

# FORMAL REPORT

<b>To:</b>	Mayor Strathdee and Members of Council
<b>Prepared by:</b>	Brent Kittmer, CAO/Clerk
<b>Date of Meeting:</b>	25 July 2017
<b>Subject:</b>	<b>CAO 28-2017 Annual Report – Perth Administrators Collaborative Team (PACT) 2016</b>

## PURPOSE

This is a common report being brought forward by all CAOs in the geographic Perth County to update their respective Council on successful shared services and joint purchasing initiatives by the Perth Administrators' Collaborative Team (PACT) in 2016.

## RECOMMENDATION

THAT CAO 28-2017 Annual Report – Perth Administrators Collaborative Team (PACT) 2016 report be received for information.

## BACKGROUND

In 2014, the CAOs of Perth County formalized the Perth Administrators Collaborative Team (PACT). PACT is a collaborative forum comprised of the CAOs of the City of Stratford, the County of Perth, the Town of St. Marys, and the municipalities of West Perth, North Perth, Perth East, and Perth South. The group of CAOs meet quarterly to explore shared service delivery, including joint procurement opportunities of mutual benefit. Annual reports are presented to update Councils on PACT initiatives and accomplishments.

Throughout 2016, generally municipal purchases over \$20,000 have been referred to PACT members to explore opportunities for collaborative savings opportunities. Note that opportunities for shared services and / or joint procurement are only pursued when they have mutual benefit. Therefore, some opportunities have been pursued by some partners and not others. It is not necessary for each member to participate in each purchase.

## REPORT

The PACT partnership has allowed these seven municipalities to build on our history of shared service delivery and has provided greater efficiencies and / or service improvements for all partnering municipalities. PACT allows municipal partners to actively seek opportunities to work collaboratively and improve service delivery within our respective communities. We are all relatively small municipalities that are generally awarded lower levels of external funding for municipal operations. Service collaboration allows us to:

- Avoids duplication of efforts;
- Build better relationships between partners;
- Improve service delivery;
- Lower service and/or administrator costs.

### Specific shared services undertaken in 2016 are as follows:

- Procurement:
  - Pick-up Trucks (County & Perth South)
  - Tandem Trucks/Snowplows (County & Perth East)
- Weed and Vegetation Management (County & Perth South)
- FiberMat Pavement Preservation (County, Perth East, West Perth, Perth South, North Perth)
- Winter Salt Supply (County, Perth East, North Perth, Stratford, St. Marys)
- Winter Salt Hauling Contract (County, Perth East, North Perth, Stratford, St. Marys)
- E-Solutions website updates (County, Perth East, West Perth, North Perth, Perth South).

### Shared Services for 2017 to date are as follows:

- Pick-up Trucks (County & St. Marys)
- Hot Mix Paving (Perth East & County)
- Fibermat Pavement Preservation (County, Perth East, Perth South, West Perth)

In addition to the above, and specific to St. Marys, the following collaborative initiatives are under way in 2017:

#### With Perth County

- Partnered for the purchase of half ton pick-up trucks.
- Town contracted the County for centre line painting on roads.
- Winter Operations – County uses one bay at the MOC and purchases de-icing materials from the Town. The County reports back to the Town on conditions of roadways.

#### With Perth South:

- Partnered for the delivery of the Perth4Youth youth retention and attraction strategic plan.
- Public Works – reciprocal use of equipment and staff at no charge (i.e. grading services for Glass Street, Town vac truck deployed for use in Perth South).
- Reconstituted the Joint Economic Development Committee.

#### With All Municipalities:

- Partnered to deliver the Doug Griffiths speaking tour in Mitchell.
- Partnered in a regional letter and strategy regarding the loss of long term care beds in the geographic County of Perth.

Furthermore, the following service collaboration / joint purchasing ventures were already in place are ongoing:

SERVICE AREA	PROJECT(S)
<b>Building Services</b>	<ul style="list-style-type: none"><li>◦ Shared Building Inspector services</li></ul>
<b>Clerk/Administration Services</b>	<ul style="list-style-type: none"><li>◦ Policy, procedures, agreements, by-law sharing, research and development;</li><li>◦ Closed session meeting investigator (joint contract)</li><li>◦ <u>Municipal election</u> – joint compliance audit committee; joint candidate information session</li><li>◦ Joint staff training</li><li>◦ Perth County Leadership Training</li></ul>
<b>Employee Benefits</b>	Huron-Perth benefits consortium
<b>Fire Services</b>	<ul style="list-style-type: none"><li>◦ Department Administration (shared Chief and Fire Prevention Officer);</li><li>◦ Fire service agreements</li></ul>

SERVICE AREA	PROJECT(S)
	<ul style="list-style-type: none"> <li>○ Mutual Aid Agreement;</li> <li>○ County Radio System;</li> <li>○ Shared paging system;</li> <li>○ Fire dispatch;</li> <li>○ Mobile fire training unit;</li> <li>○ Children's Fire Safety House;</li> <li>○ Fire training</li> </ul>
<b>Library Services</b>	Perth County Information Network
<b>MLC</b>	<ul style="list-style-type: none"> <li>○ Perth District Health Unit;</li> <li>○ Social Services;</li> <li>○ Emergency Medical Services;</li> <li>○ Stratford-Perth Archives;</li> <li>○ Stratford-Perth Museum;</li> <li>○ Provincial Offences Administration</li> </ul>
<b>Public Works</b>	<ul style="list-style-type: none"> <li>○ <u>Roads</u> – street sweeping; sidewalk plowing; roadside grass mowing; shouldering; sign testing; crack sealing; spray patching; line painting; salt and sand purchasing; joint paving and resurfacing contracts; equipment sharing; health and safety training;</li> <li>○ <u>Bridges</u> – Joint RFP for OSIM Inspection</li> <li>○ <u>Water</u> – water system operation services; shared water systems</li> <li>○ <u>Landfill Operations</u> – annual wood chipping tender</li> <li>○ <u>Waste Management</u> – household hazardous waste depot</li> <li>○ <u>Fleet</u> – Joint procurement for snowplow and chassis equipment and Mobility bus tender</li> </ul>
<b>Recreation Services/Facilities:</b>	Facility use agreements (Arena, Community Centre, Swimming Pool).
<b>Shared Staff Resources:</b>	<ul style="list-style-type: none"> <li>○ Economic Development Coordinator;</li> <li>○ Accessibility Coordinator;</li> <li>○ Human Resources Manager;</li> <li>○ Planning services;</li> <li>○ Drainage Superintendent;</li> <li>○ By-law enforcement officer;</li> <li>○ tree/weed inspector;</li> <li>○ Community Emergency Management Coordinator (CEMC);</li> <li>○ IT Staff (advice)</li> </ul>
<b>Software</b>	<ul style="list-style-type: none"> <li>○ eScribe;</li> <li>○ GIS</li> </ul>
<b>Transportation</b>	Rideshare pilot project

For further details on municipal participants for each project, please see the attached inventory of shared service arrangements.

## SUMMARY

This report is for information only to report on the joint initiatives and partnerships that have been established by the municipalities located in the geographic County of Perth.

## FINANCIAL IMPLICATIONS

Economies of scale and efficiencies realized through shared service collaboration have allowed all partner municipalities to decrease costs without decreasing service levels. While savings are not tracked on a case by case basis, examples of savings can be demonstrated as follows:

- FiberMat Pavement Preservation – savings of approximately 0.15-0.20 cents per square meter by combining work/quantities. This would amount to savings in the tens of thousands of dollars;
- E-Solutions website updates – able to save up to 75% off book value for website updated by working as a group;
- Shared Staff Resources – Drainage Superintendent:
  - The five year average cost of Drainage Superintendent services purchased from an engineering firm cost Perth South \$75,534 annually.
  - At the end of 2015, Perth South and North Perth entered into a Shared Service Agreement in which North Perth hired a full time Drainage Superintendent and Perth South purchased Drainage Superintendent services 2 days per week from North Perth.
  - In 2016 the Drainage Superintendent services cost for Perth South was \$28,768.
  - This represents a savings of \$46,766 annually.

Furthermore, PACT is able to demonstrate the direct and indirect benefits of cost sharing as follows:

- Economies of scale, including better pricing due to increased purchase order size;
- Increased efficiency by eliminating staff time and resources required for a standalone municipal tender/ issuing multiple tenders for the same items;
- Joint training sessions and shared contracts produce significant savings for all participants due to cost sharing;
- Building recruitment capacity by pooling resources and building staff capacity through knowledge transfer, cross training and collaborative problem solving:
  - Sharing staff resources has enabled PACT municipal partners to hire staff they would be unable to on an individual basis;
  - Added ability to collaborate with other municipalities for technical expertise/knowledge base and purchasing power.
- Building municipal capacity through access to new resources, (e.g. facilities, information and expertise);
- Opportunity to provide new services and enhance responsiveness to new and growing citizen demands;
- Enhanced organizational flexibility, continuous improvement, value for money and ongoing evaluation of service delivery options;
- Increased ability to comply with provincial regulatory and reporting requirements and ability to respond to new externally driven mandates through cost and resource sharing.

## **OTHERS CONSULTED**

All Perth County CAOs.

## **ATTACHMENTS**

1. Master summary of joint initiatives.

## **REVIEWED BY**

**Recommended by the CAO**

  
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Brent Kittmer  
CAO / Clerk