

Business Case for Service Level Change

Request/Project Name: Support for Sudbury Food Banks Delivery System

Department: Community Development

Division: Social Services

Council Resolution (if applicable):

CS2018-15

I. Executive Summary

Overview of Proposal

This Proposal was written based on information provided by the Banque d'aliments Sudbury Food Bank (BDSFB), a central organization that supports organizations that offers food assistance to emergency food banks and meal providers across the City of Greater Sudbury and to others within the district of Sudbury.

In 2017 the BDSFB began acquiring and distributing fresh produce and frozen meat and protein from local retail partners. In total 128 tons of fresh produce (\$665,600 in food value) and 19 tons of meat and frozen proteins (\$98,800 in food value) were distributed. Currently the collected food is held at BDSFB and the Member Agencies pick it up from the warehouse. BDSFB are seeking funding to expand its ability to not only collect but also deliver the food. The funding requested, \$100,000 per year for the next three years, is to pay for 2 fulltime drivers, maintain and fuel the vehicles as well as hire a pickup and distribution coordinator

II. Background

Current Service Level

There is no funding provided by the City of Greater Sudbury for this service. The service operated by the BDSFB provides part time drivers and a truck that collects food from local retailers. The product is brought back to the BDSFB warehouse and distribution center at 1105 Webbwood Drive and Member Agencies are required to make their own arrangements to pick up the available food. Currently BDSFB has 2 part-time drivers (25 hours/week each) who utilize a selection of vehicles, including a refrigerator truck, to make the required pickups in order to ensure maintenance of a proper cold chain from the retail partners to the warehouse.

Drivers for Proposed Course of Action

At the Community Service Committee meeting on July 9 2019 the BDSFB brought forward for consideration this proposal to support transportation of the food as an option for the City to consider. Under the current system many of the member agencies indicated that they were unable to pick up the available fresh produce in a timely matter or even at all, due to their having to rely upon volunteers and volunteer vehicle availability. Most, if not all of, the member agencies do not have the resources available to maintain proper cold transportation and storage to move fresh product from the warehouse to their location. By increasing the distribution component to the work done, BDSFB can ensure that all of the member agencies receive fresh, healthy product they can distribute across the city.

III. Recommendation

Categorize your specific request (mark an 'X' for all that apply):

<input type="checkbox"/>	Change to base operating budget	<input type="checkbox"/>	Change to base FTE allocation
<input type="checkbox"/>	Change to fees (unit price)	<input type="checkbox"/>	Change to revenues (volume change)
<input checked="" type="checkbox"/>	Investment in project (Operating)	<input type="checkbox"/>	Investment in project (Capital)

Recommendation

The specific recommendation is an investment of \$100,000/year for 3 years. This would cover the operating cost for 2 full time drivers (40 hrs. per week) and a part-time delivery and pick-up coordinator (25 hrs. per week) at \$14.00 per hour + benefits (for a total of \$80,000). It would also cover: additional insurances (\$6,000) and additional fuel and maintenance costs (\$14,000). All additional administrative costs would be covered by the BDSFB.

Based on last year's distribution of product of 462 tons this would result in the following breakdown: a cost of \$216.45/ton delivered or 11 cents/pound delivered. Food Banks Canada in partnership with The Nielson Company has established a national value for donated food of \$2.60/pound. Which means every dollar invested in this program will lead to a return of \$22.63 in food value.

An important note about this recommendation: the actual benefit provided by this investment will be even greater, as this recommended change will result in even more product distributed: The current goal is an increase in food distributed by 20% in the first year. We find it difficult to believe a more cost effective way to impact hunger in our city in a significant way currently exists.

How does this align with Council's Strategic Plan?

	Growth and Economic Development		Responsive, Fiscally Prudent, Open Governance
X	Quality of Life and Place		Sustainable Infrastructure

The BDSFB feels that by increasing the available fresh fruits and vegetables and frozen meats and proteins to the over 11,000 citizens of our community who are facing food insecurity issues will greatly increase the quality of life of those who need it. The mission of the BDSFB to ensure that no one goes hungry in Greater Sudbury and the surrounding District of Sudbury. The BDSFB believes that its mission aligns clearly with the Council's Strategic Plan. Furthermore BDSFB states that there are direct economic benefits to be had from easing the food insecurity issues of the city's residents. Access to fresh, healthy food will allow strained budgets to stretch further, will lead to improved health and reduced stress, all of which means more residents are better able to contribute to its growth and economy.

IV. Impact Analysis

Qualitative Implications

This investment could result in an increase in available fresh food and frozen protein available to citizens facing food insecurity issues. It will allow an increase in food reclaimed from current retail partners and the potential ability to expand the program to include new partners. It is also further felt by BDSFB that this change will significantly reduce the amount of food waste added to city landfills. Member agencies will be able to utilize their volunteers in more efficient ways to better support their programs and clients by freeing their resources who are currently dedicated to picking up product from the warehouse.

Quantifiable Implications

The support requested is \$100,000.00 per year for three years

This would cover the operating cost for

2 full time drivers (40 hrs. per week) and a part time administrator delivery and pick up coordinator (25 hrs. Per week) at \$14.00 per hour + benefits = \$80,000.00

- Additional insurances = \$6,000.00
- Gas per year, regular maintenance, tires etc. (5 vehicles) = \$14,000.00
- Administrative costs would be covered by BDSFB

Operating Revenue - Incremental

Detail

Description	Duration	Revenue Source	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental

Detail

Description	Duration	Funding Source	2019 \$	2020 \$	2021 \$	2022 \$	2023 \$
Sudbury Food Bank Grant	One-Time	Levy	\$ 100,000			\$ (100,000)	
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ 100,000	\$ -	\$ -	\$ (100,000)	\$ -
Total			\$ 100,000	\$ -	\$ -	\$ (100,000)	\$ -

FTE Table

Position	Bargaining Unit	Duration	Permanent / Part Time		2019	2020	2021	2022	2023
		Permanent			-	-	-	-	-
		PT Hours			-	-	-	-	-

Net Impact		2019 \$	2020 \$	2021 \$	2022 \$	2023 \$
On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
One-Time		\$ 100,000	\$ -	\$ -	\$ (100,000)	\$ -
Total		\$ 100,000	\$ -	\$ -	\$ (100,000)	\$ -

Implementation

Currently BDSFB has the capital resources needed to implement the expansion of this program. Implementation would be achieved almost immediately upon receipt of approval. The part-time drivers would go to full-time capacity. The initial scheduling of pickups and deliveries will be handled by current staff and an immediate hiring effort of a part-time delivery and pickup scheduling co-ordinator would be initiated. Upon filling the position the new part-time coordinator would work with the Executive Director to expand both the current retail partnerships and finalize the new partnerships which would be available once the capacity to handle them increased.

Advantages/Disadvantages

Advantages	Disadvantages
<ul style="list-style-type: none"> • Increase in available perishable and non perishable food stocks. • High return of food value per dollar invested • The infrastructure and capital components of this program already exist. • An increase in the food safety by extending the centralized management of the cold chain. • Minimal lead time required to implement the program. 	<ul style="list-style-type: none"> • This program could expand at a rate which would outstrip the current infrastructure and require an expansion of capital (ex. Another freezer truck). • At the end of three years the BDSFB would need to secure funding to maintain what would be by that time a very integrated and relied upon program.

V. Alternatives**Alternatives Considered**

Solution Options	Advantages/Disadvantages	Financial Impact
As this is an outside agency request for a service not provided by the CGS, there are no alternatives developed.		