



**MUNICIPALITY OF MARKSTAY-WARREN**

# **Municipal Modernization Review**

**Final Report**

*Submitted by:*

**Performance Concepts Consulting**  
124 New Street  
Uxbridge, ON L9P 1K9  
[www.performanceconcepts.ca](http://www.performanceconcepts.ca)

*Submitted to:*

**Municipality of Markstay-Warren**

**Attn: Rheal Forgette,**  
**CAO/Clerk**  
21 Main Street South  
P.O. Box 79  
Markstay, ON P0M 2G0

**September 2020**

# Table of Contents

<b>1.0</b>	<b>Preamble</b>	<b>1</b>
<b>2.0</b>	<b>Executive Summary</b>	<b>2</b>
<b>3.0</b>	<b>Introduction</b>	<b>4</b>
3.1	Introduction & Context for the Review .....	4
3.2	Provincial Fiscal/Budgetary Realities .....	5
3.3	Asset Management Pressures and Ontario Reg 588/17 .....	7
<b>4.0</b>	<b>Methodology</b>	<b>8</b>
4.1	Doing the Right Things. Doing Things Right. ....	8
4.2	Documenting the Markstay-Warren “As Is” Model for Service Delivery.....	9
4.3	Consulting with Markstay-Warren Staff, Council & Sudbury East Neighbours .....	9
4.4	Site Visit and Facilities Evaluation .....	9
4.5	Designing the “As Should Be” Service Delivery Model & Organization Design .....	9
4.6	Peer Municipal Peer Benchmarking.....	9
4.7	Stress-Testing of Draft Recommendations .....	10
4.8	Finalizing Recommendations and Building the Implementation Roadmap .....	10
4.9	Final Reporting to Council .....	10
<b>5.0</b>	<b>Service Delivery “As Is” Profile</b>	<b>11</b>
5.1	Public Communications.....	11
5.1.1	Website: Markstay-Warren.ca.....	11
5.1.2	Community Newsletter .....	12
5.1.3	Other Communications Challenges Re. Economic Development .....	13
5.2	Public Works .....	14
5.2.1	Operations and Organizational Design .....	14
5.2.2	Equipment and Facilities .....	15
5.2.3	Public Works Data Management Challenges.....	18
5.3	Office Administration/Treasury .....	19
5.3.1	Workflows and Organizational Design.....	19
5.3.2	Data Management Processes/Challenges .....	20

5.4	Fire Department.....	21
5.4.1	Facilities and Equipment.....	21
5.4.2	First Line of Defence .....	25
5.4.3	Suppression and Emergency Response .....	25
5.5	Shared Services .....	27
5.5.1	The Rationale & Benefits of Service Sharing.....	27
5.5.2	Building & Planning Services .....	27
5.5.3	Fire and Emergency Services .....	29
5.5.4	Public Works .....	29
5.5.5	Other Existing Service Sharing/Pooling Arrangements.....	29
6.0	<b>Service Delivery Peer Comparators</b>	<b>30</b>
6.1	Municipal Comparator Selection .....	30
6.1.1	Peer Municipal Selection Criteria.....	31
6.2	Comparisons by Service Category.....	32
6.2.1	Public Works – Transportation (Property Tax Funded Programs) .....	32
6.2.2	Public Works – Environment (Rate Funded Programs) .....	33
6.2.3	Public Works .....	34
6.2.4	Fire Department.....	35
6.2.5	Corporate Administration .....	36
6.2.6	Peer Comparison Implications for Markstay-Warren.....	37
7.0	<b>“As Should Be” Findings &amp; Recommendations</b>	<b>39</b>
7.1	“As Should Be” Public Communications .....	39
7.1.1	Citizens .....	39
7.1.2	Existing Business .....	40
7.1.3	Potential Investors .....	41
7.2	“As Should Be” Public Works .....	42
7.2.1	Consolidated Operations Model .....	42
7.2.2	Facilities Consolidation/Asset Management .....	43
7.3	Corporate/Treasury + Frontline Operations Data Flows: Managing for Results .....	45
7.3.1	Frontline Data Systems & Decision Making “Better Practices” .....	45

7.3.2	Measurement Challenge Re. Data Management Efficiencies.....	48
7.4	“As Should Be” Fire Halls/Facilities & Equipment.....	49
7.4.1	Fleet Rationalization .....	51
7.4.2	Fire Suppression and Emergency Response/Rescue .....	52
7.5	Shared Services .....	53
7.5.1	Fire: First Line of Defence Sharing (Markstay-Warren as Seller).....	53
7.5.2	Fire: Shared Chief/Training Regime/Dispatch.....	53
7.5.3	Sudbury East Planning and Building Services Board.....	54
7.5.4	Towards Future Service Sharing Deals.....	54
7.5.5	Public Works/Engineering Technical Services .....	55
7.5.6	Shared Treasurer/Financial IT Systems.....	56
8.0	<b>Implementation Road Map</b>	<b>57</b>
8.1	Relentless Focus on Execution .....	57
8.2	Public Works - Operations .....	57
8.3	Public Works – Facilities Consolidation.....	58
8.4	Administration - Data Management and Workflow .....	59
8.5	Fire Department – Facility/Hall Rationalization.....	60
8.6	Fire Department - Fleet Rationalization.....	61
8.7	Fire Department - Shared Service Opportunities .....	61
8.8	Service Sharing Technical Working Group .....	62
8.9	Public Communications.....	62
8.10	Third-Party Progress Assessment .....	63
9.0	<b>Conclusions &amp; Moving Forward with Change</b>	<b>64</b>

## Preamble

---

Performance Concepts was retained by the Municipality of Markstay-Warren in April 2020 to undertake an evidence-based service delivery review under the auspices of the Province's Municipal Modernization Grant Program.

The COVID-19 state of emergency has impacted the execution of the Markstay-Warren service delivery review. Council interviews, staff interviews and stakeholder consultations were executed using online platforms with limited scope for interaction compared to face-to-face approaches used pre-COVID-19 for similar assignments. As the COVID-19 recovery in Ontario moved into Stage 3, the Performance Concepts team was able to carry-out a July site visit to Markstay-Warren. We were able to collaborate with the Mayor and senior staff to review a range of municipal facilities and discuss/refine potential service delivery improvement opportunities.

While COVID-19 has impacted the execution of this Review, it has not compromised the validity of our independent 3<sup>rd</sup> party Findings and Recommendations contained in this Final Report. The Performance Concepts team is confident that this report meets all of the RFP deliverables set out by Markstay-Warren and satisfies the requirements of the Province's Modernization Review Funding Agreement.

Finally, Performance Concepts acknowledges the grit and resilience of Markstay-Warren Council and staff in moving this important project forward while simultaneously coping with the operational and public safety challenges posed by the pandemic.

## Executive Summary

The 2020 Markstay-Warren Modernization Review has been successfully executed by the Performance Concepts Consulting team. This Final Report has documented the “As Is” service delivery model and makes a range of “As Should Be” performance improvement recommendations. These recommendations have been organized into a phased *Do Now-Do Soon-Do Later* Implementation Roadmap.

Some of this Modernization Review’s performance improvement recommendations are within the exclusive purview of Markstay-Warren Council and staff to implement. Other recommendations will require shared service coordination with Sudbury East municipal partners.

The need for this Modernization Review to generate significant/transformational change is demonstrated in the figure below. Post-COVID Provincial debt levels are going to re-define the financial relationship with municipalities.

### The COVID-19 New Abnormal: Crushing Senior Government DEBT Loads

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• The Province forecast a 2020-21 deficit of \$21 BILLION in March</li> <li>• The Fraser Institute predicted the deficit will be \$29 BILLION (April 2020)</li> <li>• The Province’s independent Financial Accountability Officer has predicted a \$41 BILLION deficit (May 2020)</li> <li>• Province just confirmed \$38.5B (August 2020)</li> </ul> | <ul style="list-style-type: none"> <li>• Province is looking at the Municipal Modernization Program to source significant \$ savings.</li> <li>• Is Markstay-Warren ready to embrace significant change to buffer upcoming fiscal turbulence?</li> </ul> |
|--|--|

The Province’s mandated asset management program (O Reg. 599/17) represents a second financial challenge for Markstay-Warren. Fire stations (3) and Public Works Yards (2) are fast approaching the end of their useful lifecycles. Replacement of “status quo” assets is unaffordable and operationally inefficient.

Performance Concepts has designed facility consolidation options for Markstay-Warren that will generate significant asset replacement cost avoidance benefits. As noted in the tables below, approximately \$3M in lifecycle replacement costs can be avoided with negligible service level impacts.

**Capital Cost Avoidance Return on Investment (ROI) – PUBLIC WORKS CONSOLIDATION**

	Two Yard Status Quo – “As Is” without growth capacity	Consolidated – Conventional Construction	Consolidated – Fibre/Membrane Construction
Asset Management Capital Replacement Cost	\$1,612,000	\$0	\$0
New Capital Cost \$	\$0	\$2,340,000	\$900,000
Cost Avoidance Efficiency \$	\$0	(\$728,000)* with additional 2,875 sq. ft. of growth capacity	\$712,000 with additional 2,875 sq. ft. of growth capacity

**Capital Cost Avoidance Return on Investment (ROI) – FIRE HALL CONSOLIDATION**

	3 Hall Status Quo	Hall + Satellite Bay Conventional Construction	Hall + Satellite Bay Fibre/Membrane Construction
Asset Management Capital Replacement Cost	\$4,947,210	\$0	\$0
New Capital Cost \$	\$0	\$2,869,020	\$2,639,520
Cost Avoidance Efficiency \$	\$0	\$2,078,190	\$2,307,690

Implementation of operational, data management and org-design improvements will require focused and persistent attention over the next five years. The creation of shovel-ready facility consolidation capital projects should be a Do Now/Do Soon priority – thereby ensuring readiness for an upcoming Federal/Provincial/Municipal infrastructure program. Service sharing solutions with Sudbury East partners should also be considered on a priority basis via a Services Sharing Technical Working Group (SSTWG).

SERVICES SHARING TECHNICAL WORKING GROUP	
Do NOW Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Engage Sudbury East municipalities around service sharing Recommendations in this Report and create timeline for establishing/resourcing the Services Sharing Technical Working Group. Working Group to consider the following: <ul style="list-style-type: none"> <li>Shared Treasurer + Common Accounting/MMS IT solution</li> <li>Merger of Planning Commission/Existing Shared Building staffing model</li> <li>Engineering Services from Sudbury</li> <li>Sharing specialized Public Works equipment (e.g. Graders)</li> <li>Shared Fire First Line of Defence</li> <li>Sharing Fire Training Opportunities</li> <li>Shared Fire Chief</li> </ul> </li> <li>Initiate approved workplan/structure for the Services Sharing Technical Working Group &amp; secure 3<sup>rd</sup> party implementation expertise</li> </ul>
Do SOON Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>Implement additional high-priority service sharing opportunities identified/vetted by the Services Sharing Technical Working Group</li> </ul>

A 3<sup>rd</sup> party implementation progress assessment in the Fall of 2021 will ensure the recommended change roadmap has achieved the required momentum to secure the modeled cost avoidance and performance improvement benefits.

## 3.0 Introduction

### 3.1 Introduction & Context for the Review

Markstay-Warren is a single tier municipality located within the Sudbury East region. The municipality is situated 40 kilometres east of Sudbury along Highway 17. The Markstay-Warren 2016 census population was approximately 2,650 residents. The municipality was created via amalgamation in 1999. The primary settlement areas of Markstay and Warren are separated by a 15-kilometre tract of undeveloped and mostly uninhabited land. The Municipality's built form therefore projects as more than one "place".

The Municipality of Markstay-Warren funds/delivers the following portfolio of municipal services:

- Local roads (including winter and non-winter maintenance)
- Fire & Emergency Services
- Building Permits & Inspections
- By-law Enforcement
- Parks and Recreational Services
- Solid Waste Collection and Disposal
- Library Services (Governed by a Library Board)
- Potable Water Supply (within the Village of Markstay and Village of Warren only)
- Wastewater/Sewage Collection (within the Village of Warren only)
- Planning Services are delivered by a Sudbury East Planning Board
- Police Services are contracted to the OPP

Houses in Markstay-Warren are taxed at 1.2% of their Current Value taxable assessment, a significantly lower property tax rate/burden than houses in Sudbury with the same assessment. The Performance Concepts team has taken note of this economic development "pricing advantage" when conducting this review.

Sudbury is experiencing ongoing development moving eastward; paced by the 4-laning of Highway 17 towards Markstay-Warren. This Sudbury growth pattern makes it likely that any development "spillover" into Markstay-Warren will be located at the west-end of the municipality. The west-end of Markstay-Warren could become a well-positioned commuter location for future residents working in Sudbury and seeking affordable housing (with a lower tax burden) within a manageable drive time. The Fire Station/Public Works facility siting recommendations put forward in this report have been informed by this potential growth pattern.

## Weathering the COVID Storm

As noted in the Preamble to this Report, the Performance Concepts team has executed the bulk of the approved work plan using an online delivery platform. Once Markstay-Warren entered Phase 3 of the post-COVID recovery our team was able to execute a necessary and important site visit to evaluate a range of municipal facilities (i.e. Fire Halls, Works Yards, Administrative Offices) and other relevant properties. Despite the challenges posed by closed municipal offices, social-distancing and infection control protocols (e.g. masks) our team has been able to complete the Review on time and on budget. Markstay-Warren staff have been cooperative, responsible, and flexible throughout the Review period. Staff from Sudbury East neighbour municipalities, and special purpose bodies like the Planning Board and the shared Chief Building Official, have also cooperated fully with this Review.

## 3.2 Provincial Fiscal/Budgetary Realities

The Province's Municipal Modernization Grant Program pre-dates the pandemic. The stated intent of the Provincial program is to support municipalities that are committed to identifying and implementing service delivery efficiencies. In the professional opinion of the Performance Concepts team, Modernization Review efficiencies are best measured by using a blend of the following performance lenses:

- Operating cost reduction/cost avoidance secured while maintaining an existing level of service.
- Capital cost reduction/avoidance secured via rational asset/facility management decisions.
- Process execution/staff productivity improvements secured via LEAN style streamlining and IT driven service delivery innovations.
- Fixed-cost burden sharing of staff positions, equipment, IT systems and facilities across neighbouring municipalities.

Pre-COVID, public statements by the Premier indicated that Municipal Modernization Program efficiency dividends of 4% to 5% of targeted spending were expected. In other words, the Province's Municipal Modernization Program was conceived to secure *incremental \$ efficiencies* across the municipal sector.

Pre-COVID, the Province's incremental improvement model for the municipal sector seemed reasonably scaled and achievable.

But now, in the midst of the pandemic, the context and stakes for Municipal Modernization reviews have changed dramatically.

The figure below is instructive in this regard.

### The COVID-19 New Abnormal: Crushing Senior Government DEBT Loads

- The Province forecast a 2020-21 deficit of \$21 BILLION in March
- The Fraser Institute predicted the deficit will be \$29 BILLION (April 2020)
- The Province's independent Financial Accountability Officer has predicted a \$41 BILLION deficit (May 2020)
- Province just confirmed \$38.5B (August 2020)
- Province is looking at the Municipal Modernization Program to source significant \$ savings.
- Is Markstay-Warren ready to embrace significant change to buffer upcoming fiscal turbulence?

Figure 1 - Provincial Debt

### Provincial Funding Sources the Municipality Relies On

Provincial contributions to the Municipality of Markstay-Warren:

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019*</u>
\$1,842K	\$1,652K	\$1,422K	\$2,711K

\*430K modernization one-time grant

From the current 2020 Budget:

• Ontario Community Renewal Fund	\$ 950K
• Other Ontario Grants	<u>\$ 203K</u>
	\$1,153K

Figure 2 – Markstay-Warren Reliance on Provincial Grants

## 3.3

**Asset Management Pressures and Ontario Reg 588/17**

The Province has mandated a sustainable asset management model for phased adoption across the Ontario municipal sector. By 2023, Ontario municipalities must implement the following asset management model/components:

1. Comprehensive asset inventory.
2. Asset condition ratings.
3. Measurable asset preservation service levels (i.e. asset quality to be maintained over time).
4. Sustainable life-cycle asset management maintenance/capital program.
5. Sustainable rehab/replacement financial plan to maintain service levels & implement life-cycle program.

O Reg 588/17 mandates “good government” sustainable asset management practices and accountable stewardship of taxpayer-funded public assets. Municipalities will no longer be able to “kick the can down the road” by eroding asset quality over time in order to avoid politically or financially difficult life-cycle capital funding commitments. Much work remains to be done across Ontario municipalities (including Markstay-Warren) to meet the mandated requirements of Regulation 588/17 by the fast-approaching 2023 deadline.

While amalgamation *legally* created Markstay-Warren in 1999, the on-the-ground integration of pre-amalgamation facilities, assets and operational practices did not automatically follow. The reality of on-the-ground “amalgamation lag” is hardly unusual. In fact, it is typical for Ontario municipalities to struggle for a decade or more when faced with the challenges of operationalizing a legally executed amalgamation. Historically rooted places/communities continue to exist within a newly amalgamated, somewhat artificial municipality. In the absence of significant financial/political pressure, amalgamations may become stalled.

Inherited pre-amalgamation facilities now represent a somewhat daunting asset management challenge for Markstay-Warren. A municipality with approximately 2,500 residents and negligible industrial/commercial taxable assessment is burdened with three fire stations and two public works facilities that are all approximately fifty years old - near/at the end of their useful lifecycles. The status-quo asset replacement scenario (i.e. five facility replacement capital projects) must be addressed by 2023 in a Markstay-Warren asset management plan - or a consolidated facilities alternative configuration option could be put forward instead.

Taken together, the impacts of a crushing Provincial debt load and the Reg. 588/17 deadline are creating a budgetary “pincer” that is going to compel Markstay-Warren to implement aggressive cost-avoidance and operational efficiencies. Performance Concepts has executed this Modernization review to contribute bold, potentially transformational recommendations to address this new reality. Incremental improvement actions are welcome, but inadequate to address the challenges at hand.

## 4.0

## Methodology

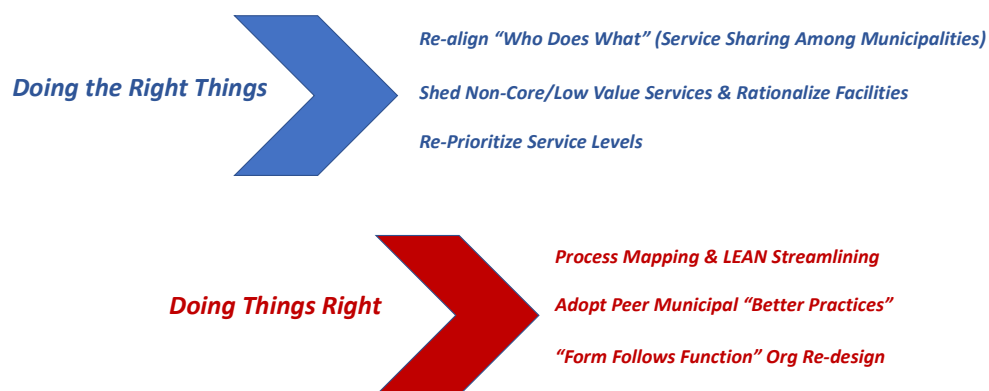
## 4.1

### Doing the Right Things. Doing Things Right.

An effective Service Delivery Review addresses 2 fundamental/overarching questions as per the figure below.

1. Accountable and innovative Municipalities strive to ensure they are ***Doing the Right Things***
2. Accountable and innovative Municipalities strive to ensure they are ***Doing Things Right***

#### ***Principles for Efficient Service Delivery***



**Figure 3 - Doing the Right Things, Doing Things Right**

This Modernization Review has addressed ***Doing the Right Things*** via a "Who Does What" service sharing evaluation with Sudbury East neighbour municipalities - as well as rationalized facilities recommendations.

This Modernization Review has also addressed ***Doing Things Right*** imperatives by assembling a range of operational improvement recommendations dealing with staff deployment, data management practices and organization design.

## 4.2 Documenting the Markstay-Warren “As Is” Model for Service Delivery

The Performance Concepts team has executed a wide-ranging evaluation of the Markstay-Warren “As Is” current state. The “As Is” current state evaluation has included organization design, operational practices and processes, staffing levels, deployment/scheduling models, information management systems, spending profiles, and facilities design/adequacy.

## 4.3 Consulting with Markstay-Warren Staff, Council & Sudbury East Neighbours

A comprehensive set of municipal staff interviews have been executed. Group working sessions were also executed with the Fire management team as well as Public Works. These interviews and working sessions have focused on current state strengths/weaknesses and performance improvement opportunities. Ongoing project coordination/dialogue with the CAO has supported the identification of potential performance improvement and cost avoidance opportunities by the Performance Concepts team.

Council interviews dealing with both strategic performance improvement issues and governance “change” priorities complimented the operational improvement dialogue with staff.

Sudbury East CAOs have been individually consulted regarding potential service sharing opportunities involving staff, equipment, training, and facilities. CAOs also met as a facilitated group to consider a rigorous path forward for implementing service sharing efficiencies and cost avoidance.

## 4.4 Site Visit and Facilities Evaluation

Once the Sudbury East region moved to COVID Stage 3 status, Performance Concepts executed an on-site visit to review the functionality/asset condition of Markstay-Warren’s Fire Stations and Public Works yards. This on-site functionality review (conducted in collaboration with the Mayor and staff) proved to be essential in developing asset management/facility consolidation recommendations presented in this Final Report. Appropriate social distancing and mask usage were practiced during the site visits.

## 4.5 Designing the “As Should Be” Service Delivery Model & Organization Design

Draft Findings and Recommendations for an improved “As Should Be” service delivery model, aligned organization design, rationalized facilities and a go-forward service sharing process were developed as per the approved work plan and RFP deliverables.

## 4.6 Peer Municipal Peer Benchmarking

As per the RFP requirements, a peer municipal benchmarking analysis has been executed. A series of organization-wide and department-specific spending/productivity ratios have been produced for carefully selected municipal comparators. Markstay-Warren spending/productivity ratios have been evaluated and ranked against these municipal peers.

#### 4.7 Stress-Testing of Draft Recommendations

A “draft” package of performance improvement/cost avoidance Findings/Recommendations have been stress-tested with the CAO and appropriate staff prior to submission of this Final Report. Stress testing feedback has informed the final package of Recommendations without compromising the objective 3<sup>rd</sup> party “truth to power” approach taken by the Performance Concepts team.

#### 4.8 Finalizing Recommendations and Building the Implementation Roadmap

An integrated final set of set of Findings/Recommendations was prepared by Performance Concepts and is featured in this Final Report. An Implementation Roadmap has triaged Recommendations into Do Now (2020/2021), Do Soon (2022) and Do Later (2023 and Beyond) phasing categories.

#### 4.9 Final Reporting to Council

This Final Report and accompanying presentation are ready for presentation to Council and appropriate Q&A clarification. Following this Report presentation, the CAO can proceed to report completion to the Province as per Modernization Grant Program requirements.

## 5.0 Service Delivery “As Is” Profile

### 5.1 Public Communications

The Performance Concepts team’s interviews with staff and Council in Markstay-Warren have made it clear that current processes/approaches for public interaction with the Municipality are somewhat inefficient and outdated. For instance, the current “contact list” is maintained by staff on an Excel spreadsheet that must be accessed manually (i.e. no interaction with script-based websites). Municipal staff have not been provided with adequate technical training to update/maintain the municipal website, and there is a blunt acknowledgement that “...if you need information before 9am or after 4pm you can forget it.”

Almost all incoming/outgoing correspondence (i.e. inquiries, complaints, concerns, notices, announcements) requires human intervention and processing. This manual approach speaks to the absence of a Customer Relationship Management (CRM) system and appropriate policies, which in turn leads to inconsistent messaging, information delivery, errors and lags in time-sensitive inquiries. The negative impact of response time lags was brought to the attention of our team during a post-mortem discussion of an Economic Development inquiry that was badly mishandled.

The existing Markstay-Warren public communications toolkit is limited to its website and a free Community Newsletter (issued monthly and released free to the community). Both tools are directly managed by municipal staff. While there are community-based Facebook groups, there are no official *municipal* social media channels being utilized or linked to the municipality’s website.

#### 5.1.1 Website: [Markstay-Warren.ca](http://Markstay-Warren.ca)

The Markstay-Warren website’s current configuration provides varied/comprehensive information about municipal services and external organizations (such as the Sudbury East Planning Board, Hospitals, Churches, Education and Libraries). Information is sorted by LIVE HERE, BE ACTIVE, DO BUSINESS, COUNCIL, VISIT US and OUR SERVICES; with appropriate drop-down menus that are easy to navigate and provide access to information where it would be expected.

The main page provides POPULAR LINKS and PUBLIC NOTICES and features a COMMUNITY CALENDAR.

The website information is well-organized and intuitive to navigate from the main page. It is adaptive and responsive to device; meaning that it retains its functionality on mobile devices.

There are some minor deficiencies:

- 1) It is recognized that some information has had to be updated quickly to address the ever-changing COVID-19 closures and staged re-openings of the Community. The website provides

information and links to external organizations; requiring updates that do not always align. As an example, the Building department page provides a picture of a document with links that do not work. This can lead to confusion by users.

- 2) In other sections, information on the Council Meeting Schedule and Upcoming Events still provide information that has not been updated (perhaps due to COVID-19 presenting other priorities for municipal staff).
- 3) On the Applications, Licenses and Permits page, there are no “fillable” forms available for Dog Tags or 9-1-1 Sign Applications.
- 4) Under Cemeteries, there is no link to the current fee schedule, and there is a requirement to search for Cemetery by-laws which are not easily found.
- 5) The FARMING AND AGRICULTURE IN MARKSTAY-WARREN and EXPLORE NATURE sections appear to be placeholders.
- 6) The “ACCESSIBILITY” link at the bottom of the page does not appear to be active.
- 7) Information on the website, such as “E-Payments Moved” should link to where the E-Payments are now found, rather than link to a page that tells people where they are found.

These observations based on municipal website best practices and are not meant to diminish the overall functionality of the website. There are some simple fixes included in the “As Should Be” portion of this report that build on the current “As Is” profile as a starting point.

### 5.1.2

#### Community Newsletter

The website also links to the monthly Markstay-Warren community newsletter that is published and distributed by the municipality.

The newsletter is published on 11x17 paper and varies from 12 pages (3 x 11x17s) to 20 pages (5 x 11x17s). The newsletter has not been published in either physical or electronic form since the on-set of COVID-19.

The municipality recoups some of its costs through advertising revenue, ranging from \$10 for 1/16<sup>th</sup> of a page to \$120 for a full page. The newsletter is printed in black and white.

Information contained in the newsletter includes community events and advertising of local businesses and provides an avenue to deliver Public Notices as inserts, when and where applicable.

## 5.1.3

**Other Communications Challenges Re. Economic Development**

As mentioned at the beginning of this section, Markstay-Warren currently relies on front-line staff to be able to evaluate the nature of Economic Development inquiries; whether they involve existing businesses looking to expand or new business looking to locate in the municipality. Front-line staff are not trained to adequately address these inquiries. Nor do they have timely access to the proper information when they are responding on the phone or at the counter. The net impact is an inconsistent and unsatisfactory end-result for the information seeker. The website/email access does not provide clear direction for how to submit after-hours questions.

As a result, current business owners and potential new developers who manage to speak to staff in-person are being referred to other departments or external agencies (e.g. Planning Board or CBO) where they are required to repeat their story/proposal. The result is customer service ping-pong. These ping-pong departments/agencies then typically provide a list of regulatory hurdles that need to be addressed rather than embracing the economic development mission of “Getting to Yes”.

To address these shortcomings Markstay-Warren needs to re-think its customer service approach/attitude when initially handling development, business retention and business expansion communications. “Getting to Yes” must become the communications mission.

## 5.2 Public Works

Markstay-Warren Public Works continues to operate as pre-amalgamation dual site work groups with separate works yards in both Markstay and Warren. In addition to the Works Superintendent, there are 6 public works and 2 recreation employees. During the summer months, three students are added to assist with office duties and grass cutting/brushing. In addition to roads maintenance, the Works department is responsible for the landfill, 6 cemeteries, facilities maintenance including the OPP station, Seniors’ buildings, and helipads.

### 5.2.1 Operations and Organizational Design

Markstay-Warren’s Public Works department is configured to take responsibility for recreation facilities as well as traditional public works services (Road Maintenance, Winter Control, Cemeteries, Waste Management/Recycling Services). With respect to Water/Wastewater services, the Markstay Distribution System, Warren Water Supply and Distribution System, and the Warren Sewage System are all monitored/tested by OCWA to ensure compliance with Provincial regulations. Markstay-Warren Public Works staff maintain the water and wastewater infrastructure.

Performance Concepts notes that the original scope of this assignment was to focus on Public Works fleet management and the benefits of implementing the electronic workflow system. With the support of the CAO and Council we have broadened our review to address a broader array of performance improvement opportunities.

The Public Works Department operates out of two yards; one in the village of Markstay and one in Warren. During the summer months, the Public Works staffing model makes use of four ten-hour shifts per week to take advantage of the additional daylight. This schedule results in one day a week (at each yard) with two workers off at the beginning of the week and one off at the end of the week.

Markstay-Warren’s Public Works department is currently configured to take responsibility for recreation facilities as well as traditional public works services (Road Maintenance, Winter Control, Cemeteries, Waste Management/Recycling Services). Public Works staff maintain the Markstay Water Distribution System, the Warren Water Supply and Distribution System, and the Warren Sewage System. OCWA monitors and tests drinking water quality and effluent content to ensure compliance with Provincial Regulations.

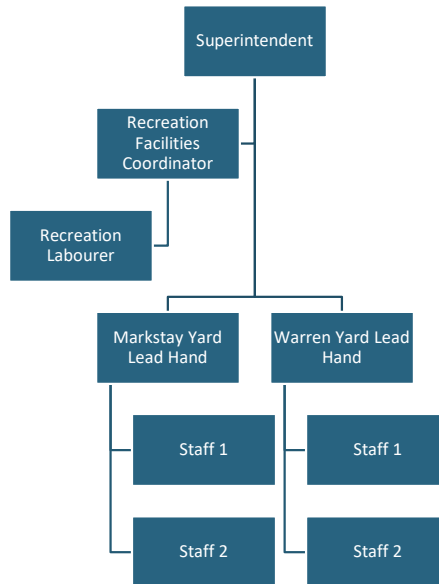


Figure 4 – “As Is” Public Works Organization

### 5.2.2 Equipment and Facilities

Public Works staff operate from two yards in the villages of Markstay and Warren. The Markstay site includes a 2,925 sq. ft. 3-bay garage and fabric sand storage structure on its 5.28-acre property. The Warren site features a 3,200 sq. ft 4 bay garage, Quonset storage building and materials dump on 5.01 acres. There is no sand storage facility and winter control material is stored in the open. Both sites have refueling depots on the property.

Equipment includes four tandem plow trucks, two loaders, two graders and an excavator. Double-axle plow trucks are on an appropriate 10-year replacement cycle. Neither garage is deep enough to park plow trucks with plows attached. This means that plows must be removed before trucks are parked indoors at the end of every shift. Indoor housing is necessary to keep hydraulics and conveyors operating properly during the cold winter months, but plow attachment adds to deployment time during winter storm events. There is insufficient bay space to store all equipment securely indoors.

#### **Asset Management/Financial Burden Observation:**

The Provincially mandated (O-Reg 588/17) asset management plan that Markstay-Warren needs to have in place by 2023 will need to fund the life-cycle replacement of both Public Works Yards/facilities; or propose a different configuration of Yards moving forward to avoid expensive life-cycle replacement of the status-quo.



Picture 1 - Markstay Works Yard



Picture 2 - Markstay Materials Storage Structure



Picture 3- Markstay Yard Garage



Picture 4 - Warren Works Yard



Picture 5 - Warren Yard Garage



Picture 6 - Warren Yard Outside Materials Storage



Picture 7 - Warren Yard Dump Area

## 5.2.3

**Public Works Data Management Challenges**

Public Works staff report having an annual maintenance schedule/work plan based on core road activities. This schedule involves paved and unpaved roads. However, the scheduled activities are not tracked against particular road sections. Nor are the same scheduled activities delivered in the same timeframes/quantities across the two geographic maintenance zones currently in use. Finally, it appears that reporting of actual work versus scheduled/required work is not happening. Councillors consistently reported that they were unaware of a road maintenance operational plan/schedule, and they indicated that the absence of reporting during the year is an ongoing performance and accountability problem. Communication and reporting improvements are readily available. There are no existing Key Performance Indicators (KPIs), performance targets, or performance reports that could be made available for review by the Performance Concepts review team.

Improved operational planning, better data tracking and regular results reporting should be properly integrated with a new shift scheduling/deployment model. Taken together, these operational improvements can be aligned with a future consolidated Yard/Facilities platform within the next 5 years.

The net/combined result should be a significant improvement in productivity (an estimated 25% increase in activity-based labour/workorders processed) and genuine results-based accountability tied into annual budget decision making. The budget can become a “contract” that supplied \$ funding tied to countable/productive activity-based labour hours delivered on-time against a seasonal schedule.

### 5.3 Office Administration/Treasury

The Office Administration and Treasury Department, as it is currently configured, has experienced some challenges. The Municipality chose not to hire a new Treasurer immediately as the workload for this Department may not currently warrant a full-time position. Markstay-Warren is attempting to be progressive and is prepared to invest in appropriate workflow tools, the current software and workflow processes are hindering efforts to streamline the department.

#### 5.3.1 Workflows and Organizational Design

The current workflows are all paper-based and are completed manually. Further, even these paper-based processes do not integrate between departments, nor do they allow the reports required of Council and the CAO to be generated easily. The result is that data is often input twice into different systems or extracted from one to feed the other.

As in many smaller municipalities, roles and responsibilities overlap, with the receptionist taking on accounting roles and functions.

Staff are not cross trained across accounting functions. Payroll preparation is a prime example. A single staff member often prepares the payroll run at home on weekends for processing on the Monday of a pay-week. Nobody else can do this work, and it is unclear whether the municipal payroll could be processed in the absence of the designated employee.

Other examples of inefficiencies in the current Office Administration have been identified as follows:

- As mentioned in the Public Communications section, there is the example of using Excel to maintain a “rolodex” for contacts.
- Complaints and concerns from the Public are captured in a folder, with not method for consistent time tracking or follow-up. Front line staff have identified a lack of training with respect to some of the services they are expected to provide to the public and a lack of an integrated database to track resident concerns, complaints, and inquiries.
- Between Departments, a lack of consistent communication protocols has been identified which results in the Office being described as a “hectic workplace”.
- Although online payments have been provided for on the website, forms for public access, when available, are in PDF format with no option to make them fillable or collect the data in webforms.

## 5.3.2

**Data Management Processes/Challenges**

---

The Municipality’s current accounting and data management systems are not providing adequate report generation or detailed analysis. There is not a robust job costing or maintenance management system that integrates across Departments. This lack of Departmental integration results in a lack of communication, repetitive manual data entry, and limits the ability to implement mandated asset management solutions.

Council does not feel they have a handle on operational performance/progress in the field. There is a perception (not tested with evidence) that the maintenance performance/results in the two geographically defined service areas are not similar or consistent; but there are no reports that shed light on this problem.

The terms of the Modernization review RFP specifically recognized these data management challenges, and the Performance Concepts team confirms the performance gaps identified in that document.

## 5.4 Fire Department

The Markstay-Warren Fire Department is a competently managed and well-trained Fire Service that is respected by municipal peers for its expertise. Service delivery activities are overseen by a part-time Chief and Deputy Chief, 4 Captains, 5 Lieutenants and a Training/Safety Officer, and supported by a Chaplain. Dispatch services are contracted to the Smiths Falls Fire Department.

### 5.4.1 Facilities and Equipment

The Fire Department currently employs 51 on-call part-time firefighters (paid hourly) operating from three aging Fire Halls constructed in 1983 (Awrey), 1982 (Markstay), and 1975 (Warren); each with various renovations and additions. The three Fire Halls are positioned almost equidistant across the 32 km breadth of the municipality. A separate storage building supplements space needs at the Markstay Hall, and the Awrey Hall incorporates the Fire Department’s training grounds and props.

While currently functional, all 3 facilities lack adequate space to operate newer, larger firefighting vehicles. None of the three stations meet current operational standards for fire halls in Ontario (e.g. exhaust ventilation, separated PPE storage, hose drying, gender specific facilities).

Fire suppression apparatus are generally purchased used, and comprise a mix of 3 pumpers, 3 tankers, 2 forestry 4X4s and a rescue vehicle - along with the Chief’s vehicle. The current Fire fleet is considered to be in good condition. From an equipment point-of-view, the Department’s self-contained breathing apparatus is at end-of-life and will require timely replacement.

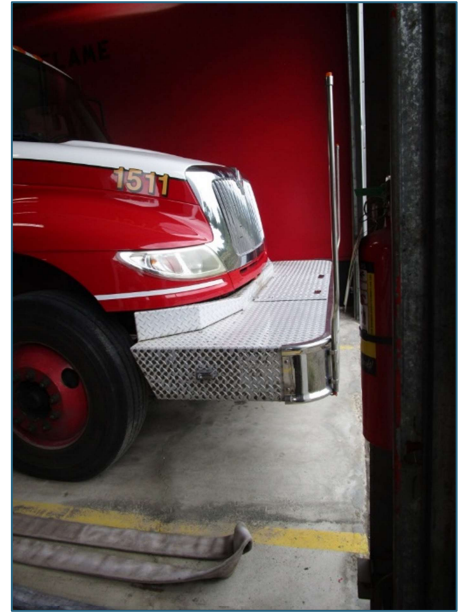
#### **“As Is” Asset Management/Financial Burden Observation:**

As with Public Works, the provincially mandated O Reg 588/17 asset management plan that Markstay-Warren needs to have in place by 2023 will need to fund the replacement of these 3 Fire facilities; or propose a different configuration of Fire Halls moving forward to avoid expensive life-cycle replacement of the status-quo.

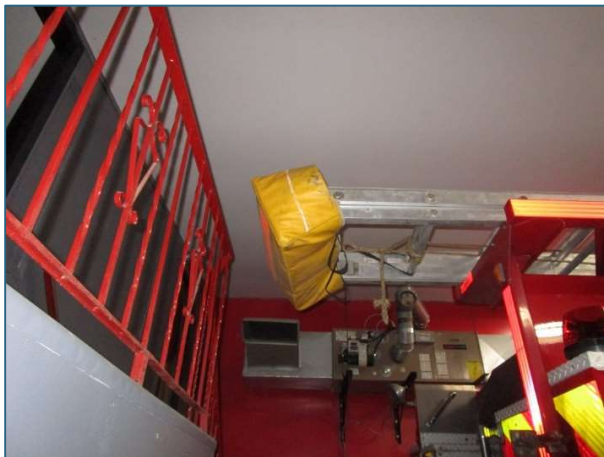
The following series of photographs were taken during the July Performance Concepts on-site functional evaluation of Fire and Public Works facilities. The photos document the end-of-useful life status of the Fire Halls from an asset management perspective.



Picture 9 - Awrey Station: no drive-thru bays or adequate space



Picture 8 - Limited clearance at front of truck at Awrey Hall. Newer upgraded apparatus would not fit.



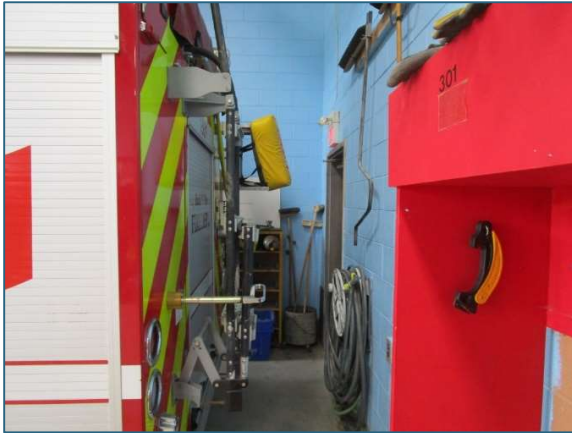
Picture 10 - Limited clearance at back of truck at Awrey Hall



Picture 11 - Fire training props at Awrey Hall



Picture 12 - Markstay Hall and Municipal Offices



Picture 13 - Limited rear clearance at Markstay Hall



Picture 14 - Limited side clearance at Markstay Hall



Picture 15 - Tight ceiling clearance between fan, door opener and heater at Markstay Hall



Picture 16 - Hose drying on floor and exhaust management at Markstay Hall



Picture 17 - Extra storage building at Markstay location



Picture 18 - Warren Station...no drive-thru bays

#### 5.4.2 First Line of Defence

Section 2 (1) of the Province’s Fire Protection and Prevention Act, 1997, S.O. 1997, c. 4 requires that a municipality shall:

- (a) establish a program in the municipality which must include public education with respect to fire safety and certain components of fire prevention; and
- (b) provide such other fire protection services as it determines may be necessary in accordance with its needs and circumstances.

To comply with this requirement, the Markstay-Warren Fire Department has eight personnel that act as a prevention/public education work group/team. Five of these personnel are certified NFPA 1031 Fire Inspectors and there is capacity to share this resource with neighbouring municipalities.

During October 2019, the Fire Department visited 526 residences and successfully assessed Smoke/Carbon Monoxide detector compliance in 267 residences. This annual month-long “blitz” approach is carried out by all firefighters. According to the 2016 Census, Markstay-Warren had 1,110 occupied private dwellings, so this represents 24.1% of private dwellings successfully assessed during 2019.

The Prevention Team conducted 34 additional fire prevention activities during the year, including 4 contracted activities for the Municipality of Killarney. Six inspections were completed: 3 for complaints and 3 on request. Nine prevention activities took place in the municipality’s high-risk occupancies. Clearly, there is trained capacity in the Fire Department to do more work for Markstay-Warren residents and businesses (plus peer municipalities) outside/beyond the annual monthly blitz model currently employed by the Department.

#### 5.4.3 Suppression and Emergency Response

Fire Suppression and Emergency Response services provided by Markstay-Warren are limited in scope (as is the case in many of Ontario’s small rural/remote municipalities).

Markstay-Warren firefighters are NFPA 1001 certified and perform both exterior structural and interior structural firefighting (with limited interior rescue capability). Hydrants on the municipal water system are only available in the serviced villages of Markstay and Warren. A series of five “dry” hydrants and drafting are utilized with tankers supplying water for firefighting across the remainder of the municipality. The Fire Department also responds to calls involving clandestine drug labs and motor vehicle collisions for extrication and safety measures. The department supports EMS with lift-assists as need but does not get tiered by the Central Ambulance Communications Centre for medical calls, or carry Automated External Defibrillators. The Department’s enabling bylaw does not allow participation in confined space or high angle rescue, nor water or shore-based water rescue.

During 2019, the Fire Department responded to 60 emergency calls in total.

- Six of which were structure fires (24 fires in total).
- Motor vehicle collisions were the most frequent type of emergency call (22).
- By nearest station to a call: Markstay provided initial response to 32 calls (53.3%), Warren to 21 calls (35%) and Awrey to 9 calls (15%).
- Response times ranged from 2-47 minutes with an average time of 8.82 minutes. Ninety percent of all calls (90<sup>th</sup> percentile) were responded to within 12 minutes.
- The Fire Department continues to be a leader locally, and very active in providing training for other departments and through the Cambrian College Pre-Service Firefighter Program. These efforts produced significant budget offsetting revenues (*See Figure 5 on Page 36*).

## 5.5 Shared Services

### 5.5.1 The Rationale & Benefits of Service Sharing

Municipal Modernization reviews across Ontario are addressing shared service opportunities. The Local Efficiencies Group in Renfrew County (7 local municipalities) is a prime example of an ambitious service sharing initiative. The Lennox and Addington Development Approvals Process (DAP) review involving four local municipalities and the County is a second promising example. Service sharing is also being actively investigated/implemented in Elgin County. Performance Concepts is involved in the design/execution of all of these service sharing initiatives, and the insights gained by our team have been applied to the Markstay-Warren review.

Municipal service sharing projects are seeking operational and financial efficiencies generated by creating more efficient economies of scale. By sharing the fixed costs of specialized staff, equipment, IT tools and facilities across multiple municipalities, each participating municipality can limit their own costs and better match the required supply of a given resource/asset to their demand requirements. Service sharing maxes out the total utilization of a given specialized resource by tapping into multiple pools of municipal demand and creating a common demand pool.

A local example illustrates the concept:

Sudbury East municipalities have already put the concept of service sharing “scale economies” to work in their existing arrangements to share the specialized staffing costs of a land use Planner and a Chief Building Official. No individual Sudbury East municipality has the development applications workload volume to justify an entire CBO position, but together the pooled workload volume justifies the 1,600 to 1,700 annual service hours yielded by an FTE. The same rationale applies to the Planning Board’s full-time planner position.

### 5.5.2 Building & Planning Services

#### **Building Services:**

Sudbury East municipalities have already put the concept of service sharing “scale economies” to work in their existing arrangement to share Building services. The shared Building services model has evolved over time; beginning in 2017 with St. Charles and Killarney and now having expanded to include French River and Markstay-Warren after their CBOs departed.

No individual Sudbury East municipality had/has a permitting/inspection workload volume to justify the CBO/Inspector positions, but together the pooled workload volume in Sudbury East justifies the annual service hours delivered by the CBO/Inspector. Qualified CBOs are a valued commodity across Ontario,

and it is highly unlikely any individual Sudbury East municipality could afford/attract a qualified candidate on their own. Securing a single highly qualified CBO was/is a far more realistic undertaking.

The Building shared services model currently includes the CBO, a seasonal part-time Inspector, a full time Inspector and an Intake Clerk already employed by French River. The Building team processes an estimated annual volume of 250-300 building permit applications and executes all associated inspections. The four Sudbury East municipalities all operate under a common Building by-law and a harmonized Building fees schedule.

The shared CBO and technical staff are officially employees of St. Charles, and the Building services budget is apportioned annually across the four municipal sharing partners based on a weighted permit volumes formula. The shared CBO delivers By-law enforcement services as well as all Ontario Building Code Act (OBCA) services. The CBO/Inspectors function as roving team across the four municipalities, executing pre-scheduled application intakes and inspections as required. Permanent office space is currently provided by French River. Building permits/inspections are tracked using a GIS tool/system also employed by the Sudbury East Planning Board. The common GIS tracking tool is critically important to delivering coordinated development approvals across planning and building approvals processes.

The CBO reports that the shared service model is currently working efficiently and with reasonable effectiveness. The four client municipalities all receive quarterly progress reports on work volumes and compliance with Bill 124 permit decision timeframes.

Governance/operational planning is somewhat complicated given the CBO’s performance accountability to four Councils with four potential perspectives/points of view about priorities/expected results.

### ***Planning Services***

Sudbury East municipalities and unincorporated areas receive planning policy/development approvals services via a shared Planning Board. Planning Boards are relatively common across rural/remote Ontario; there are 17 such Boards currently functioning across the Province.

The Sudbury East planning board processes a relatively low volume of applications, mostly Minor Variances or Severances. Site Plans and/or Re-zonings are less common. Typical annual volumes range between 30-40 applications. A single Planner and an admin staffer administer the Board and do the work. The costs of the Board are allocated using a standardized allocation formula. Budgets are tight and highly scrutinized by the participating municipalities. Senior municipal staff evaluations re. performance value-for-money of the Planning Board are mixed.

### 5.5.3 Fire and Emergency Services

The Markstay-Warren Fire Department participates in mutual aid and automatic aid agreements with the City of Greater Sudbury, West Nipissing, and St. Charles, receiving reciprocal services as needed. Staff already perform fire inspections and other fire prevention activities for the Municipality of Killarney; albeit in a very limited scope despite a surplus in trained capacity. The Department also hosts various training opportunities during the year, including scenario-based training for the Cambrian College Pre-Firefighter program.

### 5.5.4 Public Works

Markstay-Warren Public Works staff are currently responsible for providing winter control services on one boundary road with St. Charles and a second boundary road with West Nipissing. Staff do not envision additional boundary road routes that could be added. Staff are open to sharing specialized equipment with neighbours; other than the excavator which is frequently in use. Sharing arrangements should be organized around scheduled billable machine hours bought/sold.

### 5.5.5 Other Existing Service Sharing/Pooling Arrangements

Markstay-Warren also engages in a several other service-sharing arrangements in partnership with other local municipalities, including:

- Economic Development Officer/Services
- District Social Services Board (various services as per mandate)
- A somewhat dated GIS tool/application is used by the Sudbury East Planning Board and the shared Building Services business unit. This GIS tool is beneficial to the Planning Board planner and the CBO because it links planning applications and building permit applications/inspections/occupancy according to their common parcel/address across all 4 local municipalities. Presumably any new/updated shared GIS tool in Markstay-Warren would need to continue to link planning/building files by parcel/address across all 4 Sudbury East municipalities.

## 6.0

## Service Delivery Peer Comparators

The RFP for this Modernization review specifically required a review/comparison of organizational cost structures with peer municipalities. The purpose of this review was to confirm Markstay-Warren's budget allocations across core business units and shed light on overall productivity. These peer municipal comparisons were to focus on Public Works, Fire Department and Corporate Administration spending ratios.

The peer municipal data/information to populate a standard set of spending ratios was obtained from municipal FIRs submitted to the Province. Data was averaged over the three fiscal years (2017-2019). In cases where the 2019 FIR had not yet been filed, spending totals were averaged over two fiscal years (2017-2018). Performance Concepts notes that municipal FIR accounting is not always standardized across municipalities. Caution should be taken when evaluating individual data points - it is best to focus on overall multi-year trends within any given peer municipality.

## 6.1

### Municipal Comparator Selection

The Modernization Review RFP called for comparisons across 3 municipalities of similar size. Performance Concepts has selected a total of 8 municipal peers to improve the overall quality of the analyses. In order to provide a more fulsome and dependable cross-section of data, peer comparators were chosen from across Northern, Eastern and South Western Ontario.

The selected peer comparators are as follows:

#### **EASTERN ONTARIO**

- Admaston-Bromley, Renfrew County

#### **NORTHERN ONTARIO**

- Atikokan, Rainy River District
- Blind River, Algoma District
- Nipissing, Parry Sound District
- Perry, Parry Sound District
- Wawa, Algoma District

#### **SOUTHWESTERN ONTARIO**

- Brooke-Alvinston, Lambton County
- Northern Bruce Peninsula, Bruce County

The table below summarizes the demographic/built form characteristics of each peer municipality.

## 6.1.1

## Peer Municipal Selection Criteria

Municipality	(District/Upper Tier)	CHARACTERISTICS				OPERATING BUDGET (Millions)	GENERAL ALL Salaries as % of OPERATING BUDGET
		Population (2016)	Population (2011)	Area (km <sup>2</sup> )	Population Density (per km <sup>2</sup> )		
Markstay-Warren	<i>Sudbury</i>	2,656	2297	512	5.2	\$5.39	28%
Admaston-Bromley	<i>Renfrew</i>	2,935	2844	524	5.6	\$4.04	21%
Atikokan	<i>Rainy River</i>	2,753	2787	319	8.6	\$11.21	30%
Blind River	<i>Algoma</i>	3,472	3549	525	6.6	\$13.15	19%
Brooke-Alvinston	<i>Lambton</i>	2,411	2548	311	7.7	\$5.35	24%
Nipissing	<i>Parry Sound</i>	1,707	1704	394	4.3	\$3.39	30%
Northern Bruce Peninsula	<i>Bruce</i>	3,999	3744	784	5.1	\$10.73	27%
Perry	<i>Parry Sound</i>	2,454	2317	187	13.1	\$4.24	34%
Wawa	<i>Algoma</i>	2,905	2975	416	7.0	\$13.41	27%
Peers Average (Excluding Markstay-Warren)		2,830	2752	433	7.3	\$8.19	27%

Table 1 - Comparator General Characteristics

## 6.2 Comparisons by Service Category

### 6.2.1 Public Works – Transportation (Property Tax Funded Programs)

Municipality	(District/Upper Tier)	PUBLIC WORKS		
		PW-Transport Salaries as % of TRANSPORTATION BUDGET	PW-Transport Salaries as % of ALL SALARIES	PW-Transport Salaries as % of OPERATING BUDGET
Markstay-Warren	<i>Sudbury</i>	39%	38%	11%
Admaston-Bromley	<i>Renfrew</i>	14%	41%	8%
Atikokan	<i>Rainy River</i>	38%	34%	10%
Blind River	<i>Algoma</i>	19%	22%	4%
Brooke-Alvinston	<i>Lambton</i>	25%	35%	9%
Nipissing	<i>Parry Sound</i>	36%	40%	12%
Northern Bruce Peninsula	<i>Bruce</i>	23%	29%	8%
Perry	<i>Parry Sound</i>	34%	31%	10%
Wawa	<i>Algoma</i>	40%	31%	8%
Peers Average (Excluding Markstay-Warren)		29%	33%	9%

**Table 2 - Public Works (Transportation) Peer Comparator Ratios**

## 6.2.2

## Public Works – Environment (Rate Funded Programs)

Municipality	(District/Upper Tier)	PUBLIC WORKS		
		PW-Environ Salaries as % of ENVIRONMENTAL BUDGET	PW-Environ Salaries as % of ALL SALARIES	PW-Environ Salaries as % of OPERATING BUDGET
Markstay-Warren	<i>Sudbury</i>	4%	2%	1%
Admaston-Bromley	<i>Renfrew</i>	19%	7%	1%
Atikokan	<i>Rainy River</i>	11%	8%	2%
Blind River	<i>Algoma</i>	3%	4%	1%
Brooke-Alvinston	<i>Lambton</i>	3%	2%	1%
Nipissing	<i>Parry Sound</i>	40%	8%	3%
Northern Bruce Peninsula	<i>Bruce</i>	9%	4%	1%
Perry	<i>Parry Sound</i>	35%	9%	3%
Wawa	<i>Algoma</i>	27%	11%	3%
Peers Average (Excluding Markstay-Warren)		18%	7%	2%

Table 3 - Public Works (Environment) Peer Comparator Ratios

## 6.2.3

## Public Works

Municipality	(District/Upper Tier)	PUBLIC WORKS		
		PW-Total Salaries as % of PUBLIC WORKS BUDGET	PW-Total Salaries as % of ALL SALARIES	PW-Total Salaries as % of OPERATING BUDGET
Markstay-Warren	<i>Sudbury</i>	27%	40%	11%
Admaston-Bromley	<i>Renfrew</i>	15%	47%	10%
Atikokan	<i>Rainy River</i>	25%	42%	13%
Blind River	<i>Algoma</i>	11%	26%	5%
Brooke-Alvinston	<i>Lambton</i>	18%	37%	9%
Nipissing	<i>Parry Sound</i>	37%	49%	15%
Northern Bruce Peninsula	<i>Bruce</i>	19%	33%	9%
Perry	<i>Parry Sound</i>	34%	40%	13%
Wawa	<i>Algoma</i>	36%	42%	11%
Peers Average (Excluding Markstay-Warren)		24%	39%	11%

Table 4 - Public Works (Consolidated) Peer Comparator Ratios

## 6.2.4

## Fire Department

Municipality	(District/Upper Tier)	FIRE		
		Fire Salaries as % of FIRE BUDGET	Fire Salaries as a % of ALL SALARIES	Fire Salaries as % of OPERATING BUDGET
Markstay-Warren	<i>Sudbury</i>	45%	13%	4%
Admaston-Bromley	<i>Renfrew</i>	37%	10%	2%
Atikokan	<i>Rainy River</i>	41%	4%	1%
Blind River	<i>Algoma</i>	47%	4%	1%
Brooke-Alvinston	<i>Lambton</i>	43%	14%	3%
Nipissing	<i>Parry Sound</i>	43%	15%	4%
Northern Bruce Peninsula	<i>Bruce</i>	46%	8%	2%
Perry	<i>Parry Sound</i>	31%	6%	2%
Wawa	<i>Algoma</i>	40%	3%	1%
Peers Average (Excluding Markstay-Warren)		41%	8%	2%

Table 5 – Fire Department Peer Comparator Ratios

## 6.2.5

## Corporate Administration

Municipality	(District/Upper Tier)	ADMIN/FINANCE		
		Corporate Salaries as % of CORPORATE BUDGET	Corporate Salaries as % of ALL SALARIES	Corporate Salaries as % of OPERATING BUDGET
Markstay-Warren	<i>Sudbury</i>	33%	20%	5%
Admaston-Bromley	<i>Renfrew</i>	59%	28%	6%
Atikokan	<i>Rainy River</i>	51%	19%	6%
Blind River	<i>Algoma</i>	26%	22%	4%
Brooke-Alvinston	<i>Lambton</i>	55%	15%	4%
Nipissing	<i>Parry Sound</i>	63%	23%	7%
Northern Bruce Peninsula	<i>Bruce</i>	62%	27%	7%
Perry	<i>Parry Sound</i>	48%	7%	2%
Wawa	<i>Algoma</i>	55%	29%	8%
Peers Average (Excluding Markstay-Warren)		52%	21%	5%

Table 6 – Corporate Administration Peer Comparator Ratios

## 6.2.6 Peer Comparison Implications for Markstay-Warren

### PUBLIC WORKS

At a consolidated level, Markstay-Warren Public Works salaries as a percentage of the Public Works budget seem to be in line with the average of the peer comparators.

Performance Concepts drilled down deeper into the data, with additional scrutiny around distinct Transportation and Environmental spending patterns since Transportation services are property tax-funded, whereas Environmental services are generally funded through water/sewer rates. Markstay-Warren is the second highest in the comparator group in terms of the percentage of *Transportation Salaries to Transportation Budget* and third highest in terms of *Transportation Salaries as a percentage of All Salaries*. Markstay-Warren's allocation of Public Works salaries to the rate funded Environmental budget (4%) are excessively low; indicating either scant maintenance work or incorrect cost accounting in its FIR statement.

Finally, Markstay-Warren is second-highest in terms of the overall Public Works Operating Budget spending.

These rankings are consistent with our team's evaluation of Markstay-Warren's Public Works "As Is" staffing, deployment, and costing models. Significant adjustments are proposed under "As Should Be".

### FIRE

Across all Fire spending ratios, Markstay-Warren is above the average of the peer comparators.

Specific rankings are as follows:

- Fire Salaries as a percentage of the Fire Budget (Markstay-Warren is 3<sup>rd</sup> highest).
- Fire Salaries as a percentage of All Salaries (Markstay-Warren is 3<sup>rd</sup> highest).
- Fire Salaries as a percentage of overall Operating Budget (Markstay-Warren is highest)

These spending ratio rankings weigh favourably against the high levels of firefighter training, advanced firefighting suppression capabilities, and the revenue generating capacity of the Markstay-Warren Fire Department. The table below confirms Markstay-Warren's success in generating a revenue stream that offsets its expenditures:

	2017	2018	2019
Other Municipalities	\$ 1,975	\$ 1,585	\$ 6,454
User Fees	\$ 30,309	\$ 67,124	\$ 66,235
<b>REVENUES</b>	<b>\$ 32,284</b>	<b>\$ 68,709</b>	<b>\$ 72,689</b>
Gross Budget	\$ 442,408	\$ 434,865	\$ 469,640
<b>NET BUDGET</b>	<b>\$ 410,124</b>	<b>\$ 366,156</b>	<b>\$ 396,951</b>

**Figure 5 - Fire Department Net vs Gross Budgets**

**CORPORATE ADMINISTRATION**

In Corporate Administration, Markstay-Warren spending ratios rank second lowest for *Corporate Salaries as a percentage of the Corporate Budget*, and at or below the average of the comparator group in all other categories.

These low overhead ratios demonstrate efficiency of the current organization structure. The key question to be considered is whether corporate capacity to “get things done” is also suffering.

## 7.0 “As Should Be” Findings & Recommendations

### 7.1 “As Should Be” Public Communications

Markstay-Warren should consider a complete refresh of its website with an eye towards a more customer focused “app-style” website. More detail on this approach appears below.

The traditional website configuration used by Markstay-Warren is seen as a way to disseminate information outwards - with very little interaction or collection of data flowing inwards. For example, forms on the website should be available, easily retrievable, AND fillable.

The ultimate goal of these recommendations is to automate processes as much as possible, creating efficiencies, real-time tracking information accessible by all departments and ensuring timely responses in 24/7 real-world environment.

#### 7.1.1 Citizens

##### **TWO-WAY COMMUNICATION**

The public is increasingly consuming information on smaller handheld devices. Full size PDFs and documents are no longer suitable for consumption on phones and tablets.

Newsletters are welcomed by some residents and changing the legislated requirements for delivering notices will require Provincial action. However, the newsletter product can be integrated with social media channels and custom web-apps that provide access to more current/timely information.

Performance Concepts recommends that Markstay-Warren revamp its website to integrate with selected social media channels, such as Facebook, Twitter, and Instagram. However, it is critical to note that once the decision is made to embark on social media, residents will expect to interact in a timely manner. Resources will need to be made available to respond to public enquiries (and correct any circulating misinformation) in a timely manner. It is also critical that specific communication policies be enacted by the Municipality to ensure social media “gaffs and faux-pas events” do not occur.

One or two staff/contractors should be responsible for managing and disseminating content on behalf of the Municipality with appropriate content approvals by the CAO in place.

##### **WEBSITE FUNCTIONALITY & CRM**

Concurrent to integrating the website with social media channels, the functionality of the website should be adapted to allow for 311-style customer enquiries and utilize fillable forms for submission to specific Departments directly. This “work order type” correspondence should be integrated into an

affordable Customer Relationship Management (CRM) system that allows citizens to directly interact with the Municipality and to allow the CAO to track concerns and complaints through the CRM software.

### TELE-TOWNHALLS/VIDEO CONFERINCING INTERACTIONS

One of the key take-aways from the COVID-19 crisis is the idea that large group gatherings and traditional Town Hall Public Meetings are going to have to evolve (or go-away).

Markstay-Warren should consider hosting Tele-Town Hall meetings or utilizing new technologies such as Facebook Live, Zoom or Microsoft Teams to try and engage the public moving forward. Each on-line platform outreach attempt should be assessed (based on feedback from participants) as to the value of the meeting to determine which approach best meets the needs of stakeholders, residents, and ratepayers.

#### 7.1.2 Existing Business

Business retention and expansion should be the economic development focus for Markstay-Warren moving forward. The Municipality should create and cultivate a separate database for existing stakeholders and create a series of surveys/feedback tools to ensure that the existing business community feels properly engaged.

The CAO and Mayor should endeavour to reach out to existing businesses on a regular basis for "intel" and work with businesses to create a collaborative approach to support businesses expand as needed. In short...a workable strategy.

The Municipality should be an advocate for local business with the Sudbury East Planning Board and Sudbury East Building and By-Law Services. The focus should be on getting good development ideas to "Yes" while avoiding rigid "no" as an acceptable answer in all but the most obvious circumstances where prohibitions apply.

A monthly e-mail newsletter should be developed that focusses solely on the local business community.

In addition, personalized correspondence should be sent from the Mayor, Councillors and CAO to engage with existing businesses.

There is a natural opportunity to use the Provincial Pandemic re-opening plan as a conversation starter with the business community to assess how they have been affected by the pandemic and what services or projects could the Municipality provide to ease any burden.

**7.1.3**

**Potential Investors**

---

Markstay-Warren already works in collaboration with other municipalities on Economic Development.

However, when an individual/company wants to invest, they may not be looking to engage during the normal 9am-5pm window of interaction. There must be a dialogue pathway available 24/7 and website data with economic development implications must be as close to “real time” as possible.

Performance Concepts recommends that a stand-alone investment “micro-website” be developed to showcase potential properties and investment data. This micro-site can be linked to the main website but should have distinct branding and a separate URL link to highlight the commitment to Economic Development focus.

Critical to this process will be staff training and enthusiastic support for the program. This will ensure potential investors are provided with a “friendly voice” and an informed individual ready to embrace, welcome and direct enquiries.

## 7.2 "As Should Be" Public Works

### 7.2.1 Consolidated Operations Model

As already noted in this Report, the "As Is" Public Works operations model is not optimal moving forward. Significant improvement is required and achievable.

Consolidation of equipment and the frontline workforce is required to maximize efficiency in this small business unit.

The staff schedule varies throughout the year as necessary. The "As Is" non-winter control combination of a 4-day work week plus Collective Agreement language allowing three staff to be absent at one point in time, is problematic from an efficiency perspective.

The result is limited/inadequate staffing during July and August every year. Rather than assigning work across two geographic catchment areas, central pooling and deployment of the 6 frontline FTEs and equipment is recommended.

A consolidation of work crews to a single consolidated Yard is proposed, as well as a change to work schedule to eliminate automatic three-day weekends. The proposed schedule below (Employees drop down one line each week so everyone is on the same 6-week rotating schedule) maximizes the staff available on Monday and Friday; days when it is most likely staff are going to want to utilize banked time or vacation. Even if the maximum three staff take time off on those days of the week, a minimum of three staff will remain as a single work team. This schedule maximizes the efficiency of the small work force while ensuring staff are still able to use up lieu time banked during the busy winter control season.

	M	T	W	Th	F
1	X	X		X	X
2	X	X	X		X
3	X		X	X	X
4	X		X	X	X
5	X	X	X		X
6	X	X		X	X

	M	T	W	Th	F
1	X		X	X	X
2	X	X	X		X
3	X	X	X		X
4	X		X	X	X
5	X	X		X	X
6	X	X		X	X

An expected annual productivity gain of 20-25% is possible via the increased number of weekdays where a functioning 3-member team is deployed. Performance Concepts believes this schedule delivers superior productivity beyond the current "extended daylight" summer schedule.

The second schedule addresses the need to have a Lead Hand (Lines 1 and 2 highlighted in yellow) every day but provides the same benefits.

7.2.2

Facilities Consolidation/Asset Management

Two Yard/Facility consolidation options are proposed:

**Option # 1**

- Consolidate both existing Works Yards into a single facility (minimum 9,000 sq. ft. structure) at the current site located in the village of Markstay.
- Maintain the existing Warren yard for disposal of materials, as a sand restocking point and refueling facility.
- Repurpose or demolish the existing Warren Works building.

**Option # 2**

*Option # 2 is presented for consideration with the understanding that the site is less than ideally suited for Winter Control, geographically situated near the eastern extreme of the municipality.*

- Consolidate both existing Works Yards into a single facility at the existing village of Warren location.
- Replace the existing Warren structure with a facility capable of housing all Public Works vehicles (minimum 9,000 sq. ft.)
- Relocate current fibre/membrane material storage structure from Markstay site to Warren site.
- Sell the existing Markstay Yard/Property.

Both yard consolidation options result in potential equipment redundancy and the possible sale of one loader. Regardless of which consolidation option is selected, facility construction should avoid the traditional individual bay design, and incorporate a drive-thru style which maximizes interior space. The Altus Group 2020 Canadian Cost Guide for infrastructure costs projects Ontario Civic Facilities Maintenance Building construction costs at between \$260-359 per sq. ft. The proposed 9,000 sq. ft. single structure would cost \$2,340,000 (@\$260/sq. ft.) if utilizing conventional construction.

***Fibre/membrane construction is strongly recommended for this proposed consolidated facility.*** Cost per sq. ft. is \$45 with installation at approximately \$20/sq. ft. Foundations, utilities, and other fit-out costs normally bring the total cost to \$100/sq. ft. The proposed 9,000 sq. ft. structure would cost approximately \$900,000, a 60% saving over conventional construction.



Picture 19 - Example of a Public Works Yard with Membrane Construction



Picture 20 – Example of northern facility

Fibre/membrane structures display proven durability in some of the most extreme climates, from hottest desert to windiest arctic tundra and coldest mountain highlands. Models designed for Arctic Weather are designed to shed snow and also meet the strict Miami-Dade Hurricane Compliance Code. The only building structure left standing in Buras, Louisiana after Hurricane Katrina in 2005 was a tension fabric building.

#### Capital Cost Avoidance Return on Investment (ROI)

	Two Yard Status Quo – "As Is" without growth capacity	Consolidated – Conventional Construction	Consolidated – Fibre/Membrane Construction
Asset Management Capital Replacement Cost	\$1,612,000	\$0	\$0
New Capital Cost \$	\$0	\$2,340,000	\$900,000
Cost Avoidance Efficiency \$	\$0	(\$728,000)* with additional 2,875 sq. ft. of growth capacity	\$712,000 with additional 2,875 sq. ft. of growth capacity

Figure 6 - Public Work Restructuring Efficiencies: Significant Capital Cost Avoidance

7.3

## Corporate/Treasury + Frontline Operations Data Flows: Managing for Results

A modernized municipal "head office" needs to adopt productivity enhancing IT tools to integrate operational data from the field for consideration in the head office. These integrated systems will support results reporting and decision-making systems for Council and taxpayers. The CAO has developed a customized portfolio of IT tools required for modernization. The CAO IT toolkit and functionality checklist is as follows:

- Electronic work scheduling through web-based APPS
- Electronic time sheets with hours routed through payroll and activity tracking systems
- Electronic fillable forms that are available to be public 24/7 online or through APPS
- Interactive GIS information that is available online; integrating planning and building permit approvals
- Improved payment options including credit cards
- Various inspection reports available on-line + up-to-date progress/completion reporting for application driven processes executed by CBO/Bylaw, Fire Department and Public Works
- Update desktop software tools like Office 365 instead of outdated Office 2010
- Availability of a Share Point work collaboration site that can be leveraged in the future for information/document management, management updating and availability to the public.
- Ability to create a mechanism to enter data into systems ONCE, update documents ONCE, have data/documents searchable on the web in a format that can viewed on various screen sizes. If that documents needs to be updated in the future, there is one update and one location for it to be saved. ALL other APPS get the updated notification.

Performance Concepts strongly endorses the adoption of modern data management tools, practices and techniques by municipalities. The key is to marshal data to inform decision making (e.g. budgeting scarce resources) and promote effective service delivery. The resulting productivity/accountability return on investment (ROI) for Council, staff and taxpayers greatly exceeds the implementation costs. Performance Concepts has evaluated the CAO's head-office toolkit and concludes it is consistent with small municipality modernization "best practices" emerging across Ontario. Small municipal staff teams can use IT toolkits like the CAO's as a productivity and accountability "force multiplier".

7.3.1

### Frontline Data Systems & Decision Making "Better Practices"

Efficient and effective service delivery begins at the frontline. A re-structured Public Works business unit (Superintendent + 6 FTE + 2 Recreation FTE) that are efficiently deployed across the entire municipality is the first step (no geographic staffing silos). This re-structured Public Works business unit will develop an annual Council approved Winter Control operational plan and Non-Winter operational plan. These plans should be aligned with the annual budget process (Current + Capital). The operational plans should document service levels, the # of activity-based hours, unit costs and expected/targeted

results. Key Performance Indicators (KPIs) will measure actual results versus targets. (see green section in Figure 7 below).

Winter control, road maintenance, cemetery/other facility maintenance activities can be delivered according to seasonal schedules across the municipality. The CAO/Council can provide accountability tracking to ensure the actual amount/timing of activities adheres to the operational plans. AVL and mobile device technology can be used to document the actual amounts/nature of the work being executed daily (see the blue section in Figure 7 below).

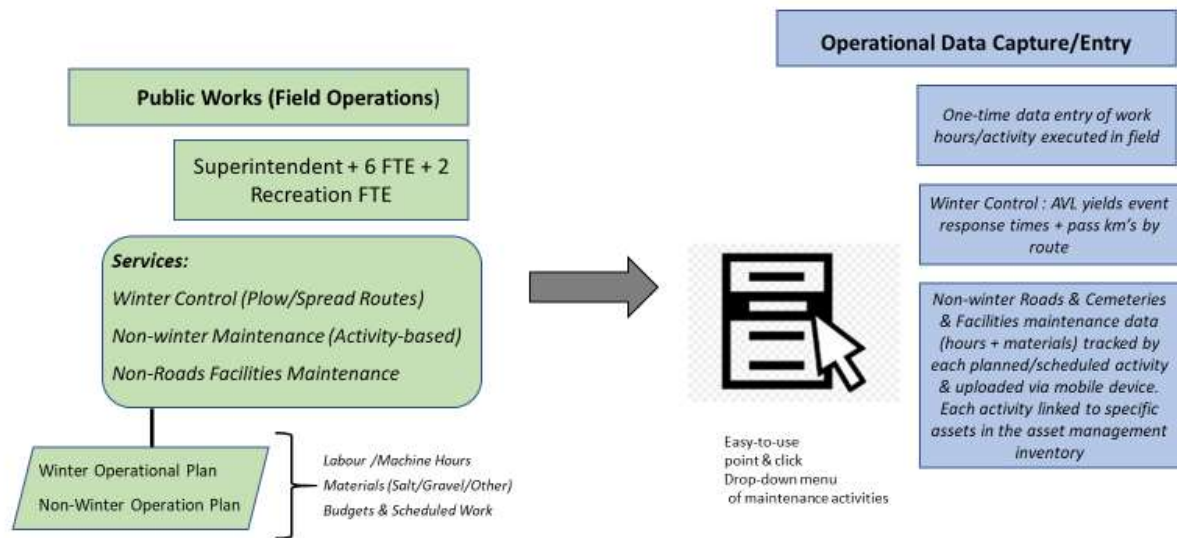


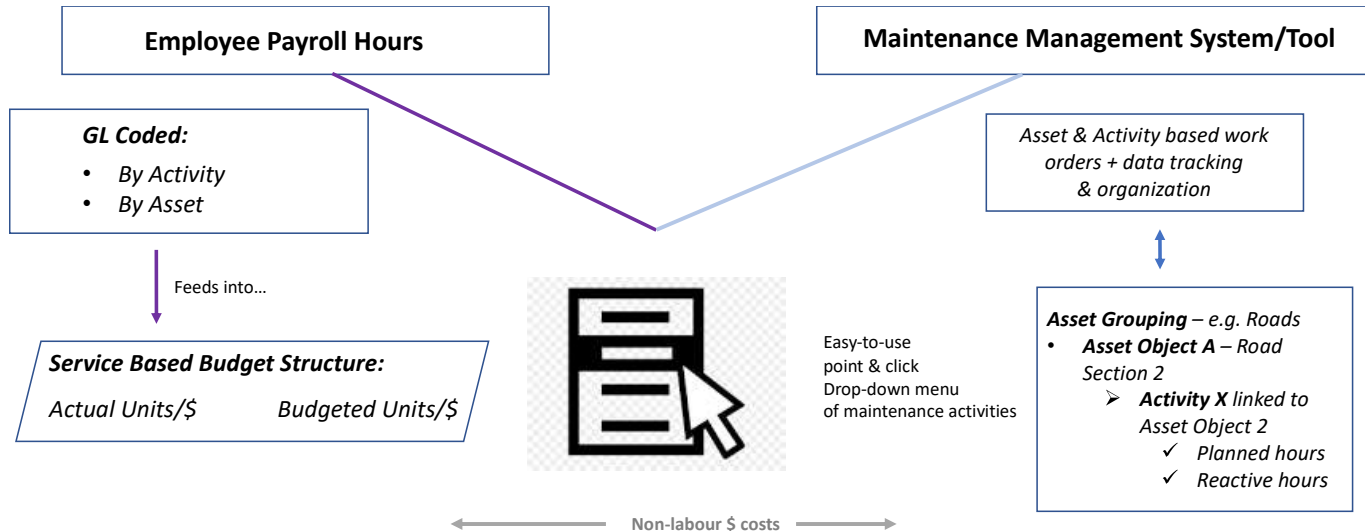
Figure 7 - Integrated Data Management Processes

Once operational maintenance activities have been executed and recorded via AVL or a mobile device in the field, the hours of labour/machine usage would populate two parallel data management systems.

A maintenance management system (MMS) would capture planned or reactive maintenance hours by activity and the asset object consuming that activity (e.g. a road section or a winter control route). Asset objects would be organized into categories that support service planning and results reporting (e.g. Paved Roads Category A subdivided by minimum maintenance class or Unpaved Roads Category B). Non-labour materials/other costs would also be attributed to activities/asset objects or asset categories (see Figure 8 below).

A financial accounting/enterprise system would capture payroll hours according to a summary level GL structure organized around staff members/maintenance activities/asset categories. This GL structure would also serve as the underlying accounting structure for the annual budget. The annual budget would be designed around activities/services as opposed to just org structure. Actuals would be

compared to Budget using both labour hours and activity-based spending. Again, non-labour costs would be combined with payroll driven costs in the GL/Budget structure. (see Figure 8 below).



**Figure 8 - Integrated Financial Systems - Payroll and Asset Management Integration**

Once actual work units and costs have been tracked against budget, they can be integrated with operational KPI data. KPIs will measure actual results against target results. KPIs should answer the following three results-based questions:

1. How many units of work were actually executed in the field, and how do these countable units compare to the planned/expected # of units?
2. What is the unit cost (price) of these countable units of work?
3. What level of quality (example Pavement Quality or Winter Clean-up Times) are being achieved by delivering X number of countable activity-based units of work at unit price Y?

These KPI questions can become the basis of the operational planning and reporting cycle:

- Plan
- Do
- Check
- Act

Council will set KPI derived performance targets and receive KPI supported results reporting (accountability). The CAO will oversee the ongoing execution of the cycle (see Figure 9 below).

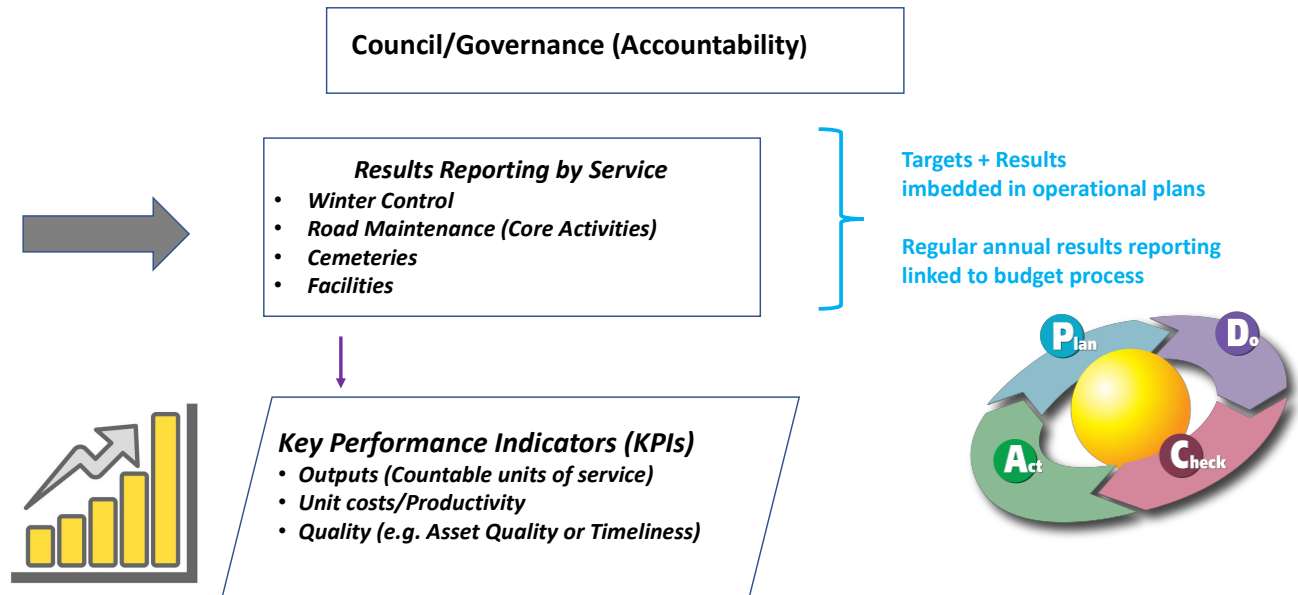


Figure 9 - Using Key Performance Indicators to Plan, Do, Check, Act

### 7.3.2 Measurement Challenge Re. Data Management Efficiencies

Since the municipality's current approach to data management does not properly count/track activity-based work outputs, it is not possible to calculate a meaningful "before and after" productivity improvement forecast for the recommended integrated data approach.

What is clear is that accountability and focus will improve right away, and that productivity will be positively impacted as a result. Once the new recommended data management flows, IT tools and business practices are in place, then measurable productivity changes will be tracked. KPI-derived targets will be set. Results will be reported. A Plan-Do-Check-Act improvement cycle will be linked to the annual budget process.

In other words, transition to measurement supported, results-based operations can and will be executed over a 3-year period of time.

## 7.4 “As Should Be” Fire Halls/Facilities & Equipment

None of the current Markstay-Warren Fire Halls meet the regulatory/functional requirements for a sustainable Fire Service in Ontario. There is limited ability to house and work around the fire trucks. Modern fire trucks tend to be long, high, and wide. Older fire stations are too low, too short and too narrow to adequately accommodate modern vehicles. Increasing bay length and width would require costly station additions and moving load-bearing walls, if even possible. The outdated fire stations physically constrain the ability of the Department to optimize its fleet and continue to provide effective/modernized public safety services in the coming years.

Performance Concepts has concluded that these 40-year old facilities are approaching the end of their asset management life cycle, and compliance with the Province’s asset management regulations will require a financial replacement plan for all 3 stations by 2023. Status-quo replacement of these three Fire Halls in a small municipality with a limited taxable assessment base is not realistic or fiscally responsible: especially given the uncertainty of Provincial unconditional grant funding continuing after 2020-2021.

Therefore, a major system/facilities redesign is recommended. Two options are proposed:

### Option # 1

- Construct a new Fire Headquarters station in the Markstay community.
- This HQ facility would house all of the Department’s fleet with the exception of a Warren “initial response” apparatus.
- Construct a new satellite Fire Bay in the Warren community, either as a simple standalone structure or in concert with the existing Public Works garage. This would provide space for a single Pumper/Tanker to provide initial response in Warren.
- Close the Awrey facility as a responding Fire Hall, and re-purpose it into a dedicated fire training facility with the potential for greater revenue generation.
- Sell or re-purpose the existing village of Markstay and village of Warren fire stations. Portions of the Markstay facility will add much needed space for the municipal HQ building should it remain at its current location.

### Option # 2

*Option # 2 is presented for consideration with the understanding that any site including a live-fire training component has potential conflicts with residents and should not be located in a residential area.*

- Construct a new Fire Headquarters station and training facility in the Markstay community. This HQ facility would house all the Department's fleet with the exception of a Warren initial response apparatus.
- Construct a new satellite fire bay in the Warren community; either as a simple standalone structure or in concert with the existing/upgraded Public Works garage. This satellite bay would provide space for a single Pumper/Tanker to provide initial response in Warren.
- Close, sell or repurpose all three existing fire stations. Portions of the Markstay facility will add much needed space for the municipal HQ building should it remain at its current location.

The need to replace all three near end-of-life fire facilities prompted a costing comparison with the major system/facilities redesign recommendations made.

Replacing the three existing facilities with three up-to-date structures meeting current fire station standards and containing the same number of vehicles (no additional growth space), resulted in the following space needs:

- Awrey: 4,583 sq. ft + 10% mechanical/circulation markup = 5,041 sq. ft
- Markstay: 6,518 sq. ft + 10% mechanical/circulation markup = 7,170 sq. ft
- Warren: 5,556 sq. ft + 10% mechanical/circulation markup = 6,112 sq. ft

The Altus Group 2020 Canadian Cost Guide for infrastructure construction costs projects Ontario Fire/EMS Station construction costs at between \$270-500 per sq. ft, however, one of our SW Ontario customers recently constructed a similar state-of-the art paid on-call fire station at approximately \$250 per sq. ft.

Using a projected finished cost of \$270/sq. ft., the three-station gross footprint of 18,323 sq. ft. would cost an estimated \$4,947,210.

This compares to a projected single new headquarters construction of 8,433 sq. ft. + 10% mechanical/circulation markup = 9,276 sq. ft. At \$270/ sq. ft., the estimated cost would be \$2,504,520, a 50% reduction in cost.

The proposed satellite bay in Warren is projected at 1,350 sq. ft. to house an initial attack pumper and PPE for responding firefighters. All other support activities would occur at the new headquarters. At \$270/sq. ft., this would add \$364,500 to the systems/facilities redesign. At \$100/sq. ft., a fabric/membrane structure as proposed, would reduce this to \$135,000.



**Picture 21 - A Sample Fabric/Membrane Structure  
as Potential for Warren Satellite Bay**

#### Capital Cost Avoidance Return on Investment (ROI)

	3 Hall Status Quo	Hall + Satellite Bay Conventional Construction	Hall + Satellite Bay Fibre/Membrane Construction
Asset Management Capital Replacement Cost	\$4,947,210	\$0	\$0
New Capital Cost \$	\$0	\$2,869,020	\$2,639,520
Cost Avoidance Efficiency \$	\$0	\$2,078,190	\$2,307,690

**Figure 10 - Fire Restructuring Efficiencies: Significant Capital Cost Avoidance**

The above figure documents the \$ efficiencies associated with restructuring Options 1-2. They represent a significant cost avoidance versus the Regulation 588-17 mandated replacement of the existing three Fire Halls.

#### 7.4.1

#### Fleet Rationalization

Transition from current fleet of 3 pumpers, 3 tankers, 1 rescue, 2 forestry and 1 chief's 4X4 to modernized fleet of 2 new pumper/tankers, 1 new high capacity tanker, and the existing rescue, forestry, and chief vehicles. The Lighting/Air trailer remains. This represents a 36% reduction in fleet size and appreciable future asset management cost avoidance.

In the longer term, the Fire Department fleet rationalization will create significant asset management (cost avoidance) efficiencies – moving from 7 to 4 fire apparatus (11 to 8 vehicles). However, in the

short term, the transition costs to get to 4 front-line fire apparatus (8 vehicles) are difficult to quantify. Here is why:

- Three new pieces of apparatus are required to execute the transition, while three previous pieces of apparatus will be decommissioned. It is difficult to quantify the avoided costs of the three decommissioned apparatus since the Fire Department might opt for a mix of used/new units at prices it is impossible to predict.

More work quantifying the cost avoidance "dividend" of fleet rationalization can be addressed during the *Do Soon* stage of the implementation road map.

#### Fleet Rationalization Action Plan

Station	"As Is" Current Apparatus	Status	"As Should Be" Apparatus
Awrey	2009 1050 Pumper	Decommission	
	1996 1500 Gal Tanker	Decommission	
Markstay	2013 1050 Pumper	Keep	2013 1050 Pumper (Spare)
	1995 1500 Gal Tanker	Decommission	
	2019 Rescue	Keep	2019 Rescue
		Purchase	New - 1050 Pumper/Tanker 3500 Gal
		Purchase	New - Tanker 3500 Gal
Warren	2003 1050 Pumper	Decommission	
	1995 1500 Gal Tanker	Decommission	
		Purchase	New – 1050 Pumper/Tanker 3500 Gal

Figure 11 - "As Is" vs "As Should Be" Fire Apparatus

#### 7.4.2 Fire Suppression and Emergency Response/Rescue

A restructured two station model will have some minimal impact on the Fire Department's performance, as there were nine emergency calls (during 2019) where the Awrey station provided initial response. With regards to staffing for the new model, the Chief can determine appropriate staffing levels (having due regard for NFPA standards). These staffing levels can be arrived at over time by attrition. Any potential reduction would similarly provide a reduction in training and equipment costs over time.

Residential properties in the villages of Markstay and Warren receiving house insurance rating discounts (due to rated proximity to a fire hall) would be unaffected by the proposed restructuring options.

## 7.5 Shared Services

### 7.5.1 Fire: First Line of Defence Sharing (Markstay-Warren as Seller)

Markstay-Warren has significant staffing capacity to deliver 1<sup>st</sup> Line of Defence inspection and public education services to Sudbury East peer municipalities such as St. Charles and Killarney. Performance Concepts recommends that the Department's 5 NFPA qualified Inspectors offer their expertise to interested Sudbury East peers. Gross revenue generation for the Markstay-Warren Fire Department is estimated to be approximately \$20,000 to \$25,000 (i.e. full take-up on 500 hours @ \$50/hour).

### 7.5.2 Fire: Shared Chief/Training Regime/Dispatch

A number of municipalities have recently adopted Shared Chief and Shared Fire Administration/Training Services models. As examples, the Town of Minto and Township of Wellington North have entered into an agreement to share Fire Department Administration, while the towns of Innisfil and Bradford West Gwillimbury recently announced an interim Chief for both departments pending a review to see if a shared fire service would benefit both communities. In the meantime, both fire departments continue to operate as separate services and support each other under the Chief's leadership. In both cases, the retirement of incumbent Chiefs and calls for greater efficiency prompted the moves.

Under the leadership of Chief Whynott, the Markstay-Warren Fire Department has established itself as a progressive/leading service provider across Sudbury East. The Fire Department's commitment to rigorous training in structure fire external/internal attack is widely acknowledged by municipal neighbour Chiefs and CAOs. Markstay-Warren is adept at "dry hydrant" fire suppression using tag teams of pumpers/tankers working in close coordination.

Recent fire suppression events in other Sudbury East municipalities (featuring less accomplished suppression responses) have underlined the opportunity for Markstay-Warren to raise the bar re. common training standards/approaches and competencies. The optimal approach is to bring willing Sudbury East peers up to the Markstay-Warren level of performance/competencies. At least one Sudbury East peer municipality has already indicated strong interest in a permanent resource sharing/service delivery model moving forward.

The optimal way to accomplish this objective is a formal shared Chief and fire training regime MOU. The MOU would set out formal cost-sharing, the # committed training and leadership hours for the partner municipality, and a performance improvement workplan moving towards NFPA certified competencies in wet and dry hydrant fire suppression.

The shared Fire Chief should become a permanent full-time position after an initial 3-year contract period to make certain the model is effective and workable on a day-to-day basis.

### ***Markstay-Warren Dispatch Provision Not Timely***

During “As Should Be” improvement discussions with senior staff, a potential revenue generating service opportunity was considered by having Markstay-Warren establish a Fire dispatch centre and sell that service to neighbouring municipal fire services. A number of smaller municipalities and other providers have established dispatch service hubs across the province. As noted earlier, Markstay-Warren currently purchases dispatching from the Smiths Falls Fire Department.

In an effort to verify the feasibility of such an opportunity, Performance Concepts consulted with the Tillsonburg Fire Service; one of several such hubs. Tillsonburg currently dispatches 34 fire stations servicing a population of more than 200,000. Their Chief advised that while Internet connectivity has essentially eliminated distance-from-the-service-being-dispatched as an operational consideration, the advent of Next Gen 9-1-1 and the need for a fully powered back-up site have driven up start-up costs substantially. In the case of Tillsonburg, it has taken ten years to become profitable, and he felt \$500,000 in start-up costs before the first call is dispatched would not be unreasonable to plan for.

The market for these dispatch services is becoming quite competitive with annual costs as low as \$3.00 per resident being charged. Given that a number of these providers are well established, including Sudbury’s private sector-based Northern 911, the market is likely not ripe for a new player.

### **7.5.3 Sudbury East Planning and Building Services Board**

Performance Concepts has delivered numerous Development Approvals Process (DAP) reviews for municipal clients across Ontario. Seamless integration of Planning and Building approvals is a “must have” for a properly functioning DAP. Overlapping the completion of Minor Variances and Site Plans with the onset of a building permit application creates processing efficiency and reduces total processing timeframes for applicants.

Performance Concepts recommends integrating the Sudbury East shared Building permits/inspection staff team with the Sudbury East Planning Services commission. The integrated/merged organization would become the Sudbury East Development Services Commission. A variety of operational benefits and fixed costs/staffing efficiencies are possible with thoughtful and thorough implementation.

### **7.5.4 Towards Future Service Sharing Deals**

Service sharing represents one of the most promising avenues for Sudbury East municipalities to generate cost reductions, cost avoidance and operational performance improvement. An exhaustive study/report commissioned by the 4 Sudbury East municipalities in 2017 has not generated meaningful service sharing deals or \$ savings. This study was executed pre-pandemic. As noted at the beginning of this Report the fiscal environment facing municipalities across Ontario is rapidly changing. The “incremental” improvement climate of the recent past is giving way to the need for transformational change in a Province burdened by unprecedented debt loads.

Three fundamental problems/issues have side-tracked previous service sharing attempts across the Ontario municipal community:

1. Service sharing has been interpreted as a prelude to amalgamation
2. Municipal leaders (e.g. CAOs) are extremely busy and lack the capacity “off the side of the desk” to actually execute service sharing (logistics/capacity gap)
3. Municipal Councils support service sharing in principle but are typically of the view that “control” should rest with their Council; they become less enthusiastic as shared service buyers when they do not have control. Political risk trumps service delivery efficiency.

In order to address these three typical service sharing “deal breakers” the following mechanisms/models are recommended by Performance Concepts for consideration:

- The Sudbury East Municipal Association (SEMA) should create an ongoing Service Sharing Technical Working Group (SSTWG). The 4 Sudbury East member municipalities will staff the SSTWG. The SSTWG membership will consist of the 4 Heads of Council and the 4 CAOs or their designates. The mandate of the Working Group will be to establish service sharing “priority deals” among members and oversee due diligence, deal structures and execution/implementation. The SSTWG can be supported by Performance Concepts as a technical resource across 2020-2021 in order to build momentum and establish standardized due diligence methodologies and implementation models. Resourcing the SSTWG can be accomplished using Provincial modernization funding already received or other innovation-earmarked revenue sources.
- Shared service deals can/should involve differing combinations of Sudbury East members. Individual municipalities can act as service sellers/buyers or participants in a 3<sup>rd</sup> party arrangement (e.g. Non-profit organization or corporation offering forward-facing services or backroom internal support functions like accounting/HR/IT).

## 7.5.5 Public Works/Engineering Technical Services

Engineering services are currently contracted out, but the potential exists to acquire these services from a neighbouring municipality, e.g. City of Sudbury.

In the experience of the Performance Concepts team that outsourced technical services purchased by municipalities are more expensive (on a billable hour basis) compared to hourly pricing for services purchased from another municipality.

Annual outsourced engineering consulting work can be evaluated against a proposed City of Sudbury price point for a fixed number of annual hours provided by their engineering staff.

Performance Concepts recommends this opportunity be referred to this Report’s recommended Sudbury East Service Sharing Technical Working Group (SSTWG). Likely due diligence review and implementation in 2021.

#### 7.5.6 Shared Treasurer/Financial IT Systems

Highly qualified municipal Treasurers are a difficult hire in small municipalities across Ontario – the Sudbury East municipalities are no exception. A Treasurer can establish the financial strategies - budgetary, asset management, long term policy frameworks – collectively required by Sudbury East municipalities. A dispersed team of financial analysts/technicians positioned in each municipality can manage/populate the information systems used by a common Treasurer.

A single modernized accounting/budgeting/reporting system can be designed with standalone GL accounting structures for each municipality sharing the common system. These common/standalone GL accounting structures can reflect service based and org-structure based views.

Currently a number of Sudbury East municipalities (including Markstay-Warren) are currently using outdated Vadim financials/accounting systems. A modernized shared system upgrade is therefore timely. A shared Treasurer providing coordinated financial leadership (in tandem with dispersed Finance staff support teams in each municipality) is also timely for Markstay-Warren given its current Treasurer vacancy.

A cost-shared Treasurer providing strategic financial leadership for multiple jurisdictions is recommended – in tandem with a common modernized post-Vadim financial system (e.g. Central Square Diamond). An existing Treasurer from another Sudbury East municipality may be an available option for the CAOs to collectively consider.

The unconditional 2019 modernization funding from the Province could be utilized to fund the common Finance IT system/platform.

## 8.0 Implementation Road Map

### 8.1 Relentless Focus on Execution

Initiating significant change to achieve improved organizational performance is always hard. It requires a relentless focus on the execution of a well-designed Implementation Roadmap.

The Performance Concepts team has created a carefully phased roadmap; balancing a quick/timely pace of change with a recognition that capacity limitations need to be realized/respected.

The Roadmap is phased across the following three time periods: Do Now (2020-21), Do Soon (2022) and Do Later (2023 & Beyond).

Flexibility has been built into the Do Now/Do Soon timing of “shovel ready” facility consolidation capital projects to take advantage of an expected Post-COVID Federal/Provincial/Municipal infrastructure funding program.

### 8.2 Public Works - Operations

The recommendations re. Public Works operations will create a single, focused maintenance team that is efficiently scheduled and deployed to maximize productivity across the entire municipality.

Non-winter and Winter plans will be linked to the budget process to create an accountability contract between Council and staff.

Technology upgrades and improved data management systems will be implemented to support the Public Works team. Key Performance Indicators will be used to set targets and report on results achieved versus targets set.

PUBLIC WORKS OPERATIONS	
<b>Do NOW</b> Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Execute recommended centralization of Public Works business unit &amp; prepare the 2021 activity-based Non-Winter Maintenance Plan for Council approval (Fall 2020) <ul style="list-style-type: none"> <li>✓ Revised Scheduling &amp; Deployment as per Final Report</li> <li>✓ Build-out an activity-based set of Key Performance indicators to support 2021 Non-Winter Maintenance Plan (Q1 2021). MMS will be available before end of 2021 to support KPIs</li> <li>✓ Prepare CAO/Council Report on Non-Winter KPIs in Q4 2021; aligned with 2022 budget cycle</li> </ul> </li> <li>Continue executing recommended centralization of Public Works business unit by preparing the 2021 activity-based Winter Maintenance Plan for Council approval (Q3 2021)</li> </ul>
<b>Do SOON</b> Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>Prepare CAO/Council Report on Winter Control performance (using KPIs) in Q2 2022 after conclusion of 2021-2022 winter season (Plan versus Actual)</li> </ul>
<b>Do LATER</b> Recommendations Bundle (Execute in 2023 & Beyond)	<ul style="list-style-type: none"> <li>Execute ongoing annual Non-winter &amp; Winter Maintenance Planning/Reporting cycles using KPIs to establish targets and report results</li> </ul>

### 8.3 Public Works – Facilities Consolidation

The consolidation of Public Works yards as per our Recommendations and the Roadmap will avoid \$700,000+ in life-cycle asset management replacement funding that would otherwise be required as per Markstay-Warren's O Reg 588/17 asset management plan.

The final timing of the "shovel ready" design phase of the recommended capital project is flexible – it will be determined by the timing requirements of an upcoming Federal/Provincial/Municipal post-COVID infrastructure program. The two timeframes A-B for the same shovel-ready project (see below in red) reflect the uncertain arrival date of a post-COVID Federal/Provincial/Municipal infrastructure program.

PUBLIC WORKS FACILITIES RATIONALIZATION	
<b>Do NOW</b> Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>• <i>Prepare Detailed Yards/Facilities Consolidation Business Plan (Q4 2020 to Q2 2021)</i> <ul style="list-style-type: none"> <li>✓ Preferred Siting option</li> <li>✓ Consolidated Yard functional design</li> <li>✓ Yard/Facility rationalization financing/costing "due diligence"</li> <li>✓ Construct new Fibre/Membrane Works facility</li> </ul> </li> <li>• <i>Timeframe A: Prepare "Shovel Ready" Capital Project (Q4 2021)</i> <ul style="list-style-type: none"> <li>• Prepare &amp; execute RFP for Yard/Facility design</li> <li>• Select vendor &amp; prepare/endorse functional design plan</li> <li>• Timing to be adjusted to qualify as a "shovel ready" for a future/upcoming Federal/Provincial/Municipal infrastructure project (Could shift to "Do Soon")               <ul style="list-style-type: none"> <li>✓ Funding solution including long term debenture financing + infrastructure program 2/3 share</li> </ul> </li> </ul> </li> </ul>
<b>Do SOON</b> Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>• <i>Timeframe B: Prepare "Shovel Ready" Capital Project (Q4 2022)</i> <ul style="list-style-type: none"> <li>• Prepare &amp; execute RFP for Yard/Facility design</li> <li>• Select vendor &amp; execute functional design plan</li> <li>• Timing to be adjusted to qualify as a "shovel ready" for a future/upcoming Federal/Provincial/Municipal infrastructure project (Could shift to "Do Now")               <ul style="list-style-type: none"> <li>✓ Funding solution including long term debenture financing + infrastructure program 2/3 share</li> </ul> </li> </ul> </li> </ul>
<b>Do LATER</b> Recommendations Bundle (Execute in 2023 & Beyond)	<ul style="list-style-type: none"> <li>• <i>Execute Construction Phase of "Shovel Ready" Capital Project</i> <ul style="list-style-type: none"> <li>✓ To be positioned by CAO/Council in first 5-years of 10-year capital budget forecast</li> </ul> </li> </ul>

## 8.4 Administration - Data Management and Workflow

Markstay-Warren received “no strings” modernization grant funding in 2019. A portion of this funding is available to execute the recommended data management/workflow improvements contained in this component of the Roadmap.

A new Financials/MMS IT solution can also be delivered in a service sharing deal with East Sudbury peers – ideally in coordination with a shared Treasurer model. The fixed costs of the IT solution would be reduced by burden sharing with Sudbury East municipal partners.

ADMINISTRATION – DATA MANAGEMENT - WORKFLOW	
<b>Do NOW</b> Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Establish IT capital project to replace current outdated Financials/MMS IT solution* package (Q4 2020)</li> <li>Execute RFP/Evaluation to select Financials/MMS solution (Q1-Q2 2021)               <ul style="list-style-type: none"> <li>✓ Consider implementing as a coordinated shared services project with Sudbury East partners; potentially combined with Shared Treasurer</li> </ul> </li> <li>Select &amp; purchase new Financials/MMS IT toolkit/module; including mobile devices for one-time data input (Q3-Q4 2021)</li> <li>Shared Treasurer decision (Q4 2021)</li> </ul> <p>*Preferred capital project funding from 2019 Municipal Modernization Grant</p>
<b>Do SOON</b> Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>Rollout new “go live” Financials/MMS IT solution; including new activity based GL/budget reporting structures (Q2-Q3 2022)</li> <li>Potential “go live” of shared Treasurer overseeing transaction-based analysts in each Sudbury East sharing municipality</li> </ul>

## 8.5 Fire Department – Facility/Hall Rationalization

The consolidation of Fire Halls as per our Recommendations and this Roadmap will avoid \$2.3M in life-cycle asset management replacement funding that would otherwise be required as per Markstay-Warren's O Reg 588/17 asset management plan.

The final timing of the “shovel ready” design phase of the recommended capital project is flexible – it will be determined by the timing requirements of an upcoming federal/provincial/municipal post-COVID infrastructure program. The two timeframes A-B for the same shovel-ready project (see below in red) reflect the uncertain arrival date of a post-COVID Federal/Provincial/Municipal infrastructure program.

FIRE DEPARTMENT – FACILITY/HALL RATIONALIZATION	
<b>Do NOW</b> Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>• Prepare Detailed Fire Halls Consolidation Business Plan (detailed due diligence on Siting/Design/Costing))</li> <li>• <i>Timeframe A: Prepare “Shovel Ready” Phase 1 Capital Project (Q4 2021)</i> <ul style="list-style-type: none"> <li>• Prepare &amp; execute RFP for design solution <ul style="list-style-type: none"> <li>✓ Finalized Sites for Markstay HQ &amp; Warren Bay</li> <li>✓ Detailed functional design of Consolidated HQ + Warren Bay</li> </ul> </li> <li>• Timing to be adjusted to qualify as a “shovel ready” for a future/upcoming Federal/Provincial/Municipal infrastructure program (Could shift to “Do Soon”) <ul style="list-style-type: none"> <li>✓ Funding solution including long term debenture financing + infrastructure program 2/3 share</li> </ul> </li> </ul> </li> </ul>
<b>Do SOON</b> Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>• <i>Timeframe B: Prepare “Shovel Ready” Phase 1 Capital Project (Q4 2022)</i> <ul style="list-style-type: none"> <li>• Prepare &amp; execute RFP for design solution <ul style="list-style-type: none"> <li>✓ Finalized Sites for Markstay HQ &amp; Warren Bay</li> <li>✓ Detailed functional design of Consolidated HQ + Warren Bay</li> </ul> </li> <li>• Timing to be adjusted to qualify as a “shovel ready” for a future/upcoming Federal/Provincial/Municipal infrastructure program (Could shift to “Do Now”) <ul style="list-style-type: none"> <li>✓ Funding solution including long term debenture financing + infrastructure program 2/3 share</li> </ul> </li> </ul> </li> </ul>
<b>Do LATER</b> Recommendations Bundle (Execute in 2023 & Beyond)	<ul style="list-style-type: none"> <li>• Execute the following actions in the phased construction stages of the capital project (positioned in first 5 years of municipality's 10-year capital forecast) <ul style="list-style-type: none"> <li>✓ Fire Capital Project Phase 2 - Construct and occupy new Fire Headquarters</li> <li>✓ Fire Capital Project Phase 2 - Construct and occupy Warren satellite bay</li> <li>✓ Fire Capital Project Phase 3 - Decommission and sell/reuse existing Markstay station</li> <li>✓ Fire Capital Project Phase 3 - Decommission and sell/reuse existing Warren station</li> <li>✓ Fire Capital Project Phase 4 - Decommission Awrey as an active station and repurpose (Continued use as training facility if not incorporated into new Headquarters)</li> </ul> </li> </ul>

## 8.6 Fire Department - Fleet Rationalization

The proposed Fire apparatus rationalization plan will reduce future life-cycle replacement costs (7 apparatus to 5 apparatus – 4 frontline and 1 spare pumper).

Fleet rationalization to improve fire suppression performance is linked to the Fire Facility consolidation model. Taken together these changes maintain community safety and preserve resident house insurance ratings in Markstay and Warren – while avoiding millions of dollars in life-cycle driven asset replacement costs.

FIRE DEPARTMENT - FLEET RATIONALIZATION	
Do NOW Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Consistent with Recommendations in this report (Section 7.3.5)... Produce a staged Fleet Rationalization Plan</li> </ul>
Do LATER (in tandem Fire Capital Project – Phase 2)	<ul style="list-style-type: none"> <li>Spec and purchase new Pumper/Tanker &gt; Headquarters</li> <li>Spec and purchase second Pumper/Tanker &gt; Warren</li> <li>Spec and purchase new Tanker &gt; Headquarters</li> <li>Decommission and sell redundant fleet. Retain 2013 pumper as spare.</li> </ul>

## 8.7 Fire Department - Shared Service Opportunities

Performance Concepts has discussed shared service opportunities for 1st Line of Defence, Training and a shared Fire Chief with Sudbury East municipalities.

The specific Fire sharing recommendations contained in this Report should be reviewed by Sudbury East municipalities – ideally through the Services Sharing Technical Working Group (SSTWG).

SHARED SERVICE OPPORTUNITIES - FIRE	
Do NOW Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Initiate service sharing discussion with Killarney &amp; St. Charles re. 1<sup>st</sup> Line of Defence &amp; Training...culminating in MOU agreement(s) for 2022 budget year</li> </ul>
Do SOON Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>Launch 1<sup>st</sup> Line of Defence &amp; Training service sharing as per Council approved MOUs (estimated 500 hours of capacity for sale).</li> <li>Begin discussions with Sudbury East municipalities about transition to share contracted Chief</li> </ul>
Do LATER Recommendations Bundle (Execute in 2023 & Beyond)	<ul style="list-style-type: none"> <li>Transition to a contracted Chief with financial support of contracted municipalities</li> </ul>

## 8.8 Service Sharing Technical Working Group

The Services Sharing Technical Working Group (SSTWG) should be rolled out in a timely fashion to gain traction around meaningful and potentially transformative performance improvement/cost management deals. The key is to ensure the SSTWG is properly resourced – service sharing due diligence reviews and execution cannot be done “off the side of the desk” by already over-burdened CAOs. Third party expert support in reviewing and executing arrangements is appropriate and necessary for success.

SERVICES SHARING TECHNICAL WORKING GROUP	
Do NOW Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>Engage Sudbury East municipalities around service sharing Recommendations in this Report and create timeline for establishing/resourcing the Services Sharing Technical Working Group. Working Group to consider the following:               <ul style="list-style-type: none"> <li>Shared Treasurer + Common Accounting/MMS IT solution</li> <li>Merger of Planning Commission/Existing Shared Building staffing model</li> <li>Engineering Services from Sudbury</li> <li>Sharing specialized Public Works equipment (e.g. Graders)</li> <li>Shared Fire First Line of Defence</li> <li>Sharing Fire Training Opportunities</li> <li>Shared Fire Chief</li> </ul> </li> <li>Initiate approved workplan/structure for the Services Sharing Technical Working Group &amp; secure 3<sup>rd</sup> party implementation expertise</li> </ul>
Do SOON Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>Implement additional high-priority service sharing opportunities identified/vetted by the Services Sharing Technical Working Group</li> </ul>

## 8.9 Public Communications

When executing the recommended communications improvements, the issue of customer service culture looms large. While proper training and technical support for frontline staff is important, the Economic Development principle of “getting investors/applicants to Yes” is equally important.

PUBLIC COMMUNICATIONS	
Do NOW Recommendations Bundle (Execute in 2020 + 2021)	<ul style="list-style-type: none"> <li>• Set up Social Media Channels (common naming protocols)</li> <li>• Create Social Media Policy</li> <li>• Assign Responsibility to Staff</li> <li>• Re-format Newsletter</li> <li>• Adopt Business Retention and Expansion Strategy</li> <li>• Provide staff training on tracked/actively managed Business Enquiry</li> <li>• Provide Customer Services/Complaint resolution training to appropriate Staff</li> </ul>
Do SOON Recommendations Bundle (Execute in 2022)	<ul style="list-style-type: none"> <li>• Purchase &amp; implement Citizen Relationship Management software solution</li> <li>• Design &amp; launch Website re-fresh with increased functionality– investor focus</li> <li>• Newsletter ongoing delivery to existing business</li> <li>• Initiate Business visitation program</li> </ul>
Do LATER Recommendations Bundle (Execute in 2023 & Beyond)	<ul style="list-style-type: none"> <li>• Establish Tele-Townhall protocols</li> </ul>

### 8.10 Third-Party Progress Assessment

Implementation and execution of organizational change is always challenging. It requires focus and perseverance.

Performance Concepts recommends a 3<sup>rd</sup> party implementation progress assessment in the Fall of 2021. This evaluation will compare actual implementation progress against the *Do Now* & *Do Soon* recommended roadmap. Remedial actions will be recommended (if required) to keep implementation on-track as the Municipality transitions from *Do Now* to *Do Soon* across a range of change action items.

## Conclusions & Moving Forward with Change

COVID-generated Provincial debt loads plus O Reg 588/17 asset management requirements are generating significant new financial risks for municipalities moving forward. Markstay-Warren can mitigate these risks by implementing the Recommendations/Implementation Roadmap set out in this Report.

The 2020 Modernization review has identified over \$3M in capital cost avoidance efficiencies that will benefit Markstay-Warren taxpayers; without imposing negative service levels impacts in the Fire or Public Works departments. The recommended Fire and Public Works facility consolidations contained in this Report are consistent with the evolving reality of Markstay-Warren as a *single* municipality committed to taxpayer value-for-money. The recommended siting of consolidated facilities is consistent with the pattern of growth from Sudbury that is approaching the west end of the Municipality.

This Report has also outlined a series of org design/operational productivity improvements in Public Works - as well as modernized “good government” data management flows/IT tools across the Municipality. These recommended improvements will improve accountability for results, create measurement supported targets, and ensure taxpayer value-for-money moving forward.

Shared service opportunities with Sudbury East peers have been identified, and a mechanism has been configured for making sharing opportunities happen despite limited capacity for change across 4 lean staffed municipal administrations. Service sharing is the best available tool for achieving efficient economies of scale and delivering cost-conscious, high quality support functions and frontline services. Doubling down on service sharing is a critical commitment for Sudbury East municipalities moving forward.

The Performance Concepts team is committed to supporting Markstay-Warren as Council and staff continue to use this Report to generate ongoing performance improvement across coming years.

# Figures

Figure 1 - Provincial Debt .....	6
Figure 2 – Markstay-Warren Reliance on Provincial Grants .....	6
Figure 3 - Doing the Right Things, Doing Things Right.....	8
Figure 4 – “As Is” Public Works Organization.....	15
Figure 5 - Fire Department Net vs Gross Budgets .....	37
Figure 6 - Public Work Restructuring Efficiencies: Significant Capital Cost Avoidance .....	44
Figure 7 - Integrated Data Management Processes .....	46
Figure 8 - Integrated Financial Systems - Payroll and Asset Management Integration .....	47
Figure 9 - Using Key Performance Indicators to Plan, Do, Check, Act.....	48
Figure 10 - Fire Restructuring Efficiencies: Significant Capital Cost Avoidance .....	51
Figure 11 - "As Is" vs “As Should Be” Fire Apparatus .....	52

# Tables

---

Table 1 - Comparator General Characteristics .....31

Table 2 - Public Works (Transportation) Peer Comparator Ratios .....32

Table 3 - Public Works (Environment) Peer Comparator Ratios .....33

Table 4 - Public Works (Consolidated) Peer Comparator Ratios .....34

Table 5 – Fire Department Peer Comparator Ratios .....35

Table 6 – Corporate Administration Peer Comparator Ratios .....36

