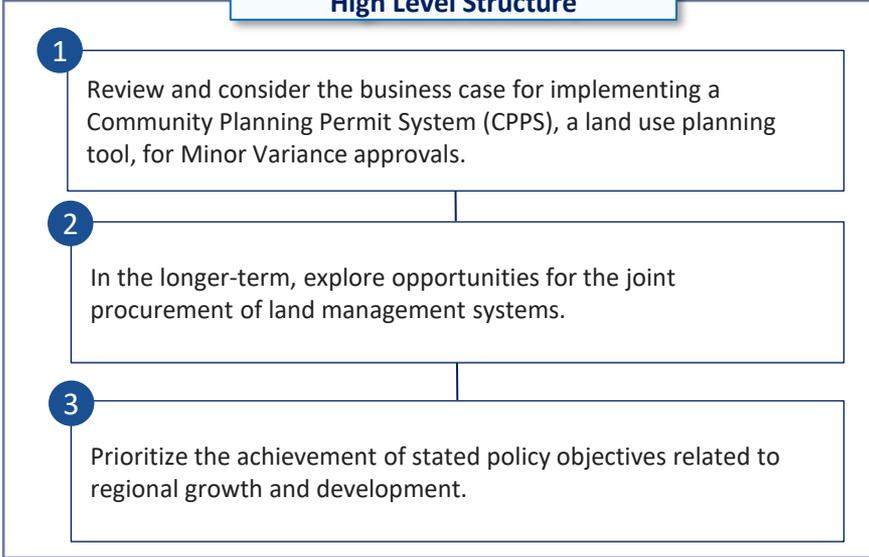


Initiative Overview

Description

Central Frontenac, North Frontenac, and Frontenac Islands are currently serviced by the County of Frontenac’s Planning & Development Services and are entering Year 3 of 3 of their current shared service agreement. Currently, there are key performance indicators (KPIs) and service levels prescribed in this agreement related to regional policy and planning that are at times not met as staff time is prioritized for development. This initiative explores the benefits of policy tools and changes that could yield significant efficiencies by effectively allocating existing resources towards the achievement of these KPIs. South Frontenac could also participate in the implementation of a CPPS, further supporting the sustainable long-term growth objectives across the County.

High Level Structure



Benefits Overview

Benefits Overview	
Total Annual Productivity Gains (Light Green)	
Central Frontenac	\$18,000
North Frontenac	\$14,000
Frontenac Islands	\$17,000
County	\$132,000
Total	\$180,000

Key Considerations

- The \$75,000 consultant fee represents a one-time cost for an external consultant to review and consolidate the existing zoning by-laws across the Frontenac municipalities to create the CPPS and implement the waterfront development policies of the Frontenac municipalities’ Official Plans. This includes facilitating statutory public meetings and open houses and the necessary updates to policies, processes, and training materials.
- Staff time could be required to operationalize the changes internally.

Initiative Background

OPERATING CONSIDERATIONS

PEOPLE

- Identify and procure consulting services to review and consolidate all interested Townships by-laws and policies related to waterfront redevelopment.

PROCESS AND GOVERNANCE

- Determine which municipality will issue the joint RFP for consulting services on behalf of the Townships. There is also the opportunity to leverage the new Procurement Specialist position to issue and manage the RFP and contract.
- Based on the recommendations of the consultant, determine and explore whether the Community Planning Permit System should initially focus on minor variances, or whether the tool should be applied more broadly to rezoning, site plan approvals, site alternations, or other types of permits.
- Prepare change management and training materials for staff across the Frontenac municipalities.

TECHNOLOGY AND INFRASTRUCTURE

- In the longer-term, consider the procurement and implementation of a land management system, similarly to South Frontenac, to improve records management processes currently impacting planning and permit services.

RISKS AND BARRIERS

- Changing approval structures:** The implementation of a CPPS for Waterfront Designation and minor variance approvals delegates approval authority for Class I Planning Permits to staff, rather than the Committee of Adjustment.
- No appeals:** For applications that are designated Class I or exempted from a Planning Permit, the decision cannot be appealed. For a Class II Planning Permit designation, the Committee of Adjustment decision can only be appealed by the applicant, not a third party.
- Cost:** To complete the necessary study to implement a CPPS by-law, including review and consolidation of existing by-laws, it is expected that an external consultant would have to be hired at an estimated cost of \$75,000.

IMPLEMENTATION TIMELINE

Activities

Consider how to distribute costs amongst interested municipalities (or alternative arrangement)

Prepare report for Council consideration and approval

Issue RFP for consulting services and select successful vendor, initiating review and implementation

Consider investment in land management systems or software

Year 1

Year 2

Year 3

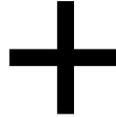


Current Challenges with Existing Policies & Processes

Inefficiencies in existing policies and processes challenge the effective allocation of dedicated resources to achieving stated policy objectives. As projected population growth drives demand for development, the Frontenac municipalities have an opportunity to ensure they are positioned as effectively as possible to take advantage of this growth.

Issue Area 1 – Committee of Adjustment Process

- In conversations with staff, across some of the Frontenac municipalities, existing Zoning By-laws and Official Plans are outdated in their approach to waterfront development, with a focus on setbacks rather than lakefront protection.
- As a result, every application for waterfront development that requires a Minor Variance adjustment must go through the Committee of Adjustment process across the Townships, regardless of complexity, structure, or potential impact on the surrounding environment.
- The resulting large volumes of applications for review by Township and County planning staff, as well as the Committee of Adjustment, delays the issuance of building permits, and with the opportunity for appeal, applicants and staff can be stuck in the Committee of Adjustment process for more **than 3 months for one application**.
- Without guarantees for swift planning approvals, and with the potential for an application to be appealed after more than 3 months of circulation, review, and assessment, applicants may be encouraged to consider redevelopment in proximate Townships with more streamlined and efficient policies for Minor Variance approvals.
- These inefficient processes and current focus on development applications challenge planning staff across the Frontenac municipalities in achieving their policy objectives and driving sustainable regional growth.



Issue Area 2 – Records Management

- Pressures for development and real estate growth, as well as expectations for “on-demand” service by applicants have come at the expense of improving policies and processes to effectively manage sustainable community growth in the long-term.
- This is demonstrated in the varied approaches to records management across the Frontenac municipalities, which adversely impacts the pre-application process as duplication of efforts and wasted staff time delay the application process and cause undue stress for staff.
- Depending on the complexity of the application or the state of the roll files, gathering the required information for pre-application can take staff at the Townships and the County anywhere from **30 minutes, to over 10 hours**.
- Based on the experiences of staff, and made more challenging because of changing working conditions due to COVID-19, particularly disorganized paper-based files that take 10+ hours to review and compile come with a cost of over **\$1,200 in staff time**, which does not take into account travel time between municipalities, for one application.

The Impact: A Patchwork of Approaches to Development

- All Frontenac municipalities across the County have identified the importance of regional approaches to development through the harmonization and streamlining of key development policies and procedures wherever possible. A regional approach to community growth would support sustainability, mitigate the risk of expensive LPAT appeals, and set up the Frontenac municipalities to take advantage of growth opportunities that may not have existed in a pre-COVID-19 environment.
- This is demonstrated in the KPIs included in the current shared service agreement between the County and the Townships of North Frontenac, Central Frontenac, and the Frontenac Islands, whereby 50% of the County’s hours should be focused on regional planning and policy work. However, the County has not been able to meet that KPI for the last three years, with approximately 20% of total hours spent focusing on regional approaches to growth.
- Inefficient processes and policy tools have misallocated staff time to local development applications and approvals, at the expense of integrated, strategic, and regional approaches to community growth.



Current State Annual Costs	
Cost of Staff Time – Committee of Adjustment	
TOTAL PRODUCTIVITY LOSS	\$273,000

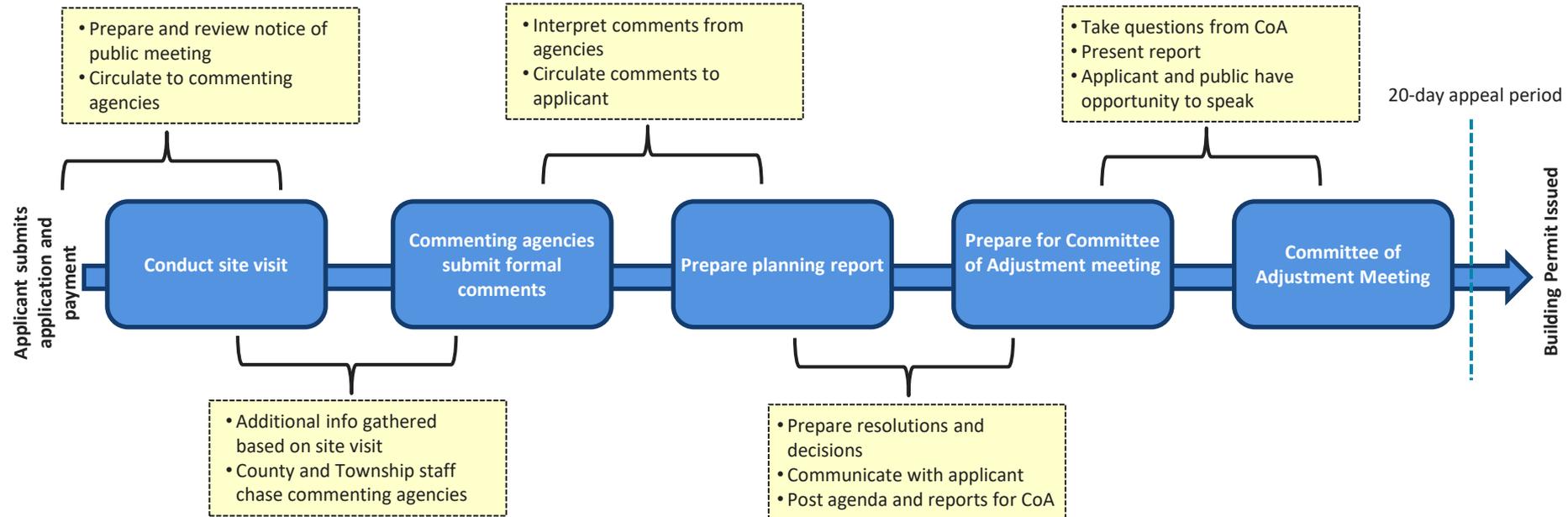
Future State Savings	
Y1 Cost Benefit Analysis	
Community Planning Permit System Study	\$75,000 ¹
Y2 and Onwards Cost Benefit Analysis	
ESTIMATED PRODUCTIVITY GAINS	\$180,000

¹Estimates provided from staff based on municipal comparators.

²Estimates provided from staff based on municipal comparators.

Current Process: Committee of Adjustment for Minor Variance Approvals

Planning staff at the County and across the Frontenac municipalities completed a process mapping exercise to outline the current Committee of Adjustment process for consents and minor variances. StrategyCorp used this process map to estimate the costs of the current process for minor variance approvals in light green dollars (staff time). The process map has been simplified by grouping common activities and tasks of Township and County staff, and estimates are indicative of the cost of staff time for minor variance approvals once the application is submitted and those that are not appealed to the LPAT.



This process is followed regardless of complexity of application for minor variance approval, and applicants are not guaranteed their application will not be appealed to the LPAT.

Based on feedback from staff and experiences with the process, it can take up to **90-days to go through this process**.

Recommendation #1 – Community Planning Permit System

A Community Planning Permit System (CPPS) would reduce the staff time and productivity losses associated with the current Committee of Adjustment process for minor variance approvals by allowing for conditional approvals by staff for minor variance approvals that meet the specified criteria for Exemption or Class I Permits.

Element	Description	Benefits
Planning Permits	<ul style="list-style-type: none"> Frontenac municipalities CPPS would require that all development within the identified area that the By-law applies shall require a Planning Permit. This would initially focus on Waterfront Designation and minor variance approvals. Requires a Community Planning Permit System By-law designating Planning Permit Areas. 	<ul style="list-style-type: none"> Allows for discretionary uses, conditional approvals, and variations to specified provisions within the By-law. Allows Council and the Committee of Adjustment to delegate approval authority, where appropriate, to staff.
Planning Permit Exemptions	<ul style="list-style-type: none"> Planning Permit exemptions shall be granted by planning staff for the types of development that do not involve significant deviations from the standards in the By-law, including sustainable vegetation removal, or development that does not involve exceeding the yard and setback requirements of the Zone in which the structure is erected. Upon granting the exemption, the applicant is sent to the Building department for building permit review. 	<ul style="list-style-type: none"> The exemptions process removes minor variation applications (little complexity or deviation from the standards as set out in the By-law) from the Committee of Adjustment process, saving significant staff and applicant time. For these applications, notice to neighbours is not required and the process is streamlined. There are no appeals to this decision.
Planning Permit Classifications	<p><u>Class I: Staff Variations</u> – where the application generally meets the requirements, standards, and provisions of the Planning Permit Area, but requires minor relief. Authority for issuance of Planning Permits is delegated to County Planning staff.</p> <p><u>Class II: Committee of Adjustment Variations</u> – where the application requires more substantial relief from the standards. There is a requirement for notice to be circulated to neighbours.</p>	<ul style="list-style-type: none"> Appeals to the LPAT of a Committee of Adjustment decision may only be made by the applicant. The Committee of Adjustment must make a decision within 45-days of receiving the Class II Planning Permit, but with less applications in circulation at the Committee, this is achievable.

✓ Staff estimate that they could cut down the amount of time it takes for minor variance approvals using a CPPS by 2/3rds, which results in estimated savings of over **\$180,000 in staff time annually** once implemented.

Jurisdictional Examples of Community Planning Permit Systems

Township of Lake of Bays

- The Township of Lake of Bays has a comparable regional development profile as the Frontenac municipalities as much of the development activity is focused on waterfront redevelopment.
- Applicants will now require Planning Permits for required areas that the by-law applies, with two classes of Planning Permits (Class 1 – Staff Variations and Class 2 – Council Variations) to provide for more streamlined reviews and approvals based on the requested variations from the development standards as set out in the Township’s Official Plan.
- Class 2 Planning Permits, which may be required when the proposed redevelopment requires more substantial relief from the requirements of the CPPS require a notice to be circulated to neighbours within 120 metres of the subject property and for a notice to be posted on the property.
- There are also Planning Permit exemptions for residential development that complies with the standards in the by-law, which does not involve significant vegetation clearing or grading, is not located or adjacent to a sensitive feature, and does not generally involve development within the shoreline yard. Applicants who meet all or most of these requirements will proceed to the Building department for their building permit review, which will also significantly streamline the process for applicants and staff.¹

Other Case Studies



The Town of Carleton Place in Lanark County has had a Development Permit System (now known as the CPPS per Bill 73 –*Smart Growth for our Communities Act*) in place since 2014, after undergoing their mandatory 5-year OP review. It is amongst the first municipalities in Ontario to implement a CPPS by-law, which encompasses lands across the entire municipality.^{2,3}



The Town of Gananoque has had a Development Permit System in effect since 2010. They have three classifications of Planning Permits:

- Class I – Staff reviews and makes decisions.
- Class II – Staff prepares report for Planning Advisory Committee (PAC) review and decision.
- Class III – Staff prepares report for PAC review and recommendation to Council for review and decision.⁴

The case studies above present variations in the implementation of a Community Planning Permit System by-law for consideration by the Frontenac municipalities. Some municipalities have focused the implementation of the CPPS on waterfront development, whereas others have applied the CPPS to all development areas across the municipality.

¹Community Planning Permit System. Township of Lake of Bays. August 2019.

²MFOA submission to MMAH. Municipal Finance Officers’ Association of Ontario. August 2019.

³Development Permit By-law 2015-15. Corporation of the Town of Carleton Place. March 2015.

⁴Development Permit By-law. Corporation of the Town of Gananoque. October 2010.

Recommendation #2 – Integrated Approaches to Records Management

The Frontenac municipalities have identified significant challenges with their records management practices and policies, which is explored in depth as part of the *Integrated Digital Strategy* initiative. However, records management is the key process that integrates departments across the organization vital to the development process to create a full suite of development services that effectively drives regional growth. Effective records management practices not only yield efficiencies in staff time and reduce physical storage costs but supports the capacity of each municipality to bring services in-house.

Problem Context

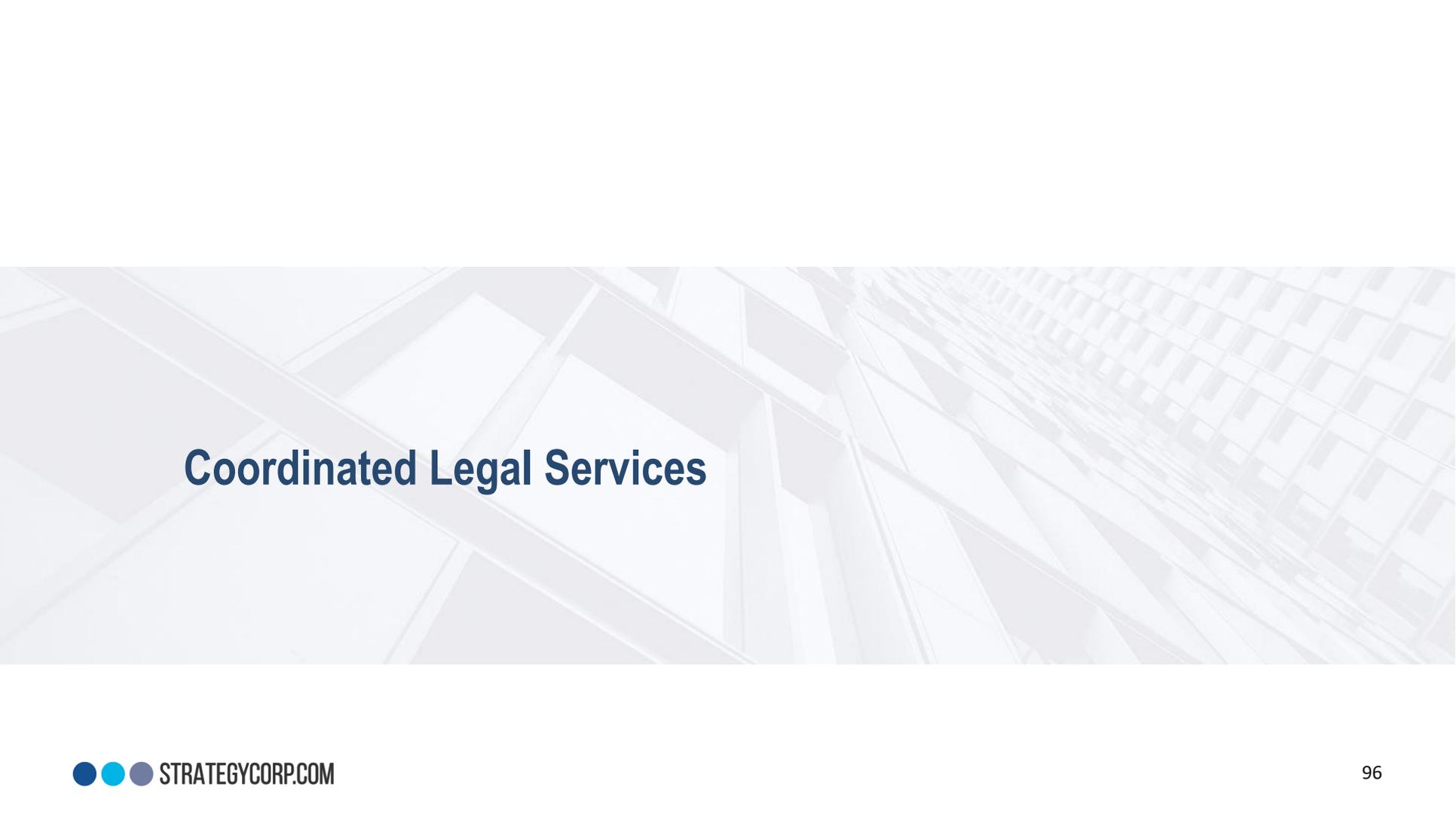
- Throughout the engagement process, staff identified that records management practices across Planning & Building departments can significantly delay the pre-application process, resulting in duplication of efforts, wasted staff time, and delayed progress for the applicant.
- As the vast majority of records are paper-based, it can take staff from each Township and the County hours to find necessary information for the pre-application process.
- With COVID-19, this has been made even more challenging as staff work from home, but require paper-based information that can take hours to source and review.
- Staff also identified that varied approaches to records management across departments further reinforces siloes between Building & Planning, despite both being integral to the application and permitting process.

Recommendation: Explore Procuring On-Premises Land Management Software

- South Frontenac is in the process of implementing CityView Land Management Software, which is an out of the box solution to digitize and integrate Development Services records necessary to the planning and building permit processes.
- With mobile capacity, this system will drive efficiencies in the planning and permitting services offered to customers and will be tied to GIS to quickly access all property information related to approvals and policies.

The Frontenac municipalities serviced by the County's MSA could explore opportunities to procure a similar land management system to digitize and integrate records management processes.

- This would represent a significant operational improvement in the planning and permitting process across the Townships and the County, and utilizing uniform land management software across the municipalities will be especially beneficial as the municipalities consider opportunities to share in service delivery, such as Part 8 Septic inspections.
- These systems can be a significant expense and investment, but net costs can be drastically reduced by applying to grants (OMAFRA, CFTC, etc.)
- Similarly to South Frontenac, it is recommended that part of this investment include a project coordinator contracted position to lead the project, support the digitization of historic and current records, and integrate the solution across the organizations.
- This would also reduce the risk of lost information and records as a result of staff turnover, which was identified as a significant issue across the municipalities.



Coordinated Legal Services

Initiative Overview



Description

Each of the Frontenac municipalities procures similar legal services using third-party contracts, which account for considerable non-recoverable expenditures each year. In addition, staff across each of the municipalities still spend a significant amount of time each day on administrative and project support tasks, which is duplicated across the organizations. This initiative explores the benefits of the Frontenac municipalities sharing a Legal Services Coordinator who would be responsible for performing all administrative and technical functions related to legal inquiries. The goal would be to reduce overall cost of legal services by taking measures to more efficiently deal with “day-to-day” legal costs, and to achieve savings by more efficiently procuring legal services for “big ticket” court cases, which occur from time to time.

High Level Structure

1

Recruit a shared Legal Services Coordinator to coordinate all administrative legal functions on behalf of the Frontenac municipalities.

2

Issue joint RFPs for legal services to achieve more competitive rates and potentially improve service levels

Benefits Overview

Total Net Savings – Dark Green		
Productivity Gains - Light Green		
South Frontenac	\$8,000 - \$14,000	\$5,000
Central Frontenac	\$2,500 - \$4,500	\$25,000
North Frontenac	\$3,500 - \$6,000	\$6,500
Frontenac Islands	\$1,000 - \$1,500	\$1,500
County	\$17,000 - \$29,000	\$31,000
Total	\$32,000 - \$55,000	\$43,000

Other Benefits

- The Legal Services Coordinator would be responsible for keeping up with changes to legislation, saving direct staff time updating by-laws and checking legislation for changes.
- Having a qualified professional doing the in-house work not outsourced to Legal firms could reduce legal fees in some areas.
- A joint Legal Services Coordinator would improve information sharing and coordination of best practices, precedence, and legal claims.

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- Retain a qualified Legal Services Coordinator, who would perform similar functions and have similar experiences as a Law Clerk, to manage all administrative and technical functions related to legal services for each of the Frontenac municipalities.

PROCESS AND GOVERNANCE

- The Frontenac municipalities would likely need a shared service agreement identifying the roles, responsibilities, and accountability structures for each of the municipalities as they share this FTE, as well as how to distribute the cost.
- Determine the optimal process for consistently engaging with Department Heads and Treasurers/Clerks from each municipality to coordinate legal services, tenders, and inquiries on behalf of interested municipalities.

TECHNOLOGY AND INFRASTRUCTURE

- Determine which municipality will house this FTE in their organizational structure, as well as which municipality the Legal Services' Coordinator's desk will reside.
- This will impact administrative overhead and spend on technology and infrastructure.

RISKS AND BARRIERS

- **Costs for external counsel:** As mentioned throughout the engagement period for this initiative, the Legal Services Coordinator would reduce the monthly spend for each municipality on external legal counsel by bringing some of those services in-house, but the Coordinator would not totally reduce the need for external counsel for specialized legal advice or services in all practice areas of Municipal law.
- **Unique needs of each municipality:** While each municipality would be responsible for contributing to the total cost of this FTE, not every municipality will be required to participate in each tender for legal services or each legal inquiry outsourced to existing law firms. This will effect the type of shared service agreement drafted for this initiative.

IMPLEMENTATION TIMELINE

Activities

- Prepare report for Council consideration and approval
- Prepare shared service agreement for shared Legal Services Coordinator
- Prepare job description and post for Legal Services Coordinator
- Recruit and onboard successful candidate

Year 1 Q1-2

Year 1 Q3

Year 1 Q4



Cost Benefit Analysis

It is considered best practice in the management of legal spend to take a more activist approach to the procurement of legal services. This can be done through such arrangements as RFPs, block fees, volume discounts, etc. These tools are proven to reduce spending while ensuring quality. As the previous slide demonstrates, legal spend varies year over year, so cost reductions on legal spend will also vary year over year.

COST BASE	
Average non-recoverable legal spend for all Frontenac municipalities (average 2016 – 2019)	\$334,000
Baseload (median) for all non-recoverable legal spend (2016 – 2019)	\$266,000
Staff time and productivity (coordinating legal inquiries, real estate law, planning support, contract review)	\$68,000
NEW COSTS – 2021	
Legal Services Coordinator (\$60,000 per annum plus 30% for overhead costs)	\$78,000
SAVINGS	
5% reduction non-recoverable through a joint RFP (Average multiplied by 5% reduction)	\$17,000
35% from working with templated agreements and having in-house resourcing reducing need for billable legal advice (range used baseload and average)	\$93,000 - \$117,000
ESTIMATED DIRECT SAVINGS	\$110,000 - \$134,000
ESTIMATED NET SAVINGS	\$32,000 - \$55,000

Roles & Responsibilities of Legal Services Coordinator

The Legal Services Coordinator would be responsible for performing all administrative and technical functions related to legal inquiries, coordinating legal services on behalf of all the Frontenac Municipalities (where applicable), and keeping track of all relevant legislation and precedence for relevant practice areas.



Job Title: Legal Services Coordinator for the Frontenac Municipalities
Compensation: \$50,000 - \$60,000 per annum plus benefits

Job Description

- Prepare, review, and proofread contracts, lease reviews, and negotiations
- Coordinate request for proposals for legal services on behalf of all Frontenac Municipalities depending on interest and need
- Prepare template agreements for all aspects of real estate law, such as lease and license, transfer in titles, access agreements, etc.
- Keep track of all legislation, procedural, and governance matters, privacy legislation, municipal by-law enforcement, and other issues arising from the Municipal Act
- Coordinate all legal inquiries, prepare files for litigation and LPAT appeals and hearings
- Research and interpret legal and technical procedures, statutes, and regulations applicable to relevant areas of practice, and update relevant by-laws and legislation accordingly



The Legal Services Coordinator would NOT:

- ✗ Eliminate the need for external legal counsel for specialized legal advice in areas such as Labour and Employment Law, Environmental Law, Municipal Finance, Tax, and Assessment, Litigation, etc.

A shared Legal Services Coordinator WOULD:

- ✓ Be responsible for coordinating and liaising with external legal counsel for all legal inquiries and consultations on behalf of all interested Frontenac municipalities, directly saving staff time
- ✓ Reduce the total legal spend for the Frontenac municipalities by handling the everyday decisions, such as title searches, contract reviews, and general guidance
- ✓ Reduce duplication of efforts of staff across the Frontenac municipalities by sharing precedence and standardizing templated agreements, procurement documents, and general information sharing

Benefits of In-House Legal Services Coordinator

There are a number of benefits to retaining a shared in-house Legal Services Coordinator, which would have positive returns on investment in terms of both “dark green” and “light green” dollars, with dark green dollars representing expenditure reductions, and light green dollars representing productivity, staff time, and administrative burden. These benefits have been summarized and presented below.



Reduction in duplication of efforts – By working from standardized, templated agreements produced and maintained by the Legal Services Coordinator, the Frontenac municipalities could save staff time and improve productivity, reduce duplication of efforts, and streamline processes.



Reduction in legal fees – The Legal Services Coordinator would function as the main point of contact between the Frontenac municipalities and external Counsel, identifying what can be done (with minimal risk) in-house, and when professional legal advice must be obtained, reducing requirements for billable legal advice.



Network connections and access to materials – Many Law Clerks are members of associations like the Institute of Law Clerks of Ontario, as well as the Law Society of Ontario, where members have access to knowledge and experience, share best practices, and exchange ideas.



Knowledge transfer – The Legal Services Coordinator would improve knowledge transfer and information sharing across the Frontenac municipalities by sharing precedence and materials.



Minimizing stress and burden on staff – Staff across the municipalities provide support to complete legal functions in-house wherever possible. Centralizing those responsibilities would reduce the burden on staff and minimize risk.



Maintaining or enhancing existing service levels – This new position would maintain or enhance existing service levels, which will become increasingly important as the municipalities’ experience significant growth and development.¹

Municipal Examples of Coordinated Legal Services

Municipalities across Ontario have demonstrated a range of opportunities to improve collaboration and coordination in the procurement and delivery of legal services. It is recommended that the Frontenac municipalities first pursue a model similar to Peterborough County, and then consider opportunities to bring the service in-house, depending on interest and potential cost savings.



Peterborough County

- Peterborough County coordinates procurement activities and RFPs for legal services on behalf of the eight lower-tier municipalities, depending on interest and need for specialized legal services.
- By collaborating on the procurement of these services, the County and its member municipalities save at a minimum 5% on the cost of these services through economies and scale and more competitive bids from qualified legal firms and service providers.
- For example, the County of Peterborough, Selwyn Township, Township of Douro-Dummer, and Township of North Kawartha issued an RFP for qualified legal services on an as-needed basis for general law, municipal finance, tax, and assessment, environmental law, real estate law, construction law, municipal planning, labour and employment law, general civil litigation, etc.
- The County also issued an RFP for a qualified legal firm to review and update the County's current purchasing policy and update the County's procurement templates. However, with the Frontenac Municipalities bringing this service in house through a Legal Services Coordinator, this type of service would not need to be outsourced.



Regional Municipality of Niagara

- The Towns of Fort Erie and Lincoln, as well as the Township of West Lincoln in the Regional Municipality of Niagara shared an in-house Solicitor and Law Clerk.
- These positions are based out of the Town of Fort Erie but are used across the municipalities in lieu of contracted legal services.
- The Town Solicitor and Law Clerk coordinate all property and law matters on behalf of participating municipalities, provide legal advice to Council and staff, and represent the Towns and Township in legal proceedings.
- In the long-term, the municipalities could consider moving to a similar model, where interested municipalities could share an in-house Municipal Prosecutor or Solicitor in addition to the Legal Services Coordinator.
- It would not eliminate the need to contract specialty legal advice outside of Municipal Law, such as Environmental Law or Labour Relations, but it could reduce contract costs.



Human Resources Coordination

Initiative Overview

Description

Each Frontenac municipality offers human resource and employee benefit services differently. This initiative would create an inter-municipal working group to support standardization of policies and practices, with a view to achieving operational efficiencies and savings. Central Frontenac has experienced success in outsourcing their HR functions. North Frontenac and Frontenac Islands would experience both productivity improvements and service benefits by also outsourcing their HR functions. Lastly, South Frontenac and Frontenac Islands benefit from participating in an employee benefits consortium. The remaining communities should explore entering this consortium to decrease prices and reduce risk exposure.

High Level Structure

- 1 Create an inter-municipal HR working group of staff to share best practices and support knowledge transfer.
- 2 For North Frontenac and Frontenac Islands, explore outsourcing HR services for cost savings and service improvements.
- 3 Pool benefits by expanding the consortium that South Frontenac and Frontenac Islands already participate in.

Benefits Overview

Total Savings (Dark Green) and Productivity Gains (Light Green)

South Frontenac	\$31,000	NA
Central Frontenac	\$16,000	NA
North Frontenac	\$8,500	\$60,000
Frontenac Islands	\$2,500	\$8,000
County	\$194,000	NA
Total	\$253,000	\$68,000

One Time Costs

Benefits Consultant	\$128,000
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Other Benefits

- There will be increased coordination between communities through the working group, which will help improve service outcomes.
- For North Frontenac and Frontenac Islands, they will have access to HR professionals and be less dependent on senior leadership for this service.
- By pooling benefits, all communities will decrease their risk exposure.

Initiative Overview

OPERATING CONSIDERATIONS

PEOPLE

- Outsource HR functions for North Frontenac and Frontenac Islands.
- This would relieve some tasks from senior staff in North Frontenac, and from the CAO in Frontenac Islands, allowing them to perform other strategic municipal work.
- Create an inter-municipal working group to support HR functions.

PROCESS AND GOVERNANCE

- Hire a benefits consultant to support the coordination of pooling benefits.
- The participating Frontenac municipalities could also consider an Administrative Services Organization (ASO) model with neighbouring municipalities, including Lennox & Addington, to pursue pooled benefits.

RISKS AND BARRIERS

- **Financial return of pooling benefits:** While Elgin municipalities that entered the consortium experienced savings from 5% to 10% depending the size of the employer and the individual groups' claims patterns, it is possible that Frontenac municipalities do not receive the same benefit. However, regardless of immediate financial return, pooling benefits will decrease risk for each community.
- **Timing on pooled benefits:** As mentioned by staff during the workshop, some communities have recently switched benefits providers. This may negatively impact the rates provided by new providers. As a result, this initiative has been implemented over a longer time period to account for this barrier.

IMPLEMENTATION TIMELINE

Activities

Explore outsourcing HR functions for North Frontenac and Frontenac Islands

Create Cross Municipal HR Working Group

Communities Join L&A County Wide Plan

Year 1

Year 2

Year 3

Year 4



Exploring Outsourcing Human Resources for North and Islands

Central Frontenac has outsourced their HR functions to a third-party provider. They have quality services at a lower cost than North and potentially the Islands per capita.

Third Party Services Provided to Central Frontenac

- Employment agreements;
- Policy manual development;
- Compliant job evaluation and pay equity maintenance;
- New hire reference checks, offer preparation, on-boarding via online resource and hard-copy file preparation;
- Ongoing maintenance of current policy manual to ensure its fully compliant from a human resource and health and safety perspective;
- Maintain alignment of organizational charts;
- Employee training required from a regulatory perspective (AODA, WHMIS, workplace harassment prevention, and health and safety);
- Training database and tracking;
- Automated performance appraisals;
- Absence reporting and tracking (vacation, sick days, lieu-time);
- Corrective action documentation;
- Digital employee file coordination; and
- Personal human resource dashboards for every employee and fully supported administrative control.

If the Central Frontenac outsourced model was applied to North and the Island, we estimate the following benefits:

North Frontenac

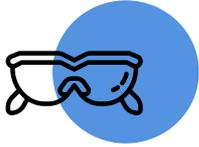
- It is likely that North Frontenac outsourced contract would be less than Central's.
- Even if it wasn't, North Frontenac would save approximately **\$60,000 per year primarily in staff time.**
- In addition, the CAO and CAO's Executive Assistant would have more capacity to complete their main responsibilities.

Frontenac Islands

- While it is unclear exactly how much time and resources Frontenac Islands commits to its Human Resource functions, we have estimated it at \$20,000 of Administrative Services' budget of \$60,000.
- We assume that the service would be half the price of Central Frontenac's services. This would save the community **\$8,000 per year primarily in staff time.**
- In addition, the CAO would have more capacity to complete strategic work.

Inter-Municipal Working Group

In addition of exploring how some communities operationalize their HR functions, we suggest the Frontenac communities create a working group to support the larger human resource challenges that each community is facing. Key areas of focus would include:



Health and safety policies and training – Each community must create health and safety policies and train their staff in these policies. The communities can collaborate on creating standardized polices and training sessions. This will support compliance and staff productivity.



Human Resource Frameworks – Each community must also create similar human resource frameworks (i.e. pay equity frameworks). As legislation and municipal requirements, this working group would ensure that Frontenac communities are sharing resources for similar required frameworks.



General Training – There has been some collaboration between communities for general professional training. This working group would increase training opportunities across municipalities. This will improve professional development for all Frontenac communities' staff.



Knowledge Transfer – This working group would also facilitate knowledge transfer. Each community has different service levels for human resources. The focus of this working group would be to discuss issues facing each community and get advice from each of the different communities.

Other services such as Fire and Treasury have experienced the benefits of creating similar working groups to support collaboration in Frontenac.

Benefits of Pooling Employee Benefits

Industry research has demonstrated the benefits of pooling employee benefits to increase buying power.

Industry Research

Industry research demonstrates the benefits of pooling employee benefits.

- In almost all cases, the annual rates or premiums in a pooled product will be lower compared to a traditional benefits plan (standalone).
- This funding method is an effective way to mitigate, or maybe even eliminate, the unpredictable and sometimes out of control rate adjustments.
- Target loss ratios are what the insurance companies use to determine annual rate changes of a company's health and dental plan. As the number of participating groups or employees grow (pooling), the target loss ratio increases. A higher target loss ratio means that group's rates will trend lower annually – not just a one-time savings.
- An industry study demonstrated 10% annual savings for companies that pooled benefits.¹

Public Sector Application

Ontario Government sees the advantages of pooling benefits in the BPS.

- In 2019, the Treasury Board announced it will begin consultation with the BPS on how to pool employee benefits.
- According to estimates, a fully-realized pooling of benefits model in the public sector could realize up to \$115 million in savings by accessing economies of scale, driving cost savings and identifying administrative efficiencies.
- In 2012, the Liberal provincial government saw the benefit of pooling BPS. However, was unable to implement this initiative.

Insurance pooling is a practice wherein a group of small firms join together to secure better insurance rates and coverage plans by virtue of their increased buying power as a block.

Municipal Examples of County Pooled Benefits

Elgin County and Perth and Huron Counties and their local municipal partners have established benefits consortiums and experienced tremendous benefit.

Elgin County

- Elgin County and six of its seven local municipal partners participate in a benefits consortium that was established 25-years ago.
- The broker of the consortium estimated that municipalities that entered the consortium experienced savings from 5% to 10% depending on the size of the employer and the individual groups claiming patterns.
- The member municipalities of this consortium have different plans and labour units. Each municipality can build custom plans that meets their needs.
- For all communities, they are experiencing less risk exposure especially in the event of a long-term disability claim or an expensive medical treatment (multiple sclerosis, Parkinson's, etc.)

Perth and Huron Counties

- The counties of Perth and Huron, their local municipal partners, and other area public sector organizations are part of one benefits consortium.
- This consortium has moved to a self funding model in which premiums are managed by the consortium.
- In conversations with North Perth, who recently joined, they were experiencing double digit increases in their renewals. Since joining the consortium, they have been able to maintain the same price for renewals while improving coverage.
- The member municipalities of this consortium have different plans and labour units. Each municipality can build custom plans that meets their needs.
- Huron and Perth Counties have a governance structure composed of member municipalities. This consortium looks to expanding membership

Counties and municipalities across Ontario have demonstrated the feasibility of entering and maintaining a benefits consortium to reduce costs.

Benefits Consortium Pooling Benefits and Costs

Outlined below are the expected benefits of pooling benefits. For communities currently providing benefits alone a savings of 7.5% were estimated. For South Frontenac and Frontenac Islands, who are in a consortium, savings of 2.5% were estimated as a larger pool would drive down costs. In addition, all communities would have better risk exposure coverage.

Employee Benefits					
County	South Frontenac	Central Frontenac	North Frontenac	Frontenac Islands	
Current Cost	\$2,588,000	\$1,251,638	\$215,863	\$114,000	\$101,640
Savings	7.5%	2.5%	7.5%	7.5%	2.5%
Total Annual Savings	\$194,100	\$31,290	\$16,190	\$8,550	\$2,541
One Time Costs					
Costs	Rationale				
Employee Benefits Consultants	\$128,000	• In conversations with employee benefits consultants, a 3% commission is a standard charge.			



Considerations

- We recommend the municipalities hire a benefits consultant to support capacity of implementing this part of the initiative and the consultant would have the necessary expertise.
- The benefits consultant should explore broadening membership to the Lennox and Addington County Wide Plan that South Frontenac and Frontenac Islands already participate in.
- The Committee should also review when they last updated their benefits as it will affect pricing.



Appendix B: Resident Survey Results

Survey Background

Between June 22nd and July 6th 2020, an electronic survey was made available on each Frontenac municipality's website to obtain resident feedback on the publicly facing service delivery review initiatives identified as high priority during the current state assessment process. The goal of the Public Engagement Survey was to engage residents and community associations in the Service Delivery Review process and allow them to voice their perspectives and opinions on what they consider most important for the future of the Frontenac municipalities.

Survey Process

The survey consisted of 2 questions. Firstly, respondents ranked each public facing initiative on how to prioritize opportunities for municipal collaboration, and secondly, respondents provided written feedback on each initiative. The initiatives included:

- **Enhanced Collaboration on Roads & Bridges** - Improving collaboration on operational and administrative functions of road and bridge maintenance could reduce expenditures and improve access to provincial funding.
- **Fire Services Collaboration** - The Frontenac municipalities have identified opportunities to share approaches to fire services, and increased collaboration could yield significant savings and improve service levels.
- **Waste Management Services** - Greater inter-municipal collaboration of waste management services, such as sharing resources and coordinating transfer and hauling services, could reduce administrative burden and costs and meet growing demand.
- **County-wide By-law Enforcement** - The Townships have identified a need to improve By-law enforcement services, and a collaborative and consistent approach across the County could reduce costs and improve services for residents.
- **Building & Septic Inspections** - The Townships will be responsible for Septic Inspections and to minimize associated costs for training and operations, as well as streamline the process for customers, the Townships could jointly structure this service in advance.



Online survey
responses



Written
response



Completion rate

Survey Major Findings

Outlined below are the major findings of this survey. The following section contains specific insights based on the individual initiatives.



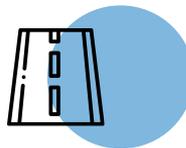
Fire Services

- Tied for the highest average priority ranking from residents (3.6)
- 29% and 32% indicated that this was their second highest priority and top priority respectively



By-law

- Received a lower priority ranking (2.4)
- Most respondents indicated that by-law and septic inspections were their two least priorities



Enhanced Collaboration on Roads & Bridges

- Tied for the highest average priority ranking from residents (3.6)
- 33.33% of respondents (40) indicated that this was their top priority – this was the highest of all responses



Building and Septic Inspections

- Received the lowest priority ranking (2.3)
- Over 40% of respondents indicated that this was amongst their lowest priority issue areas



Waste Management

- Received a high average priority ranking of 3.2
- 37% of respondents ranked this as a third priority



Appendix C: Cost Benefit Assumptions

Waste Management

Outlined below are the assumptions used to complete this initiative's cost benefit analysis.

Assumption	Assumption Rationale
Grinding Services	<ul style="list-style-type: none">• Each community tenders their own grinding services. We have assumed that all communities tenders this service collectively.• We have estimated that by doing a collaborative tender, each community would save 10% on their current grinding spend.
Compacting Services	<ul style="list-style-type: none">• North Frontenac is the only community that has compacting equipment. This equipment is mobile.• Other communities do not have access to this equipment in-house and rely on third-party providers for this service.• North Frontenac could share this equipment with other communities. North Frontenac would charge communities for the joint maintenance and transportation of this equipment.• The other communities would experience savings by not contracting this services.
Recyclables Hauling (Central and North Frontenac)	<ul style="list-style-type: none">• Currently, North Frontenac and Central Frontenac independently haul their recyclable materials to recyclable facilities.• If they collaborated on recyclable hauling, there would be gains in staff productivity and maintenance costs.

By-Law Services Coordination

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
Productivity gains	<ul style="list-style-type: none">• We used estimates of 20% to arrive at productivity gains for staff as a result of improved provisions in a new joint contract, with required stipulations for reporting, data collection, and follow-ups and reminders.• There is the potential for this improved contract, as well as AMPS, to drive “dark green” dollar savings, as well as new revenues, as the municipalities work towards a cost recovery model.• Based on information provided by staff based on hours spent per file, we multiplied the wage rate of each effected staff member * the number of hours spent per file * the number of files.• Where the number of files were unknown (as FMLE does not provide this information either), we used North Frontenac as a proxy and made estimates based on population size.

Human Resources Coordination

Outlined below are the assumptions used to complete this initiative's cost benefit analysis.

Assumption	Assumption Rationale
Outsourcing HR	<ul style="list-style-type: none">• North Frontenac would be able to receive a similar cost of service for outsourced HR services as Central.• Frontenac Islands would receive half the cost as Central for outsourced HR services because of the size of the municipality.
Employee Benefits Consortium	<ul style="list-style-type: none">• For those communities not participating in an employee benefits consortium, they will experience 7.5% reduction. This is based on Elgin's experience.• For those already participating, they will experience a 2.5% because of the larger pool.

Coordinating Building and Septic Services

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
Regional Chief Building Official’s Salary	<ul style="list-style-type: none"> We have assumed that this person’s salary would increase by \$10,000 for the increased responsibilities.
Building Officers’ Salary and Overhead	<ul style="list-style-type: none"> Using information on PayScale, we found that Building Inspectors in Canada typically make between \$50,000 - \$83,000. We have assumed that this position would be payed \$60,000. This is in line with the Canadian range and less than the current salaries of the two Chief Building Officers. For these new positions, we have assumed associated overhead at 30% of salary.
Administrative Staff’s Salary and Overhead	<ul style="list-style-type: none"> Reviewing salary information for the Frontenac communities, we have estimated Administrative Support salary at \$45,000. For this new position, we have assumed associated overhead at 30% of salary.
Septic 8 Revenues	<ul style="list-style-type: none"> We have assumed the same fee structure would be used by the Frontenac communities that were used by KFL&A. We have projected a 5% increase (historic year over year increase) to the 2019’s septic 8 revenues for North Frontenac, Central Frontenac, and Frontenac Islands to project revenues at \$185,000.
Frontenac Islands’ Building Permits Revenue	<ul style="list-style-type: none"> As Frontenac Islands would use this Regional Service as their building inspecting service, we have assumed that the building inspection revenues would be used for this service. 2019 Frontenac Islands building inspection revenues were \$33,000. This was used as the 2020 estimate.

Fire Services

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
CF: Not requiring to purchase three pumper units	<ul style="list-style-type: none"> Central Frontenac has stated it will need three pumper units within the next four years. Through interviews with South Frontenac staff, if the service was integrated, one pumper fleet could be reallocated to meet Central Frontenac's need. We have estimated a used pumper unit to cost \$500,000. That is a for a basic unit. Pumpers can cost up to \$1 million.
CF and SF: New Administrative Assistant	<ul style="list-style-type: none"> We have used Central and South’s staffing grid to estimate a salary of \$45,000 for this new position. We used a 30% overhead benchmark. The total cost of this new position would be \$58,500.
CF and SF: Joint Location Studies	<ul style="list-style-type: none"> We have estimated that a fire location study would cost the municipalities \$10,000 each to perform. If done together, each municipality would save \$5000.
CF and SF: Reducing facility operation costs	<ul style="list-style-type: none"> A South Frontenac staff study found that the services could save \$10,000 annually in facility operation costs if the two services were integrated.
CF and SF: Reducing staffing costs	<ul style="list-style-type: none"> Through an integrated service, Central Frontenac would not need to hire a full-time chief. However, they would pay for half of South Frontenac’s Chief salary. South Frontenac’s would reduce its Chief salary by half.
CF and SF: Fleet operation cost reductions	<ul style="list-style-type: none"> A South Frontenac staff study found that the services could save \$10,000 annually in fleet operation costs if the two services were integrated.
CF and SF: New program revenues	<ul style="list-style-type: none"> A South Frontenac staff study found that the services could save \$10,000 annually in new program revenues if the two services were integrated.
Training	<ul style="list-style-type: none"> Productivity gains were calculated by multiplying each services staff wage by 400 hours. 400 hours was the estimate from Kaladar Barrie Fire Chief on the savings of collaborating for recruit training. Central and South savings were divided evenly as this was assumed to be a joint service.

Legal Services Coordination

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
Staff time and productivity losses	<ul style="list-style-type: none"> Based on experiences with existing processes, it was estimated that the Deputy Clerk in Central Frontenac can spend up to 3 hours per day on legal services tasks, such as legal inquiries, contract review, and other legal support services related to planning and real estate because of their experiences. This is reflected in Central Frontenac’s lower non-recoverable legal spend on average than the other Frontenac municipalities. Using this as a benchmark, we estimated that for the remaining Frontenac municipalities, effected staff across the County of Frontenac, Frontenac Islands, North Frontenac, and South Frontenac (Clerk/Planning Manager/CAO/Treasurer) could spend approximately 0.75 hours per day performing similar functions, relying more on external legal counsel, which is reflected in higher non-recoverable annual legal spend. Using the median wage rate of effected staff across the other Townships, we estimated the total staff time per annum spent on these functions.
Legal Services Coordinator	<ul style="list-style-type: none"> Job postings for an experienced Law Clerk for the City of Kingston indicated a salary range of \$45,000 - \$60,000 (without administrative overhead). We used the upper range of the salary range to account for the experience necessary to coordinate on behalf of all the Frontenac municipalities, and to attract a qualified candidate. Administrative overhead is included in the cost benefit calculations.
Cost reductions	<ul style="list-style-type: none"> Based on Senior Advisor experience in the municipal sector and industry research, it was estimated that the Frontenac municipalities could save 35% on the base load legal expenditure by retaining a qualified Legal Services Coordinator. An additional 5% could be saved on the average non-recoverable legal spend in the procurement of legal services through joint RFPs, which would be prepared and coordinated by the Legal Services coordinated.

Collaborative Procurement

Outlined below are the assumptions used to complete this initiative's cost benefit analysis.

Assumption	Assumption Rationale
Savings from Collaborative Procurement	<ul style="list-style-type: none">• In both case studies, Peterborough County and the York Region N6 found savings of 5 – 10% through the collaborative purchasing of commodities and services.• Reports produced by OEMC and other cooperative purchasing organizations indicated that savings could range from 18% - 60% depending on the commodity type or service (End user computer to office supplies, respectively), so we included an additional savings range of 15% to capture the upper-range of potential savings.
Procurement Specialist	<ul style="list-style-type: none">• Job postings on Indeed and LinkedIn for a Procurement Specialist in the private sector include salary ranges from \$60,000.00 - \$90,000.00 depending on experience level and qualifications. This does not include Administrative Overhead, but 30% overhead is included in the cost benefit analysis.

Integrated Digital Strategy

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
Records Management Costs – Staff Time	<ul style="list-style-type: none">• Senior Leadership were requested to estimate how much time staff spent across the organization on three key functions related to records management: 1) retrieving documents; 2) filing and/or re-filing; 3) making copies and storing those copies.• Based on those estimates, we multiplied the time spent by affected staff x the median wage rate for the municipalities x the number of effected staff.• Where Senior Leadership estimated the amount of time spent was for the whole organization, the formula was adjusted to time spent x the median wage rate.
Records Management Costs – Physical Storage	<ul style="list-style-type: none">• Using 2019 budget actuals, we estimated the annual operating costs for the main buildings.• In some instances, some budgets had annual costs assigned to Building Maintenance or Facilities Services.• In other instances, we requested estimates of operating costs for in scope facilities.• During subsequent interviews, Senior Leadership were requested to estimate the square footage (or percentage of total square footage of a facility) dedicated to physical storage, and that percentage was multiplied by the estimated annual operating costs to quantify the “costs” of physical storage as a result of current records management policies and practices.

Policy & Process Harmonization – Development Services

Outlined below are the assumptions used to complete this initiative’s cost benefit analysis.

Assumption	Assumption Rationale
<p>Committee of Adjustment Costs – Minor Variance – Staff time</p>	<ul style="list-style-type: none"> • Staff provided a process map of the current Committee of Adjustment process for Minor Variances and Consents. • Using this process map, as well as estimates of staff time collected throughout the stakeholder engagement process, we estimated the amount of time per activity as outlined in the process map. • These activities were simplified substantially by grouping them into common activities to attempt to capture the over 100+ step process, and appeal processes were not included in the time estimates. • Using the median wage rate for each municipality and the County currently under the shared service agreement, we estimated the cost of staff time for 1 application. • Using a benchmark of 225 applications, with approximately 45% of those applications for minor variance approvals, we estimated the total number of applications per municipality (based on population) and based on collective work effort of Township staff and County staff, arrived at estimates of total staff time per year on minor variance approvals through the CoA process. • This benchmark was used as data on the number of Committee of Adjustment applications (and % of minor variance approvals) for North Frontenac, Frontenac Islands, and Central Frontenac was limited. Assuming that the total number of applications for all three municipalities would be relatively equal to those received by South Frontenac (225), the estimates above were made.
<p>Records Management Costs – Staff time</p>	<ul style="list-style-type: none"> • Staff provided anecdotal experiences to quantify the amount of time it can take to prepare for the pre-application process as a result of varied approaches to records management across the municipalities. • It can range from 30-minutes to 10+ hours depending on the complexity and size of the roll file, and whether information is lost or must be recreated.



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