

Request for Decision

Finalization of the 2018 Budget

Presented To: Finance and
Administration
Committee

Presented: Tuesday, Dec 05, 2017

Report Date Wednesday, Nov 22,
2017

Type: APPROVAL OF
BUDGET

Resolution

Resolution #1: THAT the water/wastewater operating budget be approved in the gross expenditure amount of \$79,474,850, representing a user rate increase of 7.4%.

Resolution #2: THAT the water/wastewater 2018 capital budget be approved in the amount of \$37,190,911 funded as follows:

Contributions from Water/Wastewater User Fees \$32,518,779

Contributions from Federal Grants \$960,000

Contributions from the City of Greater Sudbury's Reserves and Reserve Funds \$3,712,132

Resolution #3: THAT the City's share of the tax supported budget for the Nickel District Conservation Authorities 2018 budget in the gross expenditure amount of \$867,286 and a net property tax levy requirement of \$867,286, be approved.

Resolution #4: THAT the City's share of the tax supported budget for the Police Services 2018 budget in the gross expenditure amount of \$63,548,588 and a net property tax levy requirement of \$57,763,721, be approved.

Resolution #5: THAT the City's share of the tax supported budget for the Sudbury and District Health Units 2018 budget in the gross expenditure amount of \$6,149,431 and a net property tax levy requirement of \$6,149,431, be approved.

Resolution #6: THAT the City's share of the tax supported budget for the Sudbury Airport Personnel 2018 budget in the gross expenditure amount of \$2,262,212 and a net property tax levy requirement of \$0, be approved.

Signed By

Report Prepared By

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Manager Review

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Financial Implications

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Recommended by the Department

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Resolution #7: THAT the 2018 City of Greater Sudbury's tax supported base operating budget for municipal operations, inclusive of fees and charges and excluding the City's share of the Outside Boards' budgets be approved in the gross expenditure amount of \$489,338,791 and the net amount of \$194,843,655.

Resolution #8: THAT the City of Greater Sudbury's 2018 tax supported capital budget be approved in the gross amount of \$124,784,228 funded as follows:

Contributions from the Operating Budget \$38,434,776

Contributions from Federal Grants \$18,203,817

Contributions from Provincial Grants \$15,679,916

Contributions from the City of Greater Sudbury's Reserves and Reserve Funds \$10,192,480

Contributions from the City of Greater Sudbury's Obligatory Reserve Funds \$1,175,000

External debt financing of \$38,584,239

Third party recoveries of \$2,514,000

Resolution #9: THAT the recommended tax supported service level changes with a gross cost of \$740,000 and a net cost of \$659,000 as detailed on pages 155 to 305 of the 2018 budget document be approved.

Resolution #10: THAT a special capital levy of 1.5% be used as an investment towards the City's aging infrastructure.

Resolution #11: THAT pursuant to Ontario Regulation 284/09, this report serve as the method for communicating the exclusion of the following estimated expenses from the 2018 Budget:

- a) Amortization expense - \$68 million
- b) Post-employment benefit expenses – \$2.6 million
- c) Solid waste landfill closure and post-closure expenses - \$0.2 million

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

The report provides a summary of the 2018 Budget.

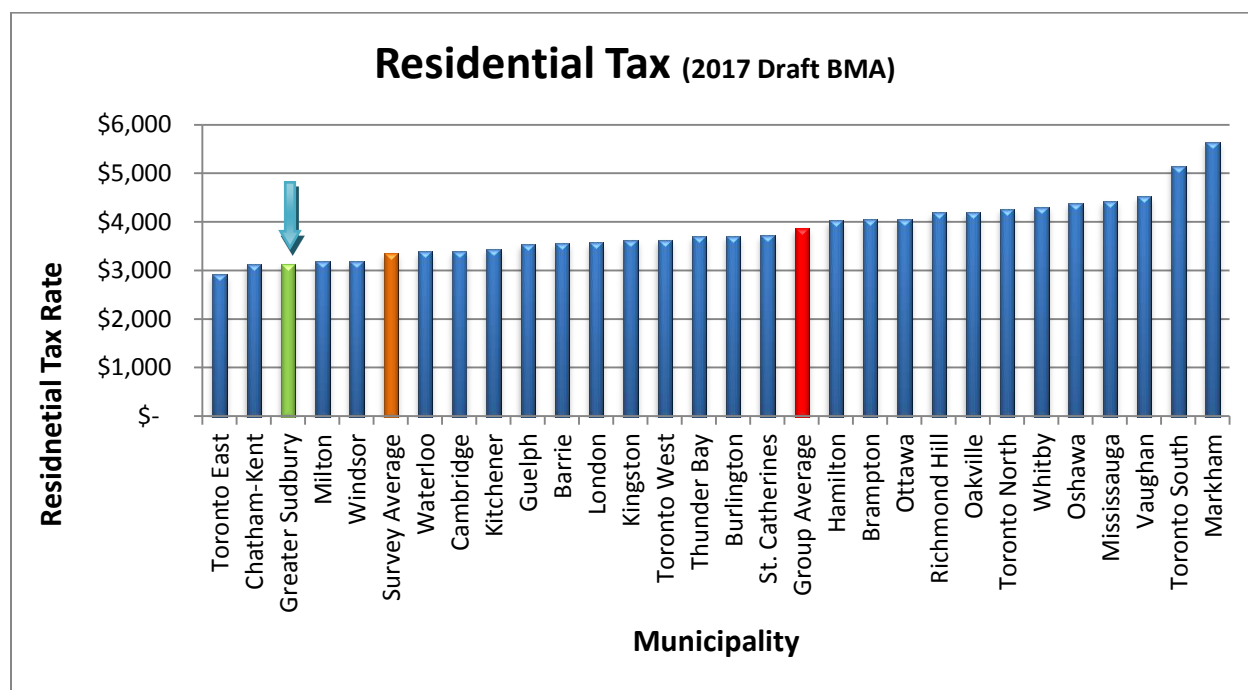
Financial Implications

If approved, the taxation levy increase for 2018 will be 3.5%.

BACKGROUND

The purpose of this report is to present the City of Greater Sudbury's 2018 budget for approval. Following budget directions established by Council in May and an update provided in September, staff provided the Committee with the draft 2018 budget and identified service enhancements for Council's consideration. The recommended budget follows Council's budget directions.

Continued efforts to reduce the operating budget have allowed the City of Greater Sudbury to keep property taxes among the lowest in Ontario. As identified in the 2017 draft BMA study, the City of Greater Sudbury ranks 3rd lowest in levels of taxation for a typical bungalow when compared to the 28 municipalities in Ontario with a population greater than 100,000.



The City's taxes for a typical household are \$728 (\$612 in 2016) lower than the average for all cities in Ontario with greater than 100,000 population. This group average is a reasonable comparator for Greater Sudbury because cities of greater than 100,000 population generally deliver the same services to their residents, although service levels may vary. It is noteworthy, however, that Greater Sudbury's taxes are also lower than the survey average, which includes municipalities of all sizes across the province. In smaller communities, it is possible that the mix of services provided there is less than Greater Sudbury's, yet property taxes here are lower.

Tax Supported Budget

The 2018 tax supported base operating budget, as presented on November 7, 2017, reflects a municipal property tax increase of 3.2%. The 2018 base budget was developed reflecting the same services and service levels as provided in the 2017 budget adjusted for inflation and contractual obligations.

Business Cases for Service Level Changes

There are 20 recommended business cases for service level changes presented for Council's approval. If approved, the effect of these changes is a net operating cost increase of \$659,000, which is a 0.3% tax increase. The summary of the business cases appears on page 157 of the budget document.

When combined with the base operating budget, the total property tax increase is 3.5%, consistent with Council's budget direction. The following chart reflects the impact of the 3.5% tax increase for a typical household (2017 CVA \$230,000 / 2018 CVA \$232,300) by service area subject to reassessment and Property Tax Policy.

Career/Urban (former City of Sudbury)	\$101
Composite/Commuter (former City of Valley East)	\$93
Volunteer/Commuter (all other areas except annexed)	\$90
Volunteer (annexed at amalgamation)	\$87

Adjustments to the Base Budget

2018 OMPF Allocation: Subsequent to the printing of the 2018 operating budget document, the Ministry of Finance released the Ontario Municipal Partnership Fund (OMPF) allocations for all municipalities in Ontario. The City of Greater Sudbury's OMPF allocation for 2018 is \$21.4 million, which is \$2.1 million less than the 2017 allocation. This is \$211,228 lower than the amount included in the 2018 budget. The City received \$3.3 million in transition funding from OMPF in 2017. This amount has been reduced to \$34,000 for the 2018 allocation, thus reducing any significant impact that future reduction in transition funding can have on the City.

Blue Box Funding: After the preparation of the 2018 budget, the Resource Productivity & Recovery Authority (RPR) announced the 2018 allocations for blue box funding. The City's allocation is \$290,000 greater than budgeted.

Changes to Property Tax Policy: Changes to the property tax policy approved on November 21st remove the sub classes for Commercial, Industrial, and Large Industrial tax classes. This results in additional assessment worth 0.6%.

Vacancy Rebate: The phased in approach to eliminating the vacancy rebate program was also approved in November 21st. This change will reduce the total amounts of rebates available by \$200,000.

In total, there is additional funding for the 2018 budget worth \$1.78 million. Staff recommend Council apply these funds to the business cases summarized on pg.158 of the 2018 budget. These represent

requests from City Council for service enhancements that are currently not part of the recommended budget because they could not be accommodated within Council's budget directions. As well, four additional business cases have been requested by Council or Committee for consideration. These will be distributed prior to the December 5th meeting and are detailed later in this report. Alternately, Council could choose to reduce the tax levy by as much as 0.7% resulting in an overall tax increase of 2.8%.

Special Capital Levy

Staff recommends a 1.5% special capital levy. This is consistent with the options presented in the Long Range Financial Plan approved by Council in April 2017.

This would enable the completion of asset renewal work worth \$3.75 million. Numerous municipalities across the country use some form of special levy, typically to address long-standing infrastructure renewal or replacement needs. Greater Sudbury's asset renewal needs are significant and, without some infusion of additional funds like those provided by a capital levy, will not be adequately addressed to sustain service levels or meet expected service demands.

Alternatively, Council could elect to use the funds generated by a capital levy to pay debt servicing costs. The additional \$3.75 million generated could be used to leverage approximately \$50 million of debt to expedite the repairs, rehabilitation, or replacement of the aging infrastructure in the City.

Staff will bring forward a report on the best use of these funds if approved by Council.

Tax Supported Capital Budget (excluding Police Services)

The 2018 draft capital budget for tax supported services, excluding Police Services, is \$122 million with \$38 million being funded from the 2018 tax levy. The largest area of these capital expenditures is in the area of Roads, which has a 2018 budget of \$103 million. The largest project in the Roads capital budget is Municipal Road 35, accounting for \$33 million of expenditures.

Pages 312-314 of the 2018 budget document provide highlights of the 2018 capital budget. The total tax supported capital budget is funded from the following sources:

- a) Current and future years' tax levies
- b) Provincial grants
- c) Federal grants
- d) Reserves and reserve funds

Water/Wastewater Budget

In accordance with the 2011 Financial Plan for Water/Wastewater, which called for a 7.4% user rate increase for 10 years to attain fiscal sustainability of the assets, Council followed up the 2016 and 2017 Budget approval of a 7.4% user rate increase with direction for a 7.4% user rate increase in 2018. The 2018 water/wastewater budget was developed on this direction and used an estimated consumption of 13.7 million cubic metres of water.

The 2018 budget includes an additional \$4.2 million from the operating budget to fund capital projects.

The draft 2018 water/wastewater capital budget is \$37 million and funded from the following sources:

- a) Current and future years' levies
- b) Federal Gas Tax
- c) Reserves and reserve funds

Page 362 of the 2018 budget document provides highlights of the Water/Wastewater capital budget.

City's Share of Outside Boards (Service Partners)

The City provides funding to the three Outside Boards and provides staffing to the Sudbury Airport Community Development Corporation. The cost of staffing is recovered from the Airport.

The Nickel District Conservation Authority (Conservation Sudbury) requested a 42% increase to its 2018 operating grant with a 0% increase to the capital grant; thus reflecting a 27% increase overall, which is reflected in the 2018 budget. NDCA currently has the lowest per capita funding level among all 40 conservation authorities across the province; the 2018 budget, which NDCA anticipates is part of a multi year change, would make it 35th in terms of funding levels. In its November 21 presentation to the Finance and Administration Committee, it described a variety of changed service levels it plans to introduce as a result of its recommended budget.

The Sudbury and District Health Unit (SDHU) has not yet approved its budget at the time this report was distributed. A 2% increase of the City's share of its budget was estimated based on previous years' requests. The SDHU will be presenting its budget on November 23, 2017 to its board and the appropriate modification will be made to the City's budget based on the acceptance of the SDHU's budget.

The Greater Sudbury Police Services presented its budget on November 20, 2017 to the board. The Police Services budget is currently presented in the City's base budget.

The impact to the budget from the Outside Boards represents 1% of the municipal property tax increase.

Municipal Act - Ontario Regulation 284/09

In accordance with Ontario Regulation 284/09, municipalities are required to disclose amounts that are expensed in their financial statements but not included in budgeted figures prior to Council passing the annual budget. For the City of Greater Sudbury, this includes three expenses for the 2018 Budget:

- a. Amortization expense - \$68 million
- b. Post-employment benefit expenses – \$2.6 million; and
- c. Solid waste landfill closure and post-closure expenses - \$0.2 million

The effect of including these expenses in the budget would be to increase the tax levy and user fee requirements. By not including these expenses, capital envelopes and reserve contributions are lower than they will likely need to be to maintain assets in a state of good repair to support existing services and service levels in the future. Similarly, as obligations for post-employment benefits or landfill closure costs become due, not including these expenses now increases the impact on future tax levies.

Update to Business Case section

After the preparation of the 2018 Budget document, additional information regarding the business case section was requested.

Needle Recovery – At the October 24th Special Council Meeting, Council requested a business case for additional funding of needle recovery (CC2017-316). The business case can be found in Appendix 1 of this report.

Mason McCulloch Hospice – At the November 7th Finance and Administration Committee, a motion was passed to increase the proposed funding for the Mason McCulloch Hospice in the business case from \$450,000 to \$750,000. The revised business case can be found in Appendix 2 of this report.

Relocating Fire and Paramedic Services Headquarters – Appendix 3 includes an updated business case to reflect the correct debt financing rate. Appendix 4 includes a supplemental report for this business case.

Valley East Twin Pad – Appendix 5 includes a supplemental report for this business case.

Additional Council Requested Business Cases:

At the November 20th Planning Committee meeting, a resolution was passed requesting an additional business case for additional funding for the Downtown Sudbury Community Improvement Plan in the amount of \$9,507,785.

At its November 21 meeting, the Finance and Administration Committee recommended to Council that staff prepare two additional business cases. One of these would, if approved during budget deliberations, increase funding by at least \$50,000 for the completion of training and investigations to support CPTED (Community Protection Through Environmental Design) audits. The second business case called for an increase to the capital budget to support the introduction of a Therapeutic/Leisure Pool.

These will be distributed prior to the December 5th Finance and Administration Committee meeting.

Business Cases for Service Level Reductions - At the May 16th Finance and Administration Committee meeting, an amendment to the budget direction resolution was passed requesting staff to prepare business cases for service level reductions in order to achieve a 3.0% and 2.5% tax increase. Appendix 6 includes the summary and business cases prepared.

SUMMARY

The 2018 Budget produces a number of results that demonstrate the progress Council anticipated when it created its Strategic Plan. In addition to providing numerous programs and services that residents rely on every day, the 2018 budget makes significant investments that improve residents' quality of life. Not only does it address key priorities like road infrastructure and winter road maintenance services, but it also enhances community safety and the environment. It maintains Greater Sudbury's position as a community with one of the lowest property tax levels in Ontario.

The recommended 2018 operating budget document reflects a 3.5% municipal property tax increase including the effect of recommended service level enhancements. This 3.5% tax increase is in accordance with the budget direction provided by the Finance and Administration Committee in May 2017.

A 3.5% municipal property tax increase represents an increase of approximately \$101 annually or \$8.42 monthly to the typical homeowner that has a property assessed at \$230,000 (home in the former City of Sudbury); increases would be lower in the outlying areas. These increases may vary based on individual property's valuation changes through the recent provincial reassessment process, as well as the effect of the Property Tax Policy, which will be developed for Council's consideration in April of 2018.

Business Case for Service Level Change

Request/Project Name: Used Needle Recovery Services

Department: Community Development

Division: Social Services

I. Executive Summary

Overview of Proposal

The Sudbury & District Health Unit has an active needle exchange program that is offered at four fixed sites throughout the City: 10 Elm Street, Unit 130 (SDHU), 95 Pine Street (Sudbury Action Centre for Youth), 111 Elm Street, Suite 203 (Réseau ACCESS Network), and 96 Larch Street, Suite 401 (Ontario Aboriginal HIV/AIDS Strategy). This harm reduction approach allows for the distribution of needles to citizens without the need to return the needles for exchange, although it is strongly encouraged. There are a large number of used needles being discarded within the community especially in the downtown core. The Sudbury Action Centre for Youth (SACY) was approved by Council Resolution CC 2017-316 to provide used needle recovery services to the City, beginning in November 2017. This business case outlines the costs, as directed by Council, to continue with this service for 2018.

Service Level Impact

This budget option would provide annual funding for an outreach education and used needle recovery program. The existing program and service level was approved by Council with one time funding for November and December 2017.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Used needle recovery services	Provide outreach to people that are using substances, to educate them on proper disposal and provide pick up services for used needles.

Drivers for Proposed Course of Action

The drivers for the program are the rising occurrences of used needles being discarded in public places. The Sudbury & District Health Unit has reported a significant rise in the needles issued through their needle exchange program with as many as 800,000 needles issued in 2016, rising to a predicted 1.2 million needles in 2017 based on current trends. The year to date return rate of syringes is 64% as at October 2017. The City has installed bio bins in various public locations for needle disposal, however the increased incidents of discarded needles found in public places are a health and safety concern for all residents and are on the rise.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

There have been several complaints from citizens and community service providers regarding the number of discarded needles that are showing up on public and private property in the community. This creates a health and safety hazard for citizens in the community. SACY used to provide this service as part of the needle exchange program that they were funded for by the Sudbury & District Health Unit. This funding changed over the past two years and this business case would restore some of the funding for SACY to provide a needle pick up service with regular sweeps of known problem areas.

Urgency

Council approved the one time unbudgeted expenditure for this service for November and December 2017. This business case would provide annual funding for the outreach and needle recovery program to continue in 2018.

How does this align with Council's Strategic Plan?

The needle recovery service is in line with the Strategic Plan of Council in order to increase the Quality of Life and Place. It also responds to an immediate health and safety concern from the public.

IV. Impact Analysis**Qualitative Implications**

There is a health and safety risk to the public due to the amount of discarded needles that are being found in the downtown core. SACY will undertake regular sweeps of known problem areas to recover used needles and therefore reduce the number of discarded needles that are being found by residents. The needle recovery program will further mitigate the potential risk of exposure to pathogens through needle stick injuries that may occur to the general public. Research is currently being completed with community partners regarding further harm reduction strategies and will be reported back to the Community Services Committee in 2018.

Quantifiable Implications - Revenue & Expenditures

The cost for SACY to provide community outreach education and syringe recovery services is \$72,600. The cost estimate includes 2 SACY staff (30 hours per week each) and administration costs for the program. At the time of writing this Business Case, SACY had collected approximately 1900 discarded syringes, which represents half a month's work.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Contract Costs - SACY	On-Going		\$ 72,600				
	On-Going		\$ 72,600	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ 72,600	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ 72,600	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 72,600	\$ -	\$ -	\$ -	\$ -

Implementation *(Likelihood; list any assumptions, constraints)*

The service began in November 2017 and will continue in 2018 only if funding is approved.

Consequences *(What would be the negative results or drawbacks)*

As a result of the City of Greater Sudbury assuming responsibility for this health related service, it may result in an increase in future health related service requests which are currently funded by other levels of government.

Dependencies/Synergies *(Does the proposal depend on any other projects)*

The needle recovery service is linked to the "needle recovery bins" business case in the 2018 budget. The recovery service provided by SACY is expected to increase the usage of needle recovery bins, as SACY will be providing education to users regarding the locations of needle recovery bins.

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

The purchase of service agreement with SACY is overseen by the Social Services Division which has capacity to work with the service provider.

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

There is an immediate health and safety hazard that is posed to the public with the number of discarded needles being found in the downtown core.

Business Case for Service Level Change

Request/Project Name: Funding for Maison McCulloch Hospice

Department: Corporate Services

Division: Financial Services

I. Executive Summary

Overview of Proposal

Maison McCulloch Hospice submitted a funding request to help cover capital costs for the expansion of their 10-bed community residential hospice in Sudbury. The original request from the Hospice was for \$450,000. On the November 7th Finance and Administration Committee meeting, resolution FA2017-24 was passed to increase the funding from \$450,000 to \$750,000.

Service Level Impact

The Hospice expansion is expected to create an additional 19 new healthcare jobs in the community, and will add 3 more adult residential hospice beds, 6 new short-stay beds, 1 new pediatric-transition-education multi-use suite with living area, 1 on-site community ambulatory plan & symptom management care clinic and an extension to the barrier-free Walk of Life boardwalk on the shores of Bethel Lake.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)

Drivers for Proposed Course of Action

The Hospice has shown a consistent occupancy rate of 94% since opening its doors in September 2008.

III. Recommendation

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

<input checked="" 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	<input type="checkbox"/>	

Recommendation (How/Why)

Approval of this business case will add 0.18% to the taxation levy.

Urgency

The Ministry of Health and Long Term Care is exploring the possibility of moving forward with a residential hospice capital program for these beds. Applications have been sent to FedNor and NOHFC.

How does this align with Council's Strategic Plan?

The expansion project meets the strategic direction to grow the economy, and strengthen the high quality of life, including creating programs and services designed to improve the health and well-being of our youth, families and seniors.

IV. Impact Analysis**Qualitative Implications**

The additional funds would help the Hospice achieve their funding goals for expansion.

Quantifiable Implications - Revenue & Expenditures

The capital funding requirements for the construction of the expansion is estimated at \$8.1 million, which includes a community campaign of \$5.1 million. The total request to the City is \$750,000, which could be split over 3 years.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Capital Funding	One-Time	Tax Levy	\$ 750,000	\$ (750,000)			
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ 750,000	\$ (750,000)	\$ -	\$ -	\$ -
Total			\$ 750,000	\$ (750,000)	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ -	\$ -	\$ -	\$ -	\$ -
One-Time	\$ 750,000	\$ (750,000)	\$ -	\$ -	\$ -
Total	\$ 750,000	\$ (750,000)	\$ -	\$ -	\$ -

Implementation *(Likelihood; list any assumptions, constraints)*

If approved, the Hospice would still require additional funds from senior levels of government in order to proceed.

Consequences *(What would be the negative results or drawbacks)*

If the City does not provide capital funding, the Hospice will have to find other funding sources and this could result in a delay of the project.

Dependencies/Synergies *(Does the proposal depend on any other projects)*

N/A

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

N/A

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

N/A

Business Case for Service Level Change

Request/Project Name: Relocating Headquarters for Fire & Paramedic Services

Department: Community Safety

Division: Fire & Paramedic Services

I. Executive Summary

Overview of Proposal

This business case is based on the Auditor General's 'Value For Money Audit' and Council's direction to prepare a business case to determine if the benefits exceed the costs for relocating the Division to the City Core, including the eligibility for 50% cost sharing with MOHLTC.

A number challenges and barriers with the current structure have been identified which prevent the department from making changes to operations that could improve service levels, expenses and/or reallocation of resources. A newly designed and properly located Headquarters for the Community Safety Department provides the cornerstone towards achieving future efficiencies and improvements to overall emergency response, operations, programs and support functions for businesses and residents of the City of Greater Sudbury. The attached report demonstrates that in the current structure, approximately 6,000 hours per year of lost productivity occurs due to travel to and from LELC by paramedics and logistics staff. Analysis suggests that moving the headquarters into the city core could reduce this lost productivity time by more than 4,000 hours. Relocating the Community Safety Headquarters into the core of the City is also expected to realize improvements in response capability, stakeholder relationships, staff engagement and employee wellness.

Service Level Impact

Relocation of Headquarters into the city core is expected to position the Community Safety Department to achieve efficiencies and improvements to overall emergency response, operations, programs and support functions. This may include, but is not limited to:

- Improved paramedic and supervisor availability of approximately 5,000 hours per year
- Improved productivity by reducing lost time incurred by logistical staff
- Provides better support of the entire service from a response perspective helping to address paramedic call volume increases of about 2% per year
- Reduces the impact of road closures (on MR#35) which can affect the ability to deploy and recover ambulances
- Positive impact on employee wellness due to improvements in work environment

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Paramedic Services	Deployment of 14 ambulances (9 on days, 5 on nights) into the city core from LELC every 24 hours to respond to more than 28,600 calls each year, 80% of which occur in the city core (former City of Sudbury).
Fire Services	Protection of approximately 64,000 properties through the provision of public fire safety education, fire safety standards and enforcement, and emergency response. Operates a fleet of 73 front-line fire trucks and major equipment out of 24 stations to respond to 4,500 calls per year. The bulk of these incidents (70%) occur within the city core.
Employee Support and Engagement	Management of more than 600 full and part-time employees in the provision of emergency medical, fire, technical rescue and hazardous material (HAZMat) response to the citizens and infrastructure of the community.

Drivers for Proposed Course of Action

LOCATION: The current location is poorly located to support Community Services and city core response that account for 80% of the paramedic call volume and use 60-70% of related vehicle and staff resources.

SIZE: Community Safety currently occupies 55,000 sq. ft of the LELC facility which does not meet current and future requirements that include: garage space, warehouse, administration, training and simulation labs

CONFIGURATION: LELC was designed as a high school and despite renovations, the facility configuration remains a barrier to more functional and effective spaces in the areas of garage, warehouse, administration and training, hampering the ability to make improvements to the delivery of emergency services.

RENTAL SPACE: Meeting room space is shared with external and internal rental clients which often results in Paramedic or Fire Services being bumped into less desirable spaces on a regular basis.

FUTURE DEVELOPMENT: Local organizations and councillors have ideas to further develop the LELC as a public community center, this type of development may result in introducing further risk and conflicting purposes.

III. Recommendation

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

<input checked="" 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	<input type="checkbox"/>	

Recommendation (How/Why)

That the City of Greater Sudbury approves the development and construction of a new Headquarters for the Community Safety Department to be located in the city core at an estimated cost of \$38 million. This relocation is expected to position the department to create efficiencies that can result in cost savings and/or resource reallocation that can offset extensive travel, increasing call volumes and associated expenditures. Having a properly designed headquarters is expected to improve process efficiencies and service delivery effectiveness.

Urgency

The Community Safety Department's recommends this project receive a high priority in order to proceed to the tendering process in the second quarter of 2018 in order to complete the build by 2020. The relocation of a new HQ in the city core would have a potential impact of all other city station locations, therefore until the HQ is built no other station development or investments (except health & safety) should be undertaken.

How does this align with Council's Strategic Plan?

This project relates to three of the priorities outlined in the 2015-2018 Corporate Strategic Plan. Improvements to the delivery of paramedic and fire services can improve the health and well-being of citizens in the City of Greater Sudbury which is identified by the priority of "Quality of Life and Place". It also supports the priority of "Responsive, Fiscally Prudent, Open Governance" as this project strategically considers the entire operations of the Community Safety Department and aims to reduce/eliminate duplication and redundancy of services, buildings and staffing. Finally, this project aims to create "Sustainable Infrastructure" by identifying essential structures and the relationship to others not only within the Community Safety Department, but the entire corporation.

IV. Impact Analysis

Qualitative Implications

A properly (size, configuration and function) designed Community Safety Headquarters located in an optimal location within the city would result in significant benefits that includes:

- Reduction of travel time and distance between HQ and city core not only by ambulances, but support staff from logistics, training, administration resulting in potential fuel and time savings
- A newly revised deployment model that could potentially provide further improvements and efficiencies related to deployment and value for money
- A new HQ would become a response station for both Paramedic and Fire Services, which could result in the ability to declare an existing city core station as redundant reducing the unfunded station requirements and potential to recover funds related to the sale of the redundant building and property
- Provided proper size and designed space to meet both current and future needs of the service that can create efficiencies and improved processing for such things as vehicle processing, training, information sharing and teamwork
- Improved employee wellness (i.e. injury and stress reduction, crisis intervention, better access to fitness facilities) due to refined work processes and ability of supervisors/managers to more readily and effectively support staff in a timely manner
- Eliminates the need to invest significant fund to renovate the LELC facility to meet the current and future needs of paramedic and fire service delivery, which would still fail to address location challenges

Quantifiable Implications - Revenue & Expenditures

This business case is for one time funding for relocating the new Headquarters for Fire & Paramedic Services. Based on a preliminary report from Perry & Perry Architects, the estimated cost to relocate the station is \$37,979,820 and if funded through debt financing, the annual debt repayment is estimated at \$2,196,377. The total acquisition cost for the project, including the principal repayment and associated interest would be \$65,891,303. This cost estimate is based on 95,000 square feet.

The annual debt repayment would be allocated to Fire & Paramedic Services on a 50/50 basis. The interest portion of the Paramedic Services' annual debt repayment may be covered through the land ambulance grant with the Ministry of Health and Long Term Care. In the first year the total interest portion of the payment totals approximately \$1.5 Million. This would equate to approximately \$375,000 of total funding available.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Ministry of Health and Long-Term Care	On-Going	Grant		\$ (375,000)			
External Debt	One-Time	Debt	\$ (37,979,820)	\$ 37,979,820			
	On-Going		\$ -	\$ (375,000)	\$ -	\$ -	\$ -
	One-Time		\$ (37,979,820)	\$ 37,979,820	\$ -	\$ -	\$ -
Total			\$ (37,979,820)	\$ 37,604,820	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Debt Financing - Fire	On-Going	Tax Levy	\$ 1,098,188				
Debt Financing - Paramedic	On-Going	Tax Levy	\$ 1,098,189				
Contribution to Capital	One-Time	Reserve	\$ 37,979,820	\$ (37,979,820)			
	On-Going		\$ 2,196,377	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ 37,979,820	\$ (37,979,820)	\$ -	\$ -	\$ -
Total			\$ 40,176,197	\$ (37,979,820)	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE #)	2019 (FTE #)	2020 (FTE #)	2021 (FTE #)	2022 (FTE #)
		On-Going		-	-	-	-	-
		One-Time		-	-	-	-	-
Total				-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ 2,196,377	\$ (375,000)	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 2,196,377	\$ (375,000)	\$ -	\$ -	\$ -

Implementation (Likelihood; list any assumptions, constraints)

Assumes the ability to build on existing, serviced and properly zoned, city-owned property, eliminating the cost of purchase from a private owner. Assumes the Ministry will fund the interest portion of the debt financing for Paramedic Services.

Consequences (What would be the negative results or drawbacks)

If building a new headquarters in the city core is not approved, location will continue to be a significant barrier towards creating efficiencies and improvements for service delivery. Although investment could be made to renovate or build additional space at LELC, or rental space could be reduced/eliminated, neither of these options would address the issues related to travel time and distance that present a constant challenge in delivering effective front-line service and supervisory support of paramedics and firefighters in the field.

If approved, a decision regarding the repurposing of LELC would need to be made. There is a desire by the community to further develop the LELC as a community gathering place, including such developments as: a youth centre, pool, splash pad and skate park.

Dependencies/Synergies (Does the proposal depend on any other projects)

Dependent on building a new headquarters for the entire Community Safety Department and not separating paramedic and fire services. The Community Safety Department is meeting with both Infrastructure and Police Services to determine if there are synergies in completing a joint build.

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

Available funding to proceed with project and priority amongst other projects. Community Safety Department has the capacity to work with third party architectural and engineering companies to complete design and tender documents. The department would seek support and knowledge from Asset Management, Purchasing, Finance and Infrastructure Services. This work would not be above and beyond the normal business activities of these operating departments.

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages
Invest in LELC (i.e. renovate or rebuild)			<p>Does not address location issues related to time and distance travel from city core</p> <p>Continued challenges for supervisors/logistic/training staff to provide support to frontline employees and operations</p> <p>Could result in lower overall capital costs in the short term, however investment would be into a aged building (47 years)</p>

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

The Ministry of Health and Long Term Care typically funds 50% of approved costs for Land Ambulance. Every year the ministry reviews operating costs to establish their funding. Every year there is a risk that their approved funding amounts could be insufficient.

City-owned property may not be found to support this project and a privately-owned site would need to be purchased, increasing the overall cost of building a new headquarters.

Unable to find suitable users to support a repurposed facility (LELC)

Business Case Supplementary Information for New Community Safety Headquarters

EXECUTIVE SUMMARY

During the Audit Committee Meeting of June 20, 2017 the Auditor General presented his Value-for-Money Audit of the operations of Paramedic Services for the period January 1, 2013 to April 30, 2017. This report identified that a significant number of vehicle hours are lost annually as a result of driving ambulances between the city core and the current Headquarters (HQ) located at the Lionel E. Lalonde Centre (LELC) in Azilda. Operational and logistical staff manages the medical equipment and supplies, cleaning, sanitizing and re-stocking the ambulances at LELC prior to deployment back into the core. The audit identified that relocating the Division into the city core could result in operational efficiencies that may outweigh the costs of the relocation of the HQ into the city core (former City of Sudbury).

The Auditor General's report made the recommendation to, *"Prepare a business case to determine if the benefits exceed the costs for relocating the Division to the City Core, including the eligibility for 50% cost sharing with MOHLTC."*

Following the presentation of the report, the Audit Committee passed the following resolution:

"WHEREAS the Auditor General's Office identified significant operational efficiencies that may outweigh the costs for relocating the Paramedic Services Division to the City Core in the Value for Money Audit of the Operations of Paramedic Services,

THEREFORE BE IT RESOLVED THAT the City of Greater Sudbury directs staff to prepare a 2018 business case to determine if the benefits exceed the costs for relocating the Division to the City Core including the eligibility of these relocation costs for 50% cost sharing with MOHLTC."

This report is being provided to Finance and Administration Committee as supplemental supporting information to the Relocating Headquarters for Fire & Paramedic Services Business Case to be considered by Council as part of the 2018 Budget deliberations.

A newly designed and properly located Headquarters for the Community Safety Department provides the cornerstone towards achieving future efficiencies and improvements to overall emergency response, operations, programs and support functions for businesses and residents of the City of Greater Sudbury which may include:

- A headquarters that is properly sized, configured and located to best serve the residents of the community and the Department
- Improved paramedic and supervisor availability of approximately 5,000 hours per year, in city core response area due to elimination of non-value travel between Azilda and the city core which is expected to result in improved ambulance availability and supervisor support for employee issues and significant incidents.

- Improved productivity by reducing lost time incurred by logistical staff when replacing vehicles and equipment in the field or ferrying vehicles for maintenance and repairs.
- Provision of better support of the entire service from a response perspective helping to address paramedic call volume increases of about 2% per year which are expected to continue to grow due to the aging population.
- Reduction in the impact of road closures on MR#35 which can affect the ability for staff to arrive and depart from HQ and the deployment and recovery of ambulances from the city core.
- Positive impact on employee wellness, both Paramedic and Fire Services, due to improvements in work environment such as: reduced shift extension related to travel time, warehousing and garage layout that reduces physical impact related to ambulance preparation, training facilities designed for paramedic and fire needs, building design and functionality that better supports teamwork and divisional communications, 24/365 fitness facilities.
- More effective and efficient Fire Service administration, training and logistics. The closure/replacement of an existing response station for Fire Services would serve to reduce the Enterprise Risk, and deficiencies in infrastructure equity.

CURRENT SITUATION

The Lionel E Lalonde Centre (LELC) is a 136,000 ft.² former high school built in 1970 that closed in the 1980's. The facility was repurposed and used by many community groups and clubs over the years. In 2005 the building underwent renovations in order to accommodate the co-habitation of Paramedic, Fire and Police Services. Of this space, Police Services inhabits 26,000 ft.², Leisure Services Fitness Centre occupies 7,000 ft.², and common space available for rental is 48,000 ft.². This leaves 55,000 ft.² of dedicated space to support about 60 command, administrative and support staff working for the Community Safety Department out of the LELC. It is also important to note that 40 % of the current 55,000 ft.² is currently being used for garage, storage and warehousing.

All key operational and support components of the Community Safety Department for both Paramedic and Fire Services are located at the Headquarters in Azilda which is significantly removed from the majority of on-duty employees, other corporate departments and key community stakeholders. The headquarters for emergency services is foundational towards ensuring efficient and effective delivery of paramedic and fire services. The current seclusion results in both an operational support and leadership disconnect between headquarters and front-line paramedics and fire fighters working in the city core who service 80% and 70% of the respective call volumes in Greater Sudbury. The Community Safety Department has identified location, physical size, and design of the current LELC facility to be a significant barrier to a more effective and efficient delivery of paramedic and fire operations, support functions, administration, management and oversight. A centrally located headquarters facility is one that effectively supports the Community Safety Department operations while providing a harmonious work environment for all staff.

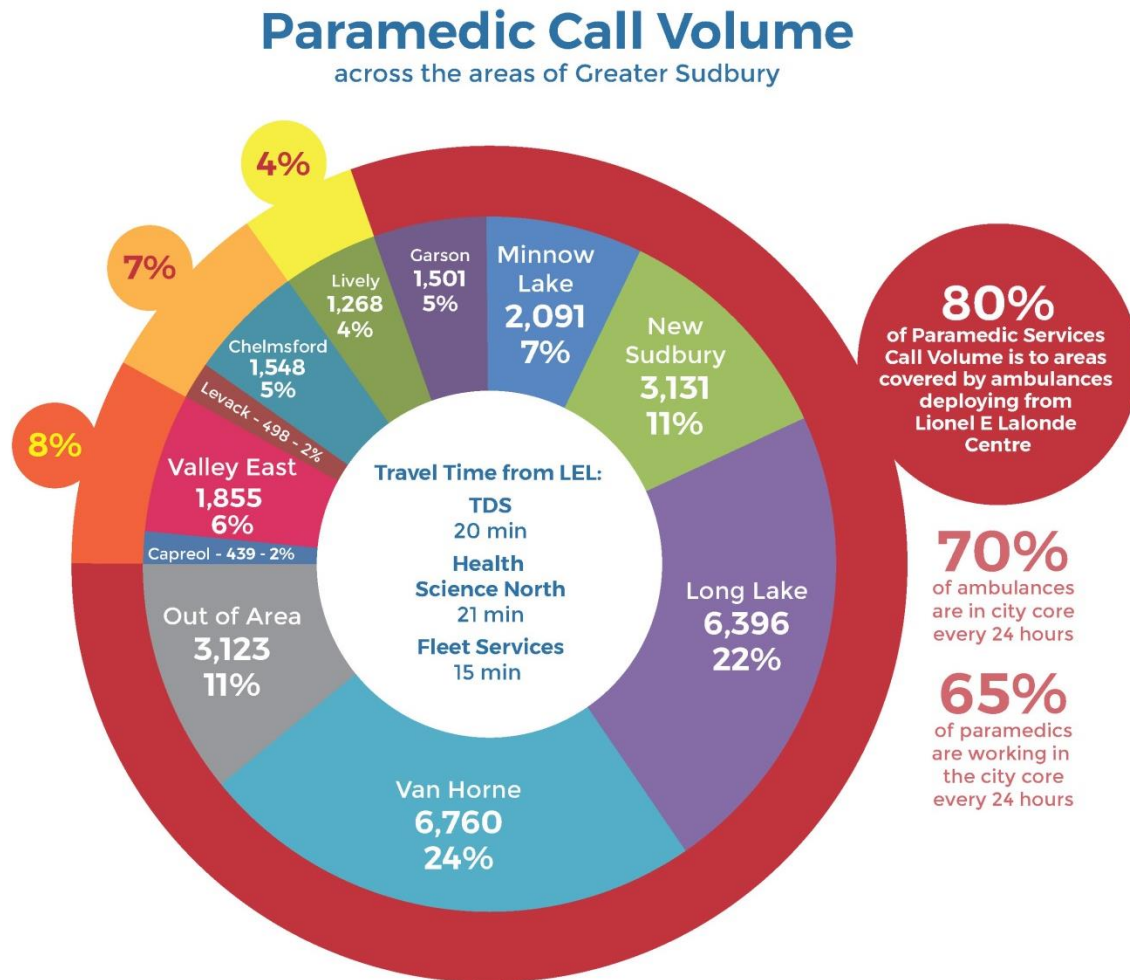
This report will describe the current challenges associated with the LELC in Azilda and identify operational efficiencies, benefits and opportunities that could be realized through a properly designed headquarters that is centrally located in the city core that would better serve the community and position the Department to meet the needs of the community well into the future. It will also demonstrate that building a new headquarters in the city core will help to move towards the overall goal of the Municipality of attaining value for money as it relates to economy, efficiency and effectiveness as described in the Auditor General's report while maintaining or improving public safety.

Current Service Level

Paramedic Services deploys 14 ambulances (9 on days, 5 on nights) into the city core from LELC every 24 hours to respond to more than 28,600 calls each year. Eighty percent of these calls occur in the city core where ambulances are positioned to respond in five areas that include: Downtown, South-end, New Sudbury, Minnow Lake, and Garson. In addition, ambulances are located in Val Therese, Chelmsford, and Walden, with each having a single ambulance staffed on a 24-hour/365-day basis. The remaining two stations located in Levack and Capreol are staffed 24-hour/365-day and utilize Paramedic Response Units (PRU), which are single medic SUV, non-transporting units.

The Paramedic Call Volume Chart, Figure 1 below, depicts the breakdown of the annual call volume by response areas. The red outer ring highlights the fact that 80% of calls are serviced by city core ambulances which use 70% of fleet resources and 65% of paramedics.

Figure 1



Fire Services protects approximately 64,000 properties through the provision of public fire safety education, fire safety standards and enforcement, and emergency response. These activities are completed by 129 full-time and nearly 300 part-time employees which includes not only career and volunteer firefighters, but prevention, education, training and administrative personnel. Operating a fleet of 73 front-line fire trucks and major equipment out of 24 stations, the Service responds to 4,500 incidents per year. Similar to Paramedic Services, the bulk of these incidents occur within the city core (70%) which is protected by full-time career firefighters located at four stations situated in the Downtown, South End, New Sudbury and Minnow Lake areas. It therefore, becomes operationally imperative that the Department's HQ be located in the city core in order to effectively deliver and support emergency services to the community.

Headquarters as a Central Start Station

Not only is LELC the Headquarters for the Community Safety Department, it plays a vital operational role for Paramedic Services functioning as the central start station. On-coming Paramedic crews report to this location at the beginning of their shift where they are provided a vehicle that has been cleaned, sanitized and fully equipped by equipment vehicle technicians (EVTs) in preparation for the next shift. The use of specially trained logistical staff to prepare ambulances between shifts decreases the need for higher paid Paramedics to stock or clean the vehicles, increasing the time they have in a shift to focus on their core duty of responding to calls and providing patient care.

Single start stations are an industry best practice for large or busy urbanized Paramedic Services in Ontario which provide effective management and deployment of a higher number of ambulance units within a geographic area. Paramedics commence their shift in a staggered fashion to ensure vehicles are available to respond during shift change periods. This centralized logistical system decreases the number of unit hours that are 'lost' to the vehicle pre-shift inspection function. For Greater Sudbury, this results in an additional 4,380 hours per year that ambulances are available in the field (16 vehicles x 365 days x 45 minutes = 262,800 minutes or 4,380 vehicle hours). If this function were to be completed by incoming paramedics, the cost would be equivalent to 8,760 hours at a wage higher than what is paid for EVT's. The combination of the improved response availability of paramedics working in a central deployment model combined with the monetary advantage of having EVT's perform the essential deployment preparatory functions further demonstrates the value of preserving a centralized deployment model in the city core for Paramedic Services.

LOCATION

Headquarters Location Impact

Every 12 hours at the commencement of each staggered shift, ambulance crews depart LELC and drive on MR 35 to provide Paramedic services in the city core. There are nine ambulances deployed for dayshift and five for nightshift. The distance from LELC to the five city core response areas (South End, Downtown, New Sudbury, Minnow Lake, and Garson) ranges between 16 and 28 kilometers with an overall average of 21 kilometers. Similarly, the time required to drive to the five response areas from LELC ranges between 20 – 31 minutes with an overall average 24 minutes. Figure 2 below provides the travel distance and time between LELC and the five city core response areas as well as other key locations such as fleet services, the hospital and paramedic reporting stations. This lengthy travel time impacts the availability of ambulances to respond to calls. Issues such as road closures (MR#35), poor weather, construction, or traffic congestion can further impact these travel times. A centrally located HQ that reduces this travel time and distance would greatly help to improve the value for money related to economy and efficiency as defined by the City's Auditor General. Reducing, and in some cases eliminating, the current non-value added travel time that will result in paramedics being immediately available from the moment they leave a centrally located headquarters (central start station) and not incurring a 20 minute delay getting to their response areas due to travel along the MR35 corridor.

Figure 2

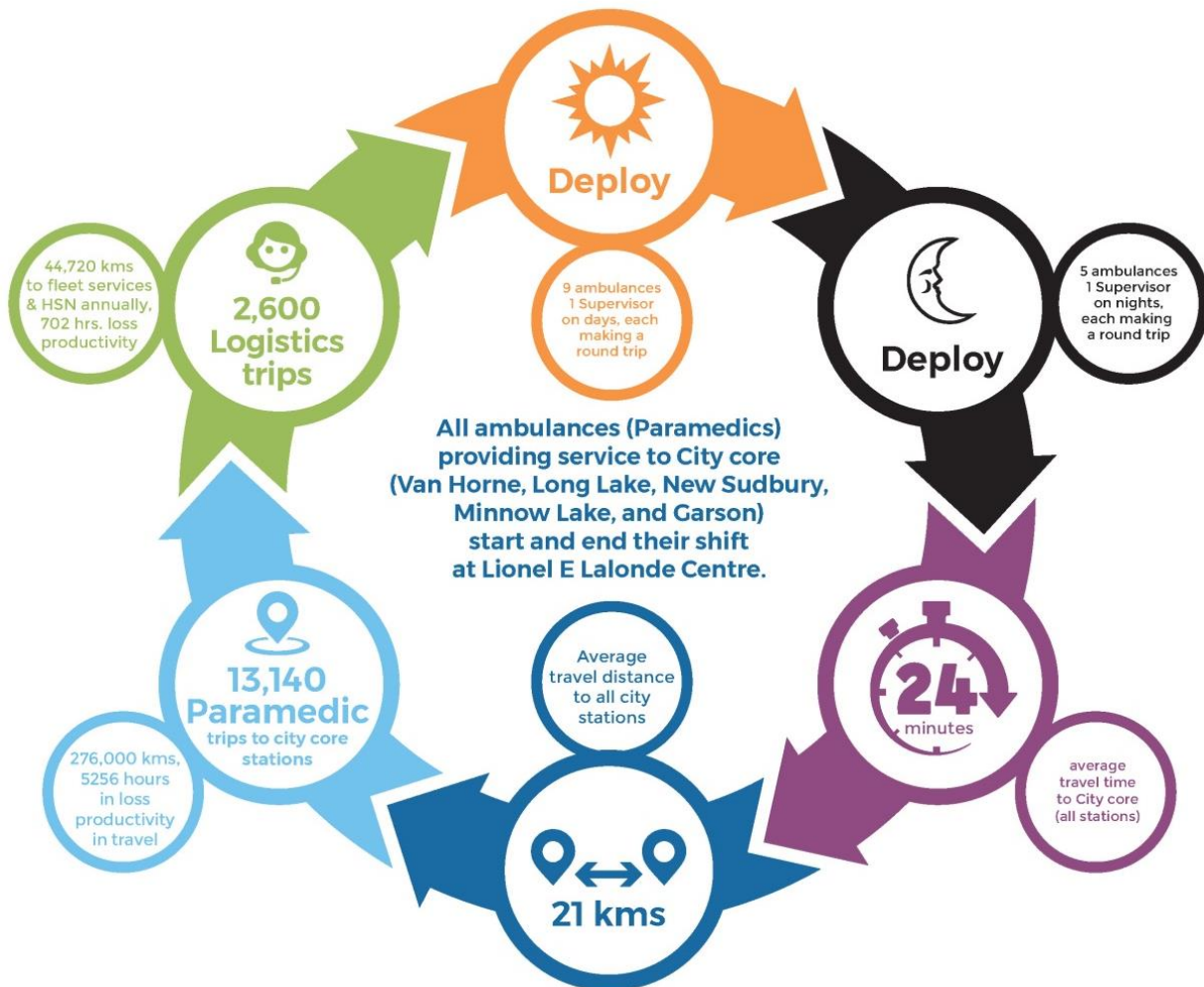
Key Location	Lionel E. Lalonde Centre	
	Distance (Kms.)	Time (Minutes)
Van Horne Station	16	20
New Sudbury Station	19	20
Long Lake Station	19	22
Minnow Lk. Station	21	25
Garson Station	28	31
Ambulance Deployment Averages:	21	24
Fleet Services – Lorne	17	14
Health Sciences North	18	21
Logistics Averages:	18	18
Val Therese Station	21	22
Capreol Station	34	36
Chelmsford Station	7	8
Levack Station	29	31
Walden Station	27	22
Satellite Station Averages:	24	24
Total Service Averages	21	22

Data Source: Google maps

Deployment Impacts from Lionel E. Lalonde Centre

Every 24 hours, every day of the year, Paramedic Services deploys 14 ambulances and two Platoon Superintendents (supervisors) into the city core via MR #35. The graphic below, Figure 3, depicts the constant cycle that occurs twice a day, every day of the week. It also summarizes the significant distance and time spent as a result of the more than 45 one-way trips made every day between LELC and the city core when deploying ambulances or addressing operational, logistical, or administrative issues. In the current structure, approximately 6,000 hours per year of lost productivity occurs due to travel to and from LELC by paramedics and logistics staff. Moving the headquarters into the city core is expected to reduce this lost productivity time by more than 4,000 hours.

Figure 3



End of Shift Clearing to LELC

Towards the end of each 12-hour shift, paramedic crews are recovered in a staggered manner from the city core to LELC in sufficient time to allow for arrival 15 minutes prior to the end of a shift in order to provide time needed to complete end of shift duties (e.g. secure medications and equipment and complete documentation). This means that vehicles are being cleared from the city core back to LELC on average 40 minutes prior to the end of shift, reducing the amount of time ambulances are responding to calls in this high volume area.

Paramedics often receive emergency calls near the end of their duty shift resulting in shift extensions (overtime). Through the MOHLTC legislated deployment plan, Paramedic Services has developed strategies to reduce this impact from both an employee wellness (getting the employee off duty) and a fiscal perspective (controlling over-time costs). Yet the distance where the paramedic ends their last call to the LELC contributes to both the frequency and duration of shift extension over time. Consider that a Paramedic, after transferring care of a patient, still faces the drive from the city core to LELC adds to their stress and the duration of the shift extension. Over the past four years, the Service has experienced an average of approximately 2,600 hours of shift extension (overtime) per year. Having a centrally located headquarters in the city core provides the opportunity to reduce the amount of shift extension

hours as a result of less travel time between the city core and HQ and thus improves the value for money related to efficiencies by getting more paramedic service (output) without increasing resources (input).

Head Quarters as a Response Station

The LELC **is not** a response station for Paramedic Services where an ambulance is stationed and responding to calls. Azilda is included in the Chelmsford Station response area which also covers the Dowling and Levack areas. In contrast, a relocated Headquarters in the city core, would also be a response station for both Paramedic and Fire Services where crews would respond on a 24/365 basis. Depending on the location of HQ within the city core, it could replace an existing city core station allowing it to be declared redundant and be closed once the HQ response station is operational. As a result, the Department could eliminate the estimated cost of \$4.9 million over a 30-year period, or about \$165,000 per year, to replace the current aged station once again supporting the Municipality's goal of achieving better value for money.

Logistics

The LEL headquarters location serves as the central maintenance and equipment warehouse for Paramedic Services. The distance from the bulk of the front-line staff creates logistical bottlenecks and supply inefficiencies when faced with the need to replace vehicles and equipment in the field during daily operations. These trips take significant time resulting in longer periods of down-time for ambulance crews compared to if the HQ was located in the city core. These trips are completed on an as-needed basis and although they occur relatively often, the frequency and reason are not tracked and thus are not reflected in any calculations within this report. The impact is even more notable during emergency events of large size and impact, when equipment and supplies must be transported from Azilda to the location of the incident. Furthermore, there is no dedicated 24 hour staffing in the Fire Services Division at the Headquarters in Azilda and thus incidents that occur outside of regular business hours (8:30 am – 4:40 pm) can experience delays in the supply of requested equipment at these times. Incorporating a fire station as part of a headquarters would mean that firefighters are available on site 24/7 and thus can more effectively support and respond during an emergency event. A properly sized HQ, located in the core, would also allow for better centralization of fire resources and equipment.

Equipment Vehicle Technicians (Logistics staff) are responsible for moving vehicles and equipment around in support of operations. They ferry ambulances between the LELC and fleet services located at the Lorne Street Depot (LSD) for scheduled preventative maintenance and unscheduled repairs at least once per day, but often two or more times. This task requires logistic staff to make multiple trips in a day with a minimum of two vehicles and two staff. Previously, mechanical repairs were carried out at the Northwest Depot in Chelmsford; the move to LSD has more than doubled the travel distance and time on task for each trip reducing the amount of time logistic staff are completing their core duty of readying vehicles and equipment for the next shift.

On a daily basis, Logistics staff also conducts trips to Health Sciences North to restock the inventory of medical and cleaning supplies. They also pick-up used soiled medical equipment to transport back to LELC for cleaning and sanitization. Once again, having a headquarters located in the city core is expected to reduce the amount of time required to complete these tasks.

Figure 3 below identifies the significant number of trips completed annually and estimates the total kilometers and number of hours required to make these trips. It then establishes an estimated cost resulting from this lost productivity (ambulance - \$80/hr., Supervisor - \$60/hr., Logistics - \$28/hr.) on a per hour basis. This demonstrates that the distance of LELC from the city core has a significant impact related to lost productivity and presents an opportunity to reallocate freed up resources due to system improvements.

Figure 4

	LELC - per trip		# trips per 24 hours	TOTAL ANNUAL TRIPS (estimated)			ANNUAL COSTS (estimated)		
	Km	Time		TRIPS	Total Km	Time (hrs)	Fuel**	Vehicle	Total
OPERATIONS									
14 Ambulances deployed	21	24	28	10,220	214,620	4,088	\$27,800	\$327,040	\$354,840
1 Platoon Supervisor deployed	21	24	8	2,920	61,320	1,168	\$7,726	\$70,080	\$77,806
LOGISTICS									
Trips to Fleet Services – Lorne*	17	15	8	2,080	35,360	520	\$4,455	\$31,200	\$35,655
Trips to Health Sciences North Making 2 trips Monday to Friday	18	21	2	520	9,360	182	\$1,180	\$5,096	\$6,276
TOTALS:			46	15,740	320,660	5,958	\$41,161	\$433,416	\$474,577

*trips require a minimum of two vehicles and staff, often more

**Fuel calculation - Based on 12 litres per 100km at a cost of \$1.05 per litre

If an HQ were relocated into the city core on city owned property (i.e. the Lorraine Street or Frobisher Street areas), the travel distance to fleet services would be reduced to about 10 km per trip from the current 17 km and for the hospital to about 8 km from the current 18 km. The resultant cost and time savings from this change of location are significant and would improve the efficiency of logistics section. Alternatively, a new HQ could be designed to incorporate space for minor mechanical maintenance and repairs to be completed by Fleet Services mechanics on site further reducing the need for logistics staff to ferry vehicles across the city. This concept is being used successfully in other paramedic services in Ontario, and has also been successfully done in Greater Sudbury for the bi-annual need to switch between summer and winter tires.

Employee Interaction and Leadership

Paramedic and Fire Divisions' leadership, administration, training and logistics staff provide support from LELC in Azilda. Being so far removed from the bulk of the employees creates a disconnect between leadership, administration and key support services from those delivering front line services. While many organizations operate with a number of distinct locations without issue, for the Community Safety Department, the separation of management from the frontline workforce increases the risk of poor communication and contributes to the daily challenge of direct employee engagement and feedback

with leadership that is currently experienced. Paramedics identified Communication about Change as one of their top five employee issues in the 2016 Employee Survey.

On a regular basis, leadership and staff must travel into the city core to attend meetings with other corporate departments and community stakeholders. These trips generally add 45 minutes in round-trip travel time to every off site meeting, and conversely, 45 minutes for those who travel from the city core to meet at the LELC. This additional travel and time requirements significantly impacts a manager's daily schedule and ability to engage with frontline staff and stakeholders.

Both Paramedic and Fire Services have a need to regularly meet with staff to manage operational and human resource issues. To facilitate these meetings, Paramedics are often held back from deployment or brought back to headquarters during their shift. Each time this occurs, the lengthy travel time exacerbates the impact on resources available to respond to calls. Just as the case with Leadership, bringing a crew to LELC can result in an additional 45 minutes of round trip travel time. Paramedic Services have several key operational committees such as the Paramedic Advisory Committee or Quality Care Committee which require paramedics to be removed from deployment in order to participate, ensuring that Paramedic representation and input is provided. Again, the round trip travel time can add an additional 45 minutes in time to such a meeting. Although, where possible, meetings are scheduled to reduce this impact, this task could be more efficient and effective. If the HQ were located in the core and closer to frontline staff, it would be much easier to rotate staff into the HQ responding station for meetings where they would be quickly and readily available to respond to calls.

Training

The training sections for both Paramedic and Fire Services operate out of headquarters. In the case of Paramedic Services, Training Officers work with Paramedic staff on a daily basis to educate and remediate when gaps have been identified in the application of clinical care and operational issues. This requires staff to be held back or recovered from deployment in order for training staff to meet up and work with paramedics on educational requirements.

Similarly, Fire Services Training Officers are housed at LELC which is isolated from the full-time staffed stations, located in the former city core. Locating the training division in the city core would enhance co-training with paramedic services, and provide additional opportunities for training division oversight. Having a training centre located in the city core would allow for the ability to bring in career firefighters during their shift for training with little to no impact on operations as firefighters would remain available to respond due to the HQ also being a response station. Staff would simply be assigned to report to the HQ response station on specified training days.

The location of the LELC impacts how quickly staff can be recovered back to headquarters for training or redeployed afterwards. This adds significant time and operational impact when scheduling educational activities. This is again another example whereas the distance between headquarters and the majority of frontline staff impacts the operation taking more time than needed when carrying out vitally important education of staff. As previously mentioned, a new HQ would also include a response station for both Paramedic and Fire Services. This means that staff can be scheduled to work from the HQ response station making training activities more effective and efficient thus increasing the value for

money by reducing the need to backfill or incur overtime costs. If an emergency call were to occur during training, staff would simply stop training to respond to the incident.

Emergency Operations Centre (EOC)

An Emergency Operations Centre (EOC) is a complex facility that serves as a coordinating centre for key decision makers during both small emergencies and large disasters. The current primary EOC, is also located at LELC in Azilda and does not meet the needs of the City due to insufficient size, accessibility and lack of appropriate technology.

Location of an EOC is driven by many factors including space availability, accessibility and proximity to potential hazards. Currently, the primary EOC is accessible by MR 35 from the Downtown core. If this route becomes impassible, access to the EOC will be delayed as Community Control Group members, EOC Support Staff as well as key stakeholders will have to travel additional distance to get to the EOC. In an activation, timing is crucial in ensuring that key decision makers are able to participate in the decision making process. Relocating the HQ into the city core provides for multiple access routes that would improve the ease and timeliness for key decision makers to gather, assess the situation and respond when the EOC is activated for community emergencies and large disasters where minutes matter. It is important to note that this activation could carry on for hours or days requiring decision makers to attend the EOC multiple times over the duration of an incident.

Council has adopted a recommendation that the City implement an Incident Management System (IMS) to facilitate a unified approach to emergency response. Best practice recommends that IMS should be implemented at the EOC level as well. To achieve this, the current primary EOC will require numerous configurations which may be difficult to achieve in the existing location due to insufficient size. A new HQ would be built and designed to fit the needs of the EOC and would incorporate any new required technologies.

The integration of a new EOC with the relocation of Community Safety's headquarters provides a long term cost effective solution to the emergency management deficiencies currently experienced by the City.

Enterprise Risk

The City's Auditor General conducted an Enterprise Risk Registry (ERR) for Paramedic Services as part of their value-for-money audit. The AG tracked information related to the short, mid-, and long-term sustainability of the department, and an analysis of the liabilities inherent in the delivery of services. Major criteria for the analysis include: reputation, operations, financial, and legal/regulatory.

The AG's Office used standard risk identification methodology by first identifying the potential consequence or impact of an event, and then assessing the frequency or likelihood of the event, based on historical analysis and/or projected frequency. The risk score for the event is then the simple multiplied product of these two numbers. Each criteria is scored on a scale of one to four, with one being low or least likely and four being high or likely, resulting in a risk score ranging from one to 16. The City of Greater Sudbury has adopted explanatory notes to assist in the scoring matrix for both impact and likelihood. These serve to reduce the subjectivity of the process to a minimum.

For Paramedic Services, 54 overall risks were identified for analysis. Of these risks, 49 are mitigated to a low risk level by way of people, process or system/technology. The five identified high risk items can be broken down further based on the ability for the Paramedic Services to design and implement impactful mitigation (see Figure 4 below). For example in risk item *O1A*- paramedic stations are noted to be in wrong locations. Headquarters is identified as a significant mitigated risk with a rating of nine. Based on existing knowledge and the fact that current mitigation strategies have already been exhausted (centralized deployment and logistical support, staggered shift start times) and there are no ways to further mitigate risk through evolving Paramedic Services opportunities. The only way left to reduce the risk for Paramedic Services would be to redesign and build a new HQ in the city core.

Figure 5

Paramedic Services
High Rated Risk Subjects – Current Mitigation and Adjusted Risk

		Risk Subject	Unmitigated Risk	Mitigated Risk	Adjusted Risk
Operational	O1A	Paramedic stations are in wrong locations (Headquarters)	16.0	9.0	2.7
	O1B	Paramedic stations are in wrong locations (In-town posts)	12.0	6.8	2.4
	O1C	Paramedic stations are in wrong locations (Satellite posts)	12.0	6.8	2.4
	O02	Paramedic stations lack essential functionality	12.0	7.7	2.8
Financial	F18	Financial impact of Paramedic Headquarters in wrong location	14.0	9.0	2.7

An environmental scan of similar paramedic services in Ontario shows most HQ to be located in the urbanized areas of their communities where the highest call volume and the majority of ambulance and paramedic resources are utilized to respond to calls. After being under municipal control for the past 17 years, municipalities are beginning to reinvest in infrastructure for Paramedic Services and make strategic decisions to ensure central start stations are located in key response areas. The Regions of Peel, Waterloo, London and Thunder Bay have all built, or in the process of building new central start stations to best serve their communities. The City of Toronto recently hosted a community open house and official opening of their first multi-function ambulance station which will accommodate ambulances, paramedic crews and support services. Additional multi-function stations are being planned for the east and southern parts of the City.

SIZE & CONFIGURATION

Department Needs Versus Public Needs

The LELC remains a public access facility due to the co-location of a public fitness centre operated by Leisure Services and the rental of meeting space to both internal and external clients. Although these activities generate revenue, it also results in Paramedic or Fire Service functions being bumped into less desirable space on a regular basis. The co-location of the fitness centre does have some spin-off benefits due to ease of access for Community Safety Department staff. However, due to the nature of 24-hour shift scheduling for Paramedics and Firefighters, the limited hours of operation of the centre does present a challenge for staff wanting to access the Fitness Centre prior to or following their shift. The more significant impact on the department is the lack of dedicated classroom and meeting space which would allow for the permanent storage of educational material and supplies as well as the development of a permanent simulation lab to support continuing medical education of staff.

In addition, the public building status of the LELC does present an operational risk for both services from a security standpoint. Fire and Paramedic Services Stations are critical infrastructure and should have controlled access by members of the public at all times. Some areas of the building are controlled through security card access; however there are many areas that are open to the public.

The presence of public traffic on the grounds of the LELC facility which has emergency vehicles entering and leaving 24/7 introduces risk to the corporation. The parking lot at LELC presents an increased risk for collisions due to its use by the public as well as emergency vehicles which need to travel through quickly when responding to incident. The community interest to further develop the LELC would result in the increase of public traffic, further escalating these unmitigated risks.

Station Space and Configuration

The Community Safety Department continues to struggle with the size and configuration of the LELC. The lack of garage, warehouse, and administrative space coupled with the poor configuration of existing space could only be addressed through a massive rebuild/renovation at a significant cost. Such an investment would not make sense as it fails to address the fact that the building is in the wrong location and would continue to waste resources as a result of the unnecessary travel to deliver service. Currently, Paramedic and Fire Services occupy 55,000 ft². An analysis of floor area requirements was completed which determined that nearly 95,000 ft² is required for garage, warehouse, administration and operational activities that are currently undertaken at the LELC. The *Requirements Report: Proposed Community Safety Headquarters* from Perry + Perry Architects can be found in the appendix. The following sections speak to some of the operational impacts associated with the size and configuration of some key functional areas of the LELC.

Garage Space & Configuration

The land ambulance certification standard requires ambulances and emergency response units be stored inside in a climate controlled environment in order to ensure security of vehicles and its contents from unauthorized access and extreme temperatures. Paramedics Services currently deploys 29 vehicles and pieces of equipment. LELC has four garage spaces; two of the four garage spaces can

accommodate a maximum of 8 light vehicles, and due to low ceiling height and garage door opening, nothing bigger than an SUV can be parked. The configuration of these two garages requires staff to constantly move one or more vehicles outside in order to access a second vehicle parked in behind it.

The main garage space consists of six drive-thru bays which can accommodate two vehicles each. One full bay is used to park the Gator and Emergency Support Unit trailers leaving room for a maximum of 10 ambulances. If no ambulances are at Fleet Services overnight for maintenance, then 12 spaces are required for parking of ambulances causing capacity issues resulting in vehicles left idling outside also creating security concerns. Often, the wash bay is utilized as parking spaces. This is not parking space but rather dedicated space set up specifically to clean vehicles as part of the standardized post shift vehicle cleaning and sanitization process. Parking ambulances in the wash bay has a direct impact by slowing the vehicle cleaning process due to staff having to constantly move vehicles to free up space in the wash bay to clean other vehicles. During the overnight hours, there is only a single EVT staff person on duty.

The design of the current garage space creates further bottlenecks in the flow of vehicles during shift changes. It is common in the morning and evening to have returning ambulances parked outside idling until space is cleared in the main garage when deployed vehicles depart.

The fourth and final garage space is dedicated for the Mobile Command Unit, a tractor trailer unit utilized as an incident command post by emergency services. Access to this garage space has a less than optimal turning radius from the roadway. If the predetermined turning marks are not hit exactly the operator they will need to go around the block to try again. Further, due to the lack of storage space, this dedicated MCU space has increasingly been taken over for supply and equipment storage resulting in concerns that medical supplies are being stored in a space that is subjected to diesel emissions. The encroachment of these supplies also makes it even more difficult to maneuver the MCU into the space, or to open the pop-outs to conduct inspections and maintenance.

It is important to note that through LEAN process improvement in 2016, changes to processing vehicles between shifts was optimized to the extent possible given the constraints of the configuration of the existing space. Despite the barriers of the current configuration of garage space at LELC, LEAN processes realized a reduction in number of tasks and time required to process a vehicle. This resulted in a time savings of approximately 30 minutes per vehicle per day. Further improvements to this critical function, would require structural changes to the design and configuration of garage and logistical spaces.

Medical Bag and Equipment Stocking Station

One of the key functions of logistical staff is to check and restock vehicles and medical response bags between shifts. The current configuration of the workspace where these bags and defibrillators are checked and restocked every shift requires a significant amount of manual lifting. It has been identified by staff that this repetitive lifting could be reduced through a better design workspace that improves the proximity of the supply area to the vehicle being restocked thus reducing effort and making for a more effective and efficient process.

Warehouse Space at LELC

The LELC lacks sufficient warehouse space to maintain and secure the inventory of medical supplies and equipment required for both Paramedic and Fire Services. This lack of space has resulted in supplies and equipment being stored in various spaces throughout the facility as well as off-site in spaces in Azilda (rental) and Capreol (city owned). Securing supplies off-site increases the effort and time required to manage and retrieve supplies. The requirement to drive to alternate sites across the city takes valuable time out of the shift to accomplish. Further, low use but vital equipment may take extended periods of time to recover and deploy from such storage spaces during times of crisis.

The service has increasingly seen the need to store supplies in garage spaces at LELC which subjects them to carbon emissions from the vehicles also sharing these spaces. This also leads to further clutter in the garage spaces. Logistical staff have particularly raised concerns about the volume of supplies and equipment stored in the MCU garage reducing the available space and increasing the difficulty of parking the mobile command unit (tractor-trailer unit) in this dedicated garage space. The space required for secure warehouse storage has far exceeded what is available at LELC, making it increasingly difficult for logistical staff to effectively manage all of the supplies and equipment stored in various locations at LELC as well as alternate spaces in the community.

Administrative Office/Workspace

Community Safety staff are located in various offices that are spread throughout the two-floor LELC facility. Although efforts have been made to group staff by function, however the structure significantly limits the ability to create functional hubs. There continues to be challenges with effective and cohesive communication and teamwork due to the spread and separation of our staff within the respective business units of Paramedic and Fire Services resulting from the design and configuration of the LELC. Further, the spaces are not conducive to effective staff engagement and management, while also protecting the confidentiality of patients and staff. The LELC configuration has rental space that includes 24 dormitories, lounges, several breakout rooms, classrooms, cafeteria, and gym. There is no further usable space within LELC to meet the needs of the Community Safety Department.

Change Rooms

LELC has two dedicated locker rooms, one each for male and female staff. These locker and shower rooms lack sufficient size and number of lockers to support the current complement of Community Safety Staff. The lockers are small in size (i.e. former school lockers that are stacked two high) and therefore Paramedics are unable to hang required uniform items such as pants, shirts, jackets and footwear.

Training Space

The delivery of Paramedic and Fire services is a high risk industry and many of these risks are managed through quality education. This includes the need for dedicated space where each respective division can access both on a planned and adhoc basis to manage educational issues. Dedicated space would allow for an appropriate configuration to support training cycles and eliminate the requirement of set-up and tear down after each session. In addition, Paramedic Services requires a dedicated simulation

lab to allow better utilization of high fidelity medical mannequin training. The utilization of these simulation labs requires two-way glass and audio visual equipment permanently mounted to monitor students and provide proper evaluation and performance feedback. High fidelity simulation labs are widely used in the healthcare field and have become an industry best practice for medical education.

Paramedic and Fire Services Training Divisions have identified the lack of dedicated classroom space as a challenge. Although training space is available at LELC, this space serves as a revenue source as rooms are rented to both the public sector resulting in Fire and Paramedic Services being bumped into less desirable space. Paramedic Services is a high risk healthcare profession that is heavily regulated. In order to manage these risks and maintain clinical excellence, requires frequent testing, orientation, remediation and training in order to meet the ongoing needs of educating new and existing staff. In an average year, the Paramedic Services Training Division conducts about 100 training sessions with staff.

ANALYSIS

A New Community Safety Headquarters in the City Core

A Community Safety Headquarters is a foundational cornerstone to the entire department towards ensuring the consolidation of all program components that are essential to the overall successful delivery of quality community safety programs. The Executive Leadership knowledge, experience and evaluation validates that a new, properly designed Community Safety Headquarters built in the right location in the city core would significantly address the needs and challenges of the community now and well into the future.

There are multiple advantages to co-locating the entire department into a single headquarters in the core of the city. Community Safety personnel interact extensively and require a high degree of coordination both on a daily basis and during significant events. Cohabitation enables seamless coordination, collaboration and communication not only when responding to an emergency, but also during regular daily events. Operationally, each agency provides day-to-day logistical and administrative support to each other. During a crisis, the time saved and efficiencies realized from cohabitation are invaluable, minimizing delays in the delivery of both Paramedic and Fire services.

Co-location enables Community Safety divisions to share space, office equipment and resources. Over time, this will result in cost avoidance through elimination and reducing duplication of effort. Additionally, while we are not able to quantify the impact, maintaining Paramedic and Fire and administration in the same building will reduce trips and time spent traveling to and from meetings which occurs extensively in the ordinary course of business. Separation of paramedic and fire services into separate locations would further exacerbate the impact resulting from travel between divisional locations.

To aid in the development of this business plan, Perry & Perry Associates was engaged to complete a broad assessment of the needs of paramedic and fire services and subsequently the requirements for a new headquarters including building features, size and estimated costing. Their report found in Appendix A, and recommends that a new Community Safety Headquarters will require approximately 95,000 square feet built on a site of six to seven acres. The majority of this space would be dedicated for operational needs that would include both the single start station for Paramedic Services, while also housing both a Paramedic and Fire Service response station.

Site Selection

In order to evaluate locations for a potential new headquarters members of Community Safety met with staff from Infrastructure, Finance and Assets to identify potential locations that maybe available for development. During this meeting five potential sites were broadly discussed and considered using the following criteria.

- a) Property Size –a minimum of 6-7 acres Location - in the city core, in a location that minimizes the travel time to the five key coverage areas, that is; New Sudbury, Garson, Minnow Lake, Downtown, and South-End.
- b) Property ownership - preference to city owned, but privately owned considered.

- c) Arterial Roads - located on or as near as possible to improve vehicle movement and reduce response times
- d) Site services - does the site have water and sewer services including proper water flows for fire protection
- e) Site excavation - such as blasting rock, or poor ground conditions that could require pilings to support foundation
- f) Properly Zoned - zoning will be required in order to build, so the preference would be to pick a property that is currently zoned for commercial use.
- g) Proximity to satellite stations and support centres (Tom Davies Square, Fleet Services, Health Sciences North, other emergency service stations)

Based on the above criteria, staff identified and discussed five potential sites in the city core that included city property in three areas, Lorraine Street (Lasalle & Notre Dame), Frobisher Complex, and Energy Court (Downtown), along with two private properties on the east-side of the city core and the south-end.

In order to quantify the benefit of relocating HQ into the city core the five sites were evaluated based on travel distances and time between the five city core response areas with the results being compared against the LELC results. This established the impact on both distance and time travelled for these five potential sites when compared against LELC and each other.

The potential sites were also evaluated from a logistics prospective in terms distance and time to Lorne Street Depot (LSD) as well as Health Sciences North. The travel distance and time to each of the satellite stations was evaluated for deployment of specialized response resources (e.g. Paramedic Remote Response Unit and Mobile Command Unit) and logistics that must pick up vehicles at these locations on a regular basis. The chart found below (Figure 4) provides the results of these comparative evaluations.

It is important to note that all of the locations under consideration would satisfy the Fire Service station location needs identified in the Community Risk Assessment completed earlier this year. Further, any new station location would result in replacement of an existing station, and result in a reduction in the Enterprise Risk exposure for the Service.

This comparative evaluation for the purposes of this business case, demonstrates that relocating the Community Safety Headquarters into the city core for Paramedic Services would result in an average 56% reduction kilometers travelled with a corresponding average 47% reduction in time to deploying and recovering ambulances from the city core. These are significant improvements. It is important to understand that with a HQ in the correct city core location, and by deploying ambulances in a rotational manner through a new deployment model, the vehicle time to response areas could be further reduced.

Key Location	LELC		Lorraine Street				Frobisher				Energy Court				South End				East Side			
	Kms.	Time	Kms.	Time	% Kms	% Time	Kms.	Time	% Kms	% Time	Kms.	Time	% Kms	% Time	Kms.	Time	% Kms	% Time	Kms.	Time	% Kms	% Time
Van Horne Station	16	20	4	9	-75%	-55%	5	10	-69%	-50%	2	5	-88%	-75%	9	12	-44%	-40%	8	11	-50%	-45%
New Sudbury Station	19	20	3	6	-84%	-70%	4	8	-79%	-60%	8	14	-58%	-30%	22	21	16%	5%	6	11	-68%	-45%
Long Lake Station	19	22	9	16	-53%	-27%	10	17	-47%	-23%	5	10	-74%	-55%	2	3	-89%	-86%	19	15	0%	-32%
Minnow Lake Station	21	25	8	16	-62%	-36%	4	8	-81%	-68%	8	14	-62%	-44%	18	16	-14%	-36%	3	5	-86%	-80%
Garson Station	28	31	12	18	-57%	-42%	9	10	-68%	-68%	14	21	-50%	-32%	25	20	-11%	-35%	13	13	-54%	-58%
Ambulance Deployment Averages:	21	24	7	13	-66%	-46%	6	11	-69%	-54%	7	13	-66%	-47%	15	14	-28%	-39%	10	11	-52%	-52%
Fleet Services – Lorne	17	14	11	9	-35%	-36%	11	18	-35%	29%	3	7	-82%	-50%	9	13	-47%	-7%	19	14	12%	0%
Health Sciences North	18	21	7	12	-61%	-43%	8	14	-56%	-33%	4	9	-78%	-57%	7	10	-61%	-52%	10	15	-44%	-29%
Logistics Averages:	18	18	9	11	-48%	-39%	10	16	-45%	-2%	4	8	-80%	-54%	8	12	-54%	-30%	15	15	-16%	-14%
Val Therese Station	21	22	16	15	-24%	-32%	22	26	5%	18%	21	23	0%	5%	29	34	38%	55%	24	28	14%	27%
Capreol Station	34	36	28	27	-18%	-25%	33	29	-3%	-19%	33	35	-3%	-3%	50	39	47%	8%	38	31	12%	-14%
Chelmsford Station	7	8	21	18	200%	125%	25	31	257%	288%	20	19	186%	138%	28	31	300%	288%	28	32	300%	300%
Levack Station	29	31	46	37	59%	19%	50	51	72%	65%	44	37	52%	19%	53	49	83%	58%	52	51	79%	65%
Walden Station	27	22	20	16	-26%	-27%	31	22	15%	0%	14	17	-48%	-23%	18	15	-33%	-32%	28	26	4%	18%
Satellite Station Averages:	24	24	26	23	38%	12%	32	32	69%	70%	26	26	37%	27%	36	34	87%	75%	34	34	82%	79%
Total average travel time:	21	22	14	15	-25%	-24%	16	19	-15%	5%	12	16	-36%	-25%	20	20	1%	2%	19	20	5%	4%

Figure 6

The initial evaluation shows clear benefits of relocating the Community Safety Headquarters into the core of the city. Lorraine Street and Frobisher Street Yard (old Transit garage) areas are considered to be promising optimal locations from this initial review and both areas have been identified in past studies (i.e. IBI Group) as ideal locations for a headquarters. If approved, the first step would be to identify the needs, configuration and the size of building required. This information would be required as part of a more detailed analysis and site selection evaluation by technical experts and city staff before a recommendation on a final location could be made.

Benefits of a New Headquarters (Qualitative and Quantitative Implications)

A properly (size, configuration and function) designed Community Safety Headquarters located in an optimal location within the city core in close proximity to where the majority of the work is done would result in significant benefits for the City's residents and Community Safety Department that includes:

Productivity

- Reduction of ambulance travel time between HQ and city core response areas approximately 47%
- A 56% reduction in distance traveled, or approximately 179,500 fewer kilometres and 21,540 litres of fuel saved
- Improved productivity and travel time for logistical staff when moving vehicles and equipment in support of operations
- Returns paramedics to service quicker due to reduced downtime when waiting on vehicle or equipment replacements by EVTs

Value For Money

- A newly revised deployment model for the relocated headquarters could potentially provide further improvements and efficiencies related to deployment and value for money
- A new HQ in the city core would become a response station for both Paramedic and Fire Services, which could result in the ability to declare an existing city core station as redundant reducing the unfunded station liability by approximately \$1.2 million (based on CCI Group average building condition assessment for all city core stations) and there's a further potential to recover funds related to the sale of the redundant building and property.
- Provides the opportunity to mitigate the need to replace an existing potentially aged city core station at an estimated cost of approximately \$4.9 million
- Mitigates high-rated operational and financial risks identified by the Auditor General in the Enterprise Risk Registry

Efficiency

- Provided proper size and designed garage space to meet both current and future needs of the service
- A properly sized and designed warehouse space that centralizes and consolidates all supplies into a single location that is readily accessible while ensuring their security and protection from environmental factors such as vehicle fumes and temperature and would also result in

eliminating the need for external rental space and allow for more effective support and response during an emergency event

- A properly configured logistical work area that can create efficiencies and improve vehicle processing while also improving employee wellness through reduced motion and lifting activities
- Opportunity to incorporate space for Fleet Service mechanics to complete minor mechanical maintenance and repairs on site and reduce the need for EVTs to travel back and forth multiple times in a day

Effectiveness

- Depending on final location, improved response times could be achieved in some areas of the city, (e.g. Nickel Centre and Hwy 17 East corridor).
- Centrally located specialized Paramedic and Fire resources, (e.g. Paramedic Remote Response Unit, or Fire Hazmat), which may improve response time when deploying units
- Located on main arterial roadway with multiple alternative routes, can lead to improved deployment and response times for the city core, and reduce impact of road closures
- Provides dedicated training space for Paramedic and Fire Services that includes classrooms, meeting rooms, tactical training and simulation lab space allowing flexibility in both curriculum and scheduling of training in a manner that meets the service needs without interference resulting from public rental of spaces
- Locates all administrative office space in a functional manner that improves the sharing of information and workflows amongst various groups, creating efficiencies and improved team work
- Centrally located and properly designed Emergency Operations Centre (EOC) that improves the ease and timeliness for key decision makers to gather, assess and respond when EOC is activated
- Allows for properly sized locker rooms to ensure that each employee has access to a locker of proper size to store uniforms and equipment required to complete the job

Employee Wellness

- Provides the opportunity to make available a dedicated workout/exercise area that is accessible on a 24/365 basis contributing to employee wellness through physical fitness that can also provide benefits to an employee's mental well-being. There is a strong body of evidence that employees who are physically fit are less likely to suffer from repetitive strain injuries which are an occupational hazard and can carry significant cost for both the employee and employer.
- Opportunity to reduce shift overruns caused by lengthy drive time to return to central deployment (LELC) at end of shift, resulting in possible reduction of wage costs and improved quality of life for paramedics
- Opportunity to incorporate public access space to celebrate and display the history and evolution of both Paramedic and Fire Services in the Greater Sudbury community. Currently, historical artifacts and photos are spread throughout the city at various stations and buildings, often in boxes or spaces not accessible to the public.

Financial Implications– Revenues and Expenditures

This business case is for one time funding for relocating the new Headquarters for Fire & Paramedic Services. Based on a preliminary report for Perry & Perry Architects, the estimated cost to relocate the station is \$37,979,820 and if funded through debt financing at 4% over a 30-year period, the annual debt repayment would be \$2,196,377. The total acquisition cost for the project, including the principal repayment and associated interest would be \$65,891,303. This cost estimate is based on +/- 95,000 square feet.

The annual debt repayment would be allocated to Fire & Paramedic Services on a 50/50 basis. The interest portion of the Paramedic Services' annual debt repayment may be covered through the land ambulance grant with the Ministry of Health and Long Term Care. In the first year the total interest portion of the payment totals approximately \$1.5 Million. This would equate to approximately \$375,000 of total funding available.

Although the debt repayment for the new station is \$2,196,377, it is important to note that the Community Safety Department currently is charged \$783,038 for space at LELC. These funds would be redirected towards the debt repayment on a new headquarters. The loss of Fire and Paramedic Services as a tenant would have an impact on the net cost of LELC of up to \$783,038 per year until new tenants are found or repurposing of the facility is established.

Summary of Quantitative and Qualitative Implications

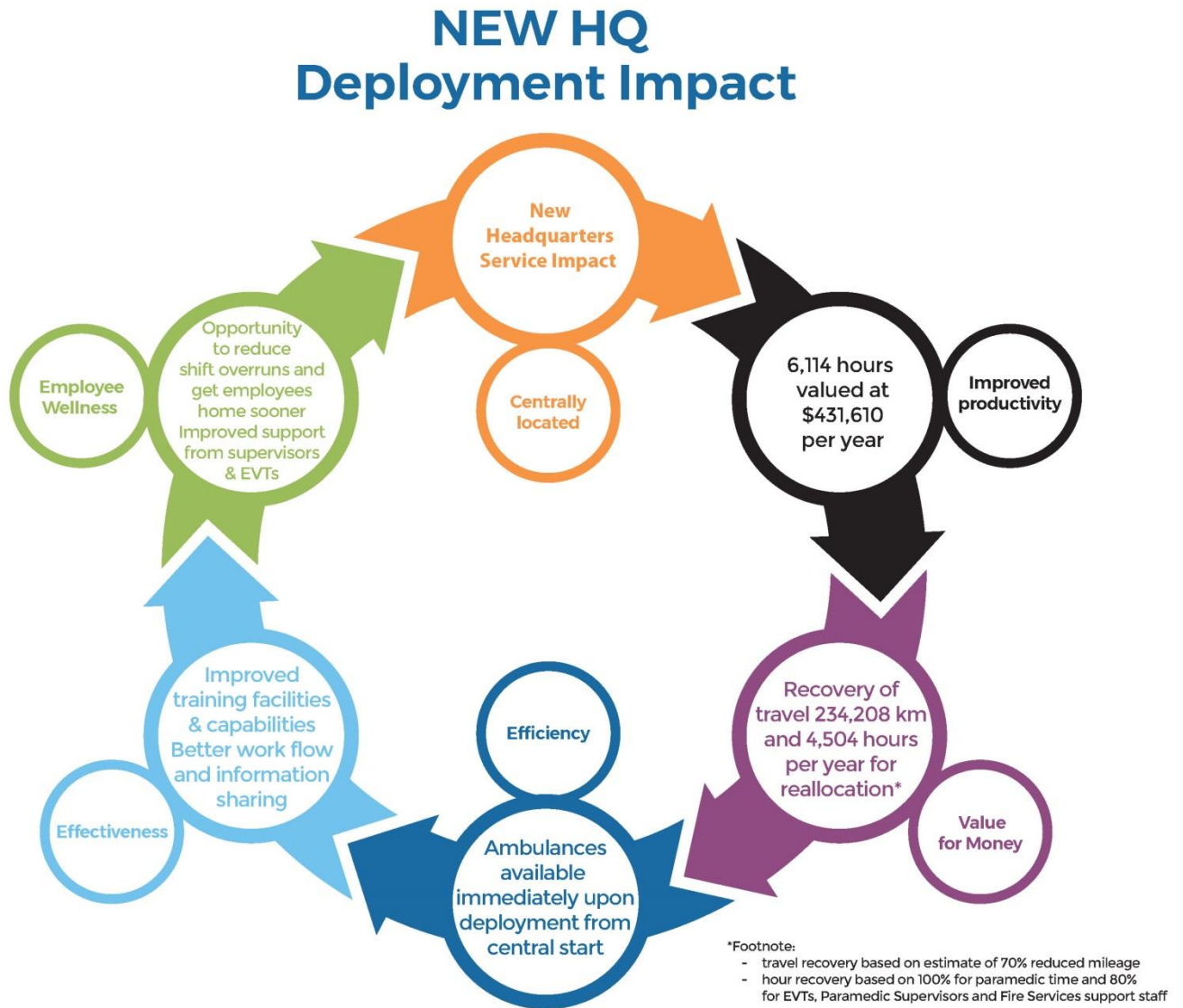
Figure 7

Net Levy Impact of New Headquarters Build	
Annual mortgage on new headquarters	\$ 2,196,377
Less Ministry of Health and Long Term Care Current Grant (Year2) - Represents the 50% funding for Paramedic Services interest cost	375,000
Net Levy Impact beginning in Year 2	\$ 1,821,377

Future Cost Avoidance (Annual)	
Repairs for redundant city core station - Based on CCI Group Building Condition Assessment Report cost of \$1.21 million over 10 years	\$ 121,000
Redistribution of front-line paramedics to address rising call volumes - 4,088 hours that paramedics currently spend driving in and out of city core could be redeployed into other needed service areas. - Avoids the need to request additional staffing and vehicles in the near future	327,040
Additional consideration: - If the Department were to remain at LELC, it would require significant renovations to meet the Services' emerging needs - Estimated costs and opportunities would require a needs and architectural assessment	To be determined
Total	\$ 552,609

Efficiencies	
Recovery of lost productivity for paramedic and fire management, supervisors and logistical support (based on 80% recovery of current travel time) - 2,026 hours that staff currently spend driving in and out of the city core could be redirected to other needs within the service	104,569

Figure 8



RECOMMENDATION AND NEXT STEPS

The current location of the LELC cannot be overcome through better deployment planning or adding more resources. Location is everything; Paramedic Services has over the past ten years fully optimized the deployment of ambulances from LELC. There are no changes that could recover the loss of more than 4000 ambulance hours, 1000 supervisor hours, 700 logistical hours, and an unknown amount of time spent annually by managers and administrative staff travelling between the LELC and city core. To add more resources would further amplify the problem by adding to the more than 320,000 kilometers and 5000 hours currently spent each year travelling between the LELC and city core.

It is recommended that the City of Greater Sudbury approves the development and construction of a new Headquarters for the Community Safety Department to be located in the city core at an estimated cost of \$62 million over 30 years to be funded as described in this report.

If this business case is approved by Council during the 2018 Budget deliberations, the following key steps would be undertaken:

- Complete a site evaluation and report back to Council with recommendations for a final location to be by the end of the second quarter of 2018; and,
- Develop final project costs and funding options for a new Community Safety HQ for Council's consideration and approval in first quarter 2018; and
- Authorize the General Manager of Community Safety to secure architectural services to develop architectural and engineering plans suitable for tendering the project; and
- Funding the above work from the Land Ambulance Station Development account, not to exceed \$240K.
- Complete a report on the recommended site which would be presented to Council in spring 2018. The analysis and site evaluation process is estimated to cost up to \$70,000 and should be funded through the Land Ambulance Station Development fund.
- Delegate authority to negotiate, execute any agreements to secure funding, acquire property and resolve all planning considerations including rezoning (if required), and issue a design build RFP required to execute these agreements be provided from the project budget.

Drivers for Proposed Course of Action

1. Location - The current location of the Lionel E. Lalonde Centre in Azilda is poorly located to support Community Safety and city core response that account for 80% of the call volume and use 60-70% of vehicle and staff resources. Moving into the city core is estimated to reduce distance and time spent travelling by 50% or more
2. Size – Community Safety currently occupies 55,000 ft.² of the LELC facility which does not meet current and future requirements that include: garage space, warehouse, administration, training and simulation labs
3. Configuration – LELC was designed as a high school and despite renovations, the facility configuration remains a barrier to a more functional and effective space in the areas of garage, warehouse, administration and training, hampering the ability to make improvements to the delivery of emergency services.
4. Rental Space
 - a. Facility rental that favours rental clients resulting in Paramedic or Fire Service functions being bumped into less desirable space on a regular basis.

- b. Is a barrier to developing more functional administrative spaces within the complex.
- 5. Future Development Potential - Local organizations and councilors have ideas to further develop the LELC as a public community center, this type of development may result in introducing further risk and conflicting purposes. Relocation of the Community Safety Headquarters would free up the LELC for future community development projects such as: public community centre, pool, youth centre, splash pad, skate park, etc...

Urgency

The Community Safety Department's recommends this project receive a high priority in order to proceed to the tendering process in Spring 2018 in order to complete the build by 2020. The relocation of a new HQ in the city core would have a potential impact of all other city station locations, therefore until the HQ is built no other station development or investments (except health & safety) should be undertaken.

Alignment with Strategic Plan

This project relates to three of the priorities outlined in the 2015-2018 Corporate Strategic Plan. Improvements to the delivery of paramedic and fire services can improve the health and well-being of citizens in the City of Greater Sudbury which is identified by the priority of "Quality of Life and Place". It also supports the priority of "Responsive, Fiscally Prudent, Open Governance" as this project strategically considers the entire operations of the Community Safety Department and aims to reduce/eliminate duplication and redundancy of services, buildings and staffing. Finally, this project aims to create "Sustainable Infrastructure" by identifying essential structures and the relationship to others not only within the Community Safety Department, but the entire corporation.

Risks

The Ministry of Health and Long Term Care typically funds 50% of approved costs. The Ministry reviews operating costs on an annual basis to establish their funding. Every year there is a risk that the approved funding amounts could be insufficient.

This report assumes that an appropriate city-owned site will be selected as the final desired location. If that is not the reality, a privately-owned site would need to be purchased, increasing the overall cost of building a new headquarters.

Internal financing may not be available and external financing could drive up costs.

Once a new headquarters is built, the Community Safety Department would vacate LELC. It is possible that the corporation will be unable to find suitable users to support a repurposed facility.

Dependencies/Synergies (Depend on any other projects)

This project is dependent on building a new headquarters for the entire Community Safety Department and not separating paramedic and fire services.

Community Safety Department is meeting with both Infrastructure and Police Services to determine if there are synergies in doing a joint build.

Capacity

Community Safety Department has the capacity to work with third party architectural and engineering companies to complete design and tender documents. The department would seek support and knowledge from Asset Management, Purchasing, Finance and Infrastructure Services. This work would not be above and beyond the normal business activities of these operating departments.

References

Value-for-Money Audit of the Operations of Paramedic Services For the Period January 1, 2013 to April 30, 2017

Value-for-Money Audit of the Operations of the Greater Sudbury Fire Services For the Period January 1, 2013 to April 30, 2017

City of Greater Sudbury Master Fire Plan, February 2004

IBI Group – Comprehensive Fire Services Review Report, March 2014

City of Toronto Press Release – Toronto Paramedic Services opens Toronto’s first multi-function paramedic station, September 13, 2017



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

REQUIREMENTS REPORT

PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre





PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

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PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

INTRODUCTION

The City of Greater Sudbury's Fire and Paramedic Services have a vision to realize a new, centrally located Community Safety Headquarters to better serve the City of Greater Sudbury. The Fire and Paramedic services have investigated their space needs based on the most efficient function of administration, training and the deployment of these services to the City of Greater Sudbury residents.

This Report has been prepared in response to the identified losses of operational efficiencies and costs as a result of driving ambulances between the City core and the current headquarters (HQ) located at Lionel E. Lalonde Centre (LELC) in Azilda and the current facilities poor configuration and inefficient flow and circulation. It defines the Fire and Paramedic Services combined space needs and serves as a guide in proceeding with the design and construction of a new Fire and Paramedic Headquarters that is to be located to best serve the City of Greater Sudbury, Ontario.

A newly designed and properly located Headquarters for the Community Safety Department provides the cornerstone towards achieving future efficiencies and improvements to overall emergency response, operations, programs and support functions for businesses and residents of the City of Greater Sudbury which may include.





PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

PROJECT OBJECTIVES

A meeting with the Project Team was held to confirm the project objectives to clearly define the project scope and establish a clear understanding of the larger goals of the project.

The Project Team have established the following project specific goals and objectives:

- Functional, modern and efficient administrative operations deployment, training and storage facility
- Improved paramedic and supervisor communications
- Improved productivity and better call response
- Centrally located for effective deployment of services
- Accommodate for current and future space needs (4 fire bays & 11 paramedic bays)
- Environmentally responsible design (LEED principles)
- Increased employee wellness and healthy working environments
- Maintenance free design, materials and equipment
- Consolidate and centralize all related CGS functions
- Barrier Free accessible
- Incorporate design flexibility of space
- Build to current building, life safety, health and fire codes
- Technically current ("wired" building)
- Portray a professional image that is efficient, competitive and cost-effective
- Improve operational support and leadership between headquarters and front-line paramedics and fire –fighters

The resulting design solution should therefore reflect and support the established project objectives and guiding principles of the City of Greater Sudbury Fire and Paramedic Services.



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

FUNCTIONAL REQUIREMENTS

Perry + Perry Architects Inc developed the Functional Space Requirements for the City of Greater Sudbury Fire & Paramedic Services Headquarters.

A new location and facility will provide an opportunity to consolidate the two departments, along with the Emergency Operational Centre (EOC) and realize space savings in shared functions, deployment and training efficiency as follows:

- Meeting/Boardrooms
- Training Rooms/Training Equipment Storage Room
- IT Room
- Reception/Waiting
- Lockers/Shower & Fitness Rooms
- Lunchrooms
- Stock Room/ Shipping & Receiving
- Public Washrooms/Staff Washrooms
- Janitor Room & Laundry Room
- Mechanical/Electrical Room & Generator
- Compressor Room/Oxygen & Gas
- Quarter Masters
- Narcotic Safe Room
- Workshop/Equipment/Maintenance
- Car Wash Space & Vehicle Processing Space for Cleaning and Sanitizing (Ambulances)
- Garage Space for Paramedic Fleet & Fire Fleet
- Decontamination Room & Garage/Equipment Space
- Fire & Paramedic Response Stations

A Functional Requirements Chart was developed documenting the required allocated space for a shared facility summarized as follows:

DESCRIPTION	TOTAL ASSIGNABLE AREA (SF)	STAFF
EXECUTIVE LEADERSHIP	5785.00	19
EMERGENCY OPERATIONAL CENTER	10350.50	1
FIRE SERVICES	22353.50	25
PARAMEDIC SERVICES	33715.50	18
SHARED SPACES	17394.00	0
BUILDING SUPPORT & SERVICES	4215.90	0

TOTALS

93,814.40

63



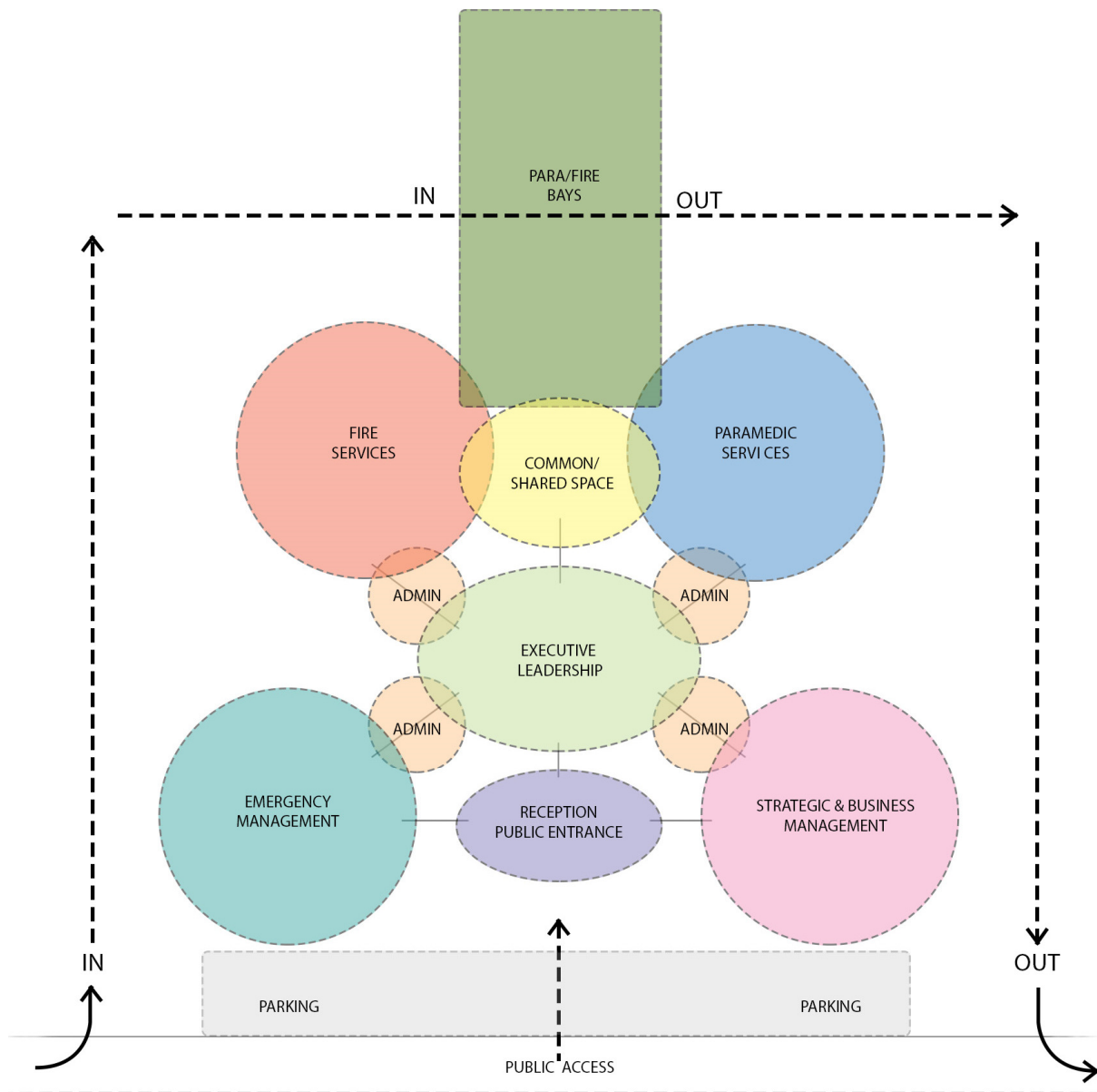
PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

DESCRIPTION	TOTAL ASSIGNABLE AREA (SF)	STAFF
EXECUTIVE LEADERSHIP	5785.00	19
Administration	3705.00	
General	1235.00	
Strategic & Business Services	1170.00	
Fire & Paramedic	1300.00	
Common/Support	2080.00	
EMERGENCY OPERATIONAL CENTER	10350.50	1
EOC Spaces	4875.00	
Common/Support Space	3168.00	
Support Space	2307.50	
FIRE SERVICES	22353.50	25
Administration	5752.50	
General	910.00	
Logistics	650.00	
Training	845.00	
Fire Prevention	2015.00	
Common/Support	1332.50	
Training	2275.00	
Logistics	11154.00	
Common & Living Spaces	3172.00	
PARAMEDIC SERVICES	33715.50	18
Administration	4777.50	
General	1040.00	
Logistics	715.00	
Training	650.00	
Quality assurance	650.00	
Common/Support	1722.50	
Training	1560.00	
Logistics	26598.00	
Logistics	858.00	
Garage Space	25740.00	
Common & Living Spaces	780.00	
SHARED SPACES	17394.00	0
Shared Space	11258.00	
Common Space	5616.00	
Building Services	520.00	
BUILDING SUPPORT & SERVICES	4215.90	0
Common Space	1514.50	
Support Space	2701.40	
TOTALS	93,814.40	63

KEY FUNCTIONAL RELATIONSHIPS

Design Team meetings were held to confirm the CGS Fire & Paramedic Services and operations, as well as the operation of the EOC. A key functional relationship diagram was further developed to confirm that the interrelationships of the functional requirements could be satisfied.





PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

GENERAL CONSIDERATIONS

Site Selection Criteria

Lot Area 2.5-3.0 Hectares (6-7.2 acres)

Building Coverage 95,000 sq. ft.

Parking 200 Vehicles

Property Ownership City Owned (preferred), Private (considered)

Central Location

Proximity to 5 Key Coverage Areas (New Sudbury, Minnow Lake, Garson, Downtown, South End) as well as proximity to satellite stations, (Tom Davies Square, Fleet Services, Health Sciences North and other Emergency Services stations).

Currently, the deployment of the City of Greater Sudbury Fire and Paramedic services are from LELC, renovated, old high school at 239 Montée Principale in Azilda, Ontario. Time and costs are increased and efficiency and deployment of services are decreased due to the facilities current location. A centrally located HQ would allow costs and travel time to reduce and improve the efficiency of the HQ and the response times and deployment of services.

Arterial Roads

Located on or as near as possible to arterial roads to improve vehicle movement and reduce response times

Site Services

Water and Sewer services, as well as proper water flows for fire protection

Zoning

The facility is zoned as Institutional use and is permitted in the following zones: "I" Institutional, "C2" General Commercial, "C4" Office Commercial, "C5" Shopping Centre Commercial subject to special provision 3 and the "C6" Downtown Commercial zones.



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

Geotechnical Considerations

Minimal geotechnical constraints to be confirmed (ie. Rock blasting, poor ground conditions requiring pilings, etc.)

Size & Configuration

The site size and configuration must accommodate the appropriate flow and in-and-out access of the fire trucks and ambulances around the entire building.

Vehicle Gas Supply

Gas supply is required for the facility and for ease of service and operations with for both the Fire and Paramedic vehicles. A cardlock system with above ground tanks are required with unleaded regular fuel. Site proximity to city pumps may negate these needs.

Post Disaster Center

The New Community Safety HQ would also serves as the Emergency Operations Centre (EOC). It serves as the coordinating center for key decision makers during small emergencies and large disasters. A post-disaster building means a building that is essential to the provision of services in the event of a disaster and includes emergency response facilities, fire, rescue and police stations, storage facilities for vehicles or boats used for fire, rescue and police purposes, and communications facilities, including radio and television stations. The current location at the LELC building in Azilda does not meet the primary safety, functional and accessible needs of the EOC.

Special Equipment's

A vehicle wash bay with a car wash system for ambulances and light fleet vehicles.

Card access for doors and controlled drug security, cameras and video surveillance for building and yard.

Gate security systems to control vehicle access in specific areas.

Communication Systems

The facility will also serve as the city's Emergency Operational Centre (EOC) and will require dedicated telephone, radio, computers, servers, cameras and AV equipment. (Note: some equipment may be transferrable from existing EOC headquarters)



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

ONTARIO BUILDING CODE REVIEW

Ontario Building Code Data Sheet		Comments
Project Description	New Building	
Major Occupancy(s)	Group F3/ Group D	
Building Area m² (ft²)	6040 m ² (+/-65,000 sf)	
Gross Area	8825 m ² (+/-95,000 sf)	
Number of Storeys	2	
Height of Building (ft)	7.62 m (+/- 25'-0")	
Number of Streets	3 Streets	
Building Classification	Group D, up to 3 Storeys, Sprinklered	OBC 3.2.2.54
Sprinkler System	Required	
Standpipe and Hose	Required	
Fire Alarm System	Required	
Fire Alarm Monitoring	Yes	
Voice Communication	Yes	Public Address System
Emergency Power	Yes	Generator
Water Service/Supply	Yes	Fire Flow to be confirmed
Fire Pumps	(to be confirmed)	
Maglocks	(to be confirmed)	
Special Systems	Yes	Vehicle Exhaust, Emergency Operational Centre
High Building	No	
Permitted Construction	Non-combustible/Combustible	
Roof Construction	Non-combustible/Combustible	
Mezzanine(s) Area m²	(to be confirmed)	Pending final design solution
Occupancy Load	200	
Barrier-Free Design	Yes	Administrative and Public areas only
Plumbing Facilities	5 wc (males) / 5 wc (females)	Does not include for M/F Shower/Change
Spatial Separation	(to be confirmed)	Storage Garage requires 1.5 hour fire separation



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

PRELIMINARY PROJECT BUDGET

This Preliminary Project Budget is intended to provide a modified Class D Order of Magnitude assessment (+/-20%) of the project costs associated with the project at the pre-design analysis stage. This type of estimate is used to obtain project approval and maintain a baseline for budgetary control.

	Units	Qty	Rate/Lot	TOTAL	Comments
Land Acquisition					
Purchase Cost	fixed	1	\$0.00	\$0.00	CGS Owned Property (2.5 - 3.0 Hectares)
Legal Fees/Closing Costs	%	PP	1.75%	\$0.00	
OLS Survey	fixed	1	\$3,500.00	\$2,500.00	ESA Phase 1
Topographic Survey	fixed	1	\$2,500.00	\$3,500.00	
Appraisal Fees	fixed	0	\$0.00	\$0.00	
Geotechnical Investigation	fixed	1	\$50,000.00	\$50,000.00	
Environmental Assessment	fixed	1	\$5,000.00	\$5,000.00	
Contingency	%	CC	10.00%	\$6,100.00	
Sub Total			\$0.00	\$67,100.00	
Construction Costs					
Off-Site Improvements	fixed	1	\$750,000.00	\$750,000.00	Allowance
On-Site Development	sf	2E+05	\$22.50	\$4,050,000.00	
New Construction	sf	95000	\$250.00	\$23,750,000.00	
Special Equipment (Wash Bay)	fixed	1	\$150,000.00	\$150,000.00	
Post Disaster Factor	%	CC	5.00%	\$1,435,000.00	
Contingency	%	CC	10.00%	\$3,013,500.00	
Sub Total				\$33,148,500.00	
Professional Fees + Charges					
Architect/Engineer	%	CC	8.0%	\$2,651,880.00	CGS to confirm
Civil Engineer	%	CC	10.00%	\$405,000.00	
Project Management	%	CC	1.00%	\$331,485.00	
Project Administration	%	CC	0.50%	\$165,742.50	
Quantity Surveyor	fixed	1	\$25,000.00	\$25,000.00	
Furnishings and Equipment	fixed	1	\$0.00	\$0.00	
Voice/Data/Security	fixed	1	\$75,000.00	\$75,000.00	
Contingency	%	CC	10.00%	\$365,410.75	
Sub Total				\$4,019,518.25	
Financing and Administration					
Not Applicable	%	PC	0.0%	\$0.00	To be confirmed
Sub Total				\$0.00	
Project Contingency	%	PC	2.0%	\$744,702.37	
TOTAL PROJECT BUDGET				\$37,979,820.62	does not include HST



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

PRELIMINARY PROJECT SCHEDULE

The proposed schedule documents the anticipated time required to execute all the required phases of the project development. It should be noted this schedule is preliminary in nature and subject to adjustment and refinement once more detail is known of the project design and construction particulars.

PHASE	START	COMPLETION	COMMENTS
Requirements Phase	July 01, 2017	September 30, 2017	Completed
<i>Review/Approval</i>			
Business Case	July 01, 2017	October 06, 2017	Completed
<i>Review/Approval</i>			
Council Approval		December 2017	Council Meeting
<i>Review/Approval</i>			
Site Selection	January 2018	Spring 2018	
<i>Review/Approval</i>			
Feasibility Study	Spring 2018	Fall 2018	Update Business Case
<i>Review/Approval</i>			
Schematic Design	Spring 2018	Fall 2018	
<i>Review/Approval</i>			
Design Development	Month 1	Month 2	
<i>Review/Approval</i>			
Construction/Tender Documents	Month 2	Month 4	Spring 2019
<i>Review/Approval</i>			
Tender/Contract	Month 4	Month 5	
<i>Review/Approval</i>			
Construction	Summer 2019	Winter 2020	18 month construction period
<i>Review/Approval</i>			
Occupancy		Winter 2021	



PROPOSED COMMUNITY SAFETY HEADQUARTERS

Fire & Paramedic Services & Emergency Operational Centre

PROJECT STATISTICS

Project Team	Lynn Webster, <i>Manager of Strategic & Business Services</i> <i>General Manager of Community Safety</i> Michael MacIsaac, <i>Executive Deputy Chief of Fire & Paramedic Services</i> Darrel McAloney, <i>Deputy Chief of Fire Services</i> Joseph Nicholls, <i>Deputy Chief of Paramedic Services</i> Graham Campbell, <i>Deputy Chief of Fire Services</i> Paul Kadwell, <i>Deputy Chief of Paramedic Services</i> Chris Perry, <i>Perry + Perry Architects Inc.</i>	
Service Area	City of Greater Sudbury	
Project Site Requirements	Approximately 2.5-3.0 Hectares (site dependent)	
Building Data	95,000 SF (8,825 m ²) Gross Building Area Up to 3 storey, non-combustible/combustible construction, sprinklered	
Total Project Budget	\$37,979,820.62 (Class "D" Estimate) Construction Budget/SF: \$348.93/SF Project Budget/SF: \$399.79/SF	
Project Schedule	Construction Start:	Summer 2019
	Occupancy:	Winter 2021
Authorities Having Jurisdiction	Ontario Building Code 2012 Ministry of Labour City of Greater Sudbury	
Consultant	Perry + Perry Architects Inc	

Background

The City of Greater Sudbury (City) initiated an Arena Renewal Strategy in 2010 that looked systematically at arena usage, cost recovery, participation trends and asset management requirements. This process also included extensive public and stakeholder input and identified strong support to maintain existing arenas through strategic investment. This report was delivered in 2013, including a variety of scenarios for arena repair, replacement and consolidation. To date, the City has renovated Chelmsford Arena and is proceeding toward the replacement of Sudbury Community Arena.

The Arena Renewal Strategy noted a current and long-term demand for 15 total indoor ice pads across the entire City (resulting in a surplus of one ice pad).

The Parks, Open Space and Leisure Master Plan Review (2014) recommended that the City continue to implement the Arena Renewal Strategy, which would require:

- continued focus on maintaining existing arenas in a safe and community responsive condition, with consideration to the City's recent building condition assessments;
- monitoring of usage trends and community demands to assess the possibility of decommissioning one existing ice pad; and
- continued progress on the eventual renovation or replacement of the Sudbury Community Arena.

The Leisure Master Plan Review also states that any future arena construction should give strong consideration to the benefits of multi-pad designs where supported by demand.

More recently, a report titled "Framework for Partnership Opportunities for Indoor Turf and Multi Purpose Facilities Interim Report" was presented to the Community Services Committee on June 19, 2017. As part of the report, current participation numbers and ice utilization was reviewed for the existing inventory of City arenas. The report identified a surplus of 1.8 ice pads at present and reiterated that new arena construction should be in the form of replacement facilities with consideration for multi-pad designs where supported by demand.

At the June 19, 2017 Community Services Committee meeting, resolution CS2017-16 was passed, stating *"that the City of Greater Sudbury Council directs staff to prepare a business case to replace various arenas and/or ice pads, with the build of a multi-pad/multi-purpose arena facility in Valley East, indicating the cost of the build, recommended location, efficiencies to be had, financial options for the build, and any/or all other information to assist Council with its deliberations, to be included in the 2018 budget process."*

Analysis

Supply and Participation Factors

The City of Greater Sudbury operates a total of sixteen (16) ice pads that are contained in fourteen (14) municipal arenas, with Capreol and Gerry McCrory Countryside Sports Complex are the only twin pad facilities. The average age of the ice facilities in the City is more than 40 years, with the majority being constructed between 1950 and 1978. In recent years, the City has been focused on renovations to several arenas, including Cambrian, McClelland and Chelmsford Arenas.

The 2013 Arena Renewal Strategy found that the prime utilization rate has been declining since the 2008-2009 season, with shoulder hours (those at the edges of prime time) mostly affected. A slight increase in 2014-2015 was due to the renovations taking place at the Chelmsford Arena, resulting in a reduction of one ice pad. The tables below identify the utilization by arena booking during prime and non-prime hours since the Arena Renewal Strategy was prepared and reveals a similar downward trend.

TABLE 1	Prime Time Utilization by Arena Monday to Friday from 5:00 to 10:00 p.m. and Saturday and Sunday from 7:00 a.m. to 10:00 p.m.				
	2013-2014	2014-2015	2015-2016	2016-2017	PROPOSED
Cambrian	98%	100%	100%	96%	96%
Capreol 1	76%	54%	58%	52%	CLOSED
Capreol 2	93%	84%	85%	74%	100%
Carmichael	100%	100%	100%	100%	100%
Centennial	96%	88%	87%	89%	CLOSED
Chelmsford	97%	RENOVATIONS	85%	88%	88%
Dr. Ed Leclair	96%	99%	95%	93%	93%
Garson	97%	97%	93%	93%	93%
Gerry McCrory Countryside 1	98%	98%	98%	96%	96%
Gerry McCrory Countryside 2	98%	96%	97%	96%	96%
IJ Coady	61%	79%	49%	68%	68%
McClelland	100%	100%	100%	100%	100%
Ray Plourde	98%	96%	96%	87%	CLOSED
Sudbury	96%	99%	98%	97%	97%
TM Davies	98%	100%	100%	100%	100%
Toe Blake	98%	98%	99%	98%	98%
CITY-WIDE	94%	93%	90%	89%	95%

Proposal 1: Capreol 1 groups were moved to Capreol 2, Centennial and Ray Plourde

TABLE 2	Shoulder Time Utilization - Sunday to Saturday from 10:00 p.m. to midnight				
	2013-2014	2014-2015	2015-2016	2016-2017	PROPOSED
Cambrian	61%	57%	50%	46%	46%
Capreol 1	21%	18%	21%	18%	CLOSED
Capreol 2	14%	11%	11%	7%	46%
Carmichael	57%	57%	57%	54%	54%
Centennial	43%	43%	57%	14%	CLOSED
Chelmsford	43%	RENOVATIONS	18%	21%	43%
Dr. Ed Leclair	50%	61%	50%	32%	43%
Garson	64%	64%	57%	50%	50%
Gerry McCrory/ Countryside 1	32%	54%	43%	43%	43%
Gerry McCrory/ Countryside 2	43%	39%	39%	36%	36%
IJ Coady	14%	43%	4%	4%	4%
McClelland	39%	39%	39%	32%	32%
Ray Plourde	36%	25%	57%	25%	CLOSED
Sudbury	71%	71%	68%	68%	68%
TM Davies	39%	0%	36%	43%	43%
Toe Blake	61%	61%	50%	61%	61%
CITY-WIDE	43%	43%	41%	35%	41%

The 2013 Arena Renewal Strategy established a market-specific demand target that reflected the City's unique geography and arena utilization profiles at that point in time. To identify needs at a city-wide level, the target was set at one ice pad per 405 youth registrants. Although somewhat conservative compared to other communities, a review of current utilization suggests that this remains a reasonable target for Greater Sudbury. Currently, with a supply of 16 rinks and 5,767 youth registrants, there is an average of 360 players per rink (the average was 451 per ice pad in 2008-2009 prior to the twinning of Gerry McCrory Countryside Sports Complex). Based on the recommended target of one pad per 405 registrants, there is a city-wide demand for 14.2 rinks, indicating a surplus of approximately two pads.

Projection of Ice Pad Needs, City of Greater Sudbury (2016 to 2036)

	2017	2021	2026	2031	2036
Forecasted Number of Youth Registrants (based on a 23.5% participation rate for youth ages 5 to 19)	5,767	5,380	5,460	5,540	5,720
Number of Ice Pads Required (based on 16 pads at present and a provision target of 1 ice pad for 405 youth registrants)	14.2	13.3	13.5	13.7	14.1
Surplus Ice Pads	-1.8	-2.7	-2.5	-2.3	-1.9

Population forecasts based on City of Greater Sudbury Growth Outlook to 2036. Draft, May 2013. Hemson Consulting Ltd.

This analysis identifies a surplus of 1.8 ice pads at present. Continued softening of demand is projected (up to 2.7 surplus rinks in 2021), before returning to near current demand levels in 2036.

The data shows insufficient support for expanding the supply of municipal arenas. A surplus of ice exists in the City, which is expected to worsen over the short-term. The impact of this surplus is affecting utilization of the City's outlying areas, however the desire for equitable geographic distribution is also a consideration.

Projection of Ice Pads Needs
(Based on New Twin Pad & Closure of Capreol Side 1)

	2017	2021	2026	2031	2036
Forecasted Number of Youth Registrants (based on a 23.5% participation rate for youth ages 5 to 19)	5,767	5,380	5,460	5,540	5,720
Number of Ice Pads Required (based on 15 pads at present and a provision target of 1 ice pad for 405 youth registrants)	14.2	13.3	13.5	13.7	14.1
Surplus Ice Pads	-0.8	-1.7	-1.5	-1.3	-0.9

Population forecasts based on City of Greater Sudbury Growth Outlook to 2036. Draft, May 2013. Hemson Consulting Ltd.

Capital Requirements for Existing Arena Inventory in Valley East

Raymond Plourde Arena

The Raymond Plourde Arena is a single-pad indoor arena complex located at 1195 Helene Street, Val Caron. A building condition assessment was performed in November 2012 and updated in 2017 for this report. The arena was originally constructed in 1974. This building has received various renovations over the past few years (heater trench in 2002, condenser in 2004, compressors in 2006 and 2011, shell upgrades in 2008, dehumidifier in 2011) and most of the building components are considered to be in fair to poor condition overall. \$2,185,000 in capital upgrades are required in the next 10 years to maintain the facility.

Centennial Community Centre and Arena

The Centennial Community Centre and Arena facility is a single-pad indoor arena complex located at 4333 Centennial Road, Hanmer. A building condition assessment was performed in November 2012 and updated in 2017 for this report. The arena was originally constructed in 1972. This building has received various renovations over the past few years (heater trench in 2002, roof restoration in 2004, chiller and condenser replacement in 2006, door replacements in 2008, furnace room fire separation in 2010, dehumidifier in 2011) and most of the building components are considered to be in fair to poor condition overall. \$1,495,000 in capital upgrades are required in the next 10 years to maintain the facility.

Capreol Arena Side 1

The Capreol Community Centre and Arena is a two-pad indoor arena and community hall complex located at 20 Meehan Street, Capreol. The original ice pad was built in 1960 and is located to the north, side 1. The south rink, or Side 2, was constructed in 1974. This report recommends Side 2 remaining open. A building condition assessment was performed in November 2012 and updated in 2017 for this report. This building has received various renovations over the past few years (roof over side 2 in 2000, suspended heaters in 2004, chiller in 2004, and ventilation upgrades in 2008) and most of the building components in side 1 are not in a state-of-good repair. Finishes and equipment are in need of significant updating. \$2,990,000 in capital upgrades are required in the next 10 years to maintain the facility.

Below is an opinion of probable costs for each arena from the Building Condition Assessment formats from 2012, and updated in 2017.

Building Condition Assessment – Opinion of Probable Costs

Raymond Plourde Arena 2017

Section and Description	Immediate (1 to 5 Year)	Long Term (6 to 10 Year)
General requirements (excluded)		
Exterior walls - canopy refurbishment	\$5,000	
Windows - replacement	\$16,000	
Doors - refurbishment and replacement	\$25,000	
Roofing - replacement of metal roof	\$450,000	
Structural main and secondary framing (excl)	\$400,000	
Exterior and interior block partition - repairs	\$100,000	\$150,000
Ice pad-replacement including apron & header		
Dasherboard and shielding systems - replacement		\$275,000
Bleachers – retrofit	\$15,000	
Change room benching and clothing hooks - replace		\$25,000
Elevator - N/A		
Ice pad refrigeration system - repairs	\$6,000	
Ice pad refrigeration system - overhaul		\$70,000
Sanitary and storm drainage - investigation and repairs	\$30,000	
Plumbing fixtures and accessories - replacement	\$60,000	
Domestic hot and cold water systems - backflow prevention, insulation/demarcation, repairs	\$40,000	
Domestic hot and cold water systems - water heaters		\$25,000
Fire detection and suppression systems	\$5,000	\$15,000
Fire safety - repairs	\$5,000	
Heating - terminal unit replacements	\$90,000	
Ventilation – Replacement	\$100,000	
CO Detection - replacement		
Air Conditioning - localized cooling provisions	\$15,000	
Electrical Service (excluded)		
Electrical Distribution (excluded)		
Lighting - arena lighting replacement and painting		
Lighting - general lighting updating	\$10,000	
Lighting - exterior lighting updating	\$7,000	
Emergency lighting and exit lighting - updating		\$15,000
Security - updating		\$7,000
Audio - updating		\$20,000
Finishes (excluded)		
Accessibility - provisions for interior and exterior	\$204,000	
Total	\$1,583,000	\$602,000
	Total 10 Year Capital Investment	\$2,185,000

Centennial Arena 2017

Section and Description	Immediate (1 to 5 Year)	Long Term (6 to 10 Year)
General requirements (excluded)		
Exterior walls - canopy refurbishment	\$200,000	
Windows - replacement		\$20,000
Doors - refurbishment and replacement	\$15,000	\$5,000
Roofing - refurbishment of metal roof	\$100,000	
Structural main and secondary framing (excl)		
Exterior and interior block partition - repairs	\$50,000	
Ice pad-replacement including apron & header		
Dasherboard and shielding systems - replacement		\$275,000
Bleachers - retrofit	\$35,000	
Change room benching and clothing hooks - replace		\$25,000
Elevator - refurbishment	\$35,000	
Ice pad refrigeration system - repairs		\$85,000
Ice pad refrigeration system - overhaul		\$70,000
Sanitary and storm drainage - investigation and repairs	\$30,000	
Plumbing fixtures and accessories - replacement	\$60,000	
Domestic hot and cold water systems - backflow prevention, insulation/demarcation, repairs	\$60,000	
Domestic hot and cold water systems - water heaters	\$50,000	
Fire detection and suppression systems	\$5,000	
Fire safety - repairs	\$10,000	
Heating - terminal unit replacements	\$71,000	
Ventilation - improvement provisions	\$50,000	
CO Detection - replacement		
Air Conditioning - localized cooling provisions	\$15,000	
Electrical Service (excluded)		
Electrical Distribution (excluded)		
Lighting - arena lighting replacement and painting		
Lighting - general lighting updating	\$10,000	
Lighting - exterior lighting updating		\$7,000
Emergency lighting and exit lighting - updating		\$5,000
Security - updating		\$7,000
Audio - updating		\$20,000
Finishes - excluded	\$10,000	
Accessibility - provisions for interior and exterior	\$170,000	
Total	\$976,000	\$519,000
	Total 10 Year Capital Investment	\$1,495,000

Capreol Arena Side 1 2017

Section and Description	Immediate (1 to 5 Year)	Long Term (6 to 10 Year)
General requirements (excluded)		
Exterior walls - canopy refurbishment	\$280,000	
Windows - replacement		\$10,000
Doors - refurbishment and replacement	\$50,000	
Roofing - refurbishment of metal roof	\$450,000	
Structural main and secondary framing	\$103,000	
Exterior and interior block partition - repairs	\$90,000	
Ice pad-replacement including apron & header	\$45,000	
Dasherboard and shielding systems - replacement	\$275,000	\$275,000
Bleachers - retrofit	\$175,000	
Change room benching and clothing hooks - replace	\$35,000	
Elevator - refurbishment		\$35,000
Ice pad refrigeration system - repairs	\$10,000	\$70,000
Ice pad refrigeration system - overhaul	\$20,000	
Sanitary and storm drainage - investigation and repairs	\$50,000	
Plumbing fixtures and accessories - replacement	\$85,000	
Domestic hot and cold water systems - backflow prevention, insulation/demarcation, repairs	\$60,000	\$25,000
Domestic hot and cold water systems - water heaters		\$25,000
Fire detection and suppression systems	\$25,000	
Fire safety - repairs	\$20,000	
Heating - terminal unit replacements	\$75,000	\$25,000
Ventilation - improvement provisions	\$60,000	
CO Detection - replacement		
Air Conditioning - localized cooling provisions	\$15,000	
Electrical Service	\$80,000	
Electrical Distribution	\$30,000	
Lighting - arena lighting replacement and painting	\$80,000	\$100,000
Lighting - general lighting updating	\$35,000	
Lighting - exterior lighting updating	\$10,000	
Emergency lighting and exit lighting - updating	\$5,000	\$15,000
Security - updating		\$7,000
Audio - updating	\$20,000	\$20,000
Finishes - excluded		
Accessibility - provisions for interior and exterior	\$200,000	
Total	\$2,383,000	\$607,000
	Total 10 Year Capital Investment	\$2,990,000

Site Selection

Three potential locations within Valley East were identified as possible sites for a new twin pad arena. Each site contains both advantages and disadvantages. Six criteria were used to evaluate each site to establish degree of suitability. Co-ordination with the City's Department of Real Estate assisted in the vetting process.

- **Site Dimension:** Minimum of 8 acres
- **Access:** Level of difficulty for vehicular, pedestrian and transit
- **Parking:** Minimum of 225 spots
- **Ease of Development:** Geotechnical and morphological makeup of site
- **Complimentary Benefits:** Potential for synergies with adjacent neighbors
- **Cost:** Purchase of property, if necessary, versus construction costs based on infrastructural needs and geotechnical costs. Also consideration of "curb appeal", benefit of location economically, socially and culturally.

Of the three potential sites, only the Howard Armstrong Recreation Centre parkland is municipally owned property. This area also meets the site selection criteria identified above. There is approximately 28 acres of natural parkland at the site.

The City is in the process of considering the proposal to declare 10 acres of the municipally owned parkland at the Howard Armstrong Recreation Centre surplus and offering it for sale to Conseil scolaire catholique du Nouvel-Ontario (CSCNO) for the construction of a new elementary school. Initial site plans developed by CSCNO for the proposed school incorporate the potential of a city owned twin pad facility on the property as well. A twin pad facility is assumed to require an additional 8 acres. This would leave approximately 10 acres of natural parkland at the site. There are benefits of having the development of the elementary school and twin pad facility on site, such as opportunities for shared parking.

Design Elements

Based on new twin pad construction across Ontario and experience with the Gerry McCrory Countryside Sports Complex, the following design elements are recommended for construction of new twin pad facilities:

- A twin-pad or triple-pad facility (2 NHL size 85' x 200' ice surfaces) with capability for summer ice. One ice surface designed for people with disabilities (i.e. see through benches, level with ice, etc). May also look at one ice pad being full Olympic size, especially to aid with speed skaters.
- Eight (8) secure dressing rooms per ice surface (with stick holders and white boards), plus one additional dressing room per ice surface dedicated to be identified as alternate dressing room, for a total of nine (9) rooms. At least two (2) dressing rooms associated with one of the ice surfaces to accommodate persons with disabilities.
- An ample lobby with food court/cafe, social space/sitting areas, views of the ice surfaces, information boards/electronic signs and water bottle refill stations.
- Comfortable seating for 300-400 per ice surface and depending on intended use, more seating may be required in one pad.
- Running/walking track around the top of one of the pads.
- Offices and storage for major user groups.
- First aid room.

- Referee rooms of sufficient size to accommodate four-person crews. Referee's rooms should be located in isolation of dressing rooms.
- Multi-purpose/gymnasium space and meeting rooms (initial allowance of 4,000 square feet).
- Wide hallways and automatic sliding doors (main entrance and dressing rooms).
- User friendly public address system, sound system and scoreboards.
- Air conditioning to encourage summer non-ice uses in one or more ice surfaces.
- An energy-efficient facility.
- Adequate parking with a drop-off zone (including bus parking).

Scenarios

Financial data regarding the operations of the existing arenas in the Valley East/Capreol area as well as projected operational costs associated with the development of a new twin pad.

The following scenarios are examples of potential actions to consider regarding the building of a new twin pad in the Valley East area.

Scenario	Arenas	Close	Savings net levy impact	Total Operating Savings	Capital Requirement (1 – 10 year)	Capital Savings	Total (Total Operating Savings + Capital Savings)
Scenario 1 – Close Raymond Plourde and Centennial Arenas	Centennial Arena	Yes	\$199,989	\$407,744	\$1,495,000	\$3,680,000	\$4,087,744
	Raymond Plourde Arena	Yes	\$207,755		\$2,185,000		
Scenario 2 – Close all three arenas (Capreol, only pad 1)	Centennial Arena	Yes	\$199,989	\$521,294	\$1,495,000	\$6,670,000	\$7,191,294
	Raymond Plourde Arena	Yes	\$207,755		\$2,185,000		
	Capreol Arena – pad 1	Yes	\$113,550		\$2,990,000		

Scenario 1 proposes to close the two existing arenas in Valley East (Centennial Arena and Raymond Plourde). The total operating savings to the levy would be \$407,744. Total 10 year capital savings would be \$3.7M for a total savings of \$4.1M.

Scenario 2 proposes to close the two existing arenas in Valley East (Centennial Arena and Raymond Plourde) and pad 1 at the Capreol Arena. The total operating savings to the levy would be \$521,294. Total 10 year capital savings would be \$6.7M for a total savings of \$7.2M.

New Twin Pad Financial Projections – Cost Recovery Based on Current Ice Utilization

New VE Twin	Projection
Revenues	\$746,750
Expenses	\$949,679
Salaries & Benefits	\$385,795
Operating Expenses	\$136,059
Energy Costs	\$395,000
Internal Recoveries	\$ 32,825
Net Levy Impact	\$202,929
Recovery %	79%

When developing the financial projections for the new Valley East twin pad, revenue data from the arenas proposed to be replaced was used and for expenses, historical data from the operations of the Gerry McCrory Countryside Sports Complex was used.

The above table indicates that the net levy projected at \$202,929. This translates into an operational savings of approximately \$318,365 per year. For comparison, the 2017 budget for the Gerry McCrory Countryside Sports Complex is noted below.

Gerry McCrory Countryside Arena	2017 Budget
Revenues	\$1,048,989
Expenses	\$963,073
Salaries & Benefits	\$356,639
Operating Expenses	\$136,945
Energy Costs	\$436,894
Internal Recoveries	\$ 32,594
Net Levy Impact	(\$85,917)
Recovery %	109%

Projected Construction Estimate - Class "D" Estimate

This estimate was generated using 2015 Industry Standard square foot pricing for an indoor hockey rink. The square foot price range is \$175- \$250 per square foot with a median of \$218.50 per square foot.

Based on the above recommended design elements a square foot range for the twin pad facility is 100,000 -125,000 square feet. Using the median average a Class D construction estimate for a new twin pad arena is \$22-\$27M.

Northern Ontario sees construction costs on the higher end of the per square foot range, and as such budgets should allow for this. A higher range estimate for the same size twin pad is \$25-\$30M.

An estimated construction budget of \$24-\$26M is estimated for a new twin pad arena in Valley East based on inflation since 2015 rates and local market and construction conditions. Estimates should be updated yearly as market conditions can cause fluctuations well above +/- 5% of overall construction costs.

The estimated annual payment of the new Valley East twin pad if debt financed would be \$1,611,957 at 3.7% interest over 25 years, less the net operating savings related to the closure of the three facilities identified. If CSCNO were to be successful in acquiring lands at the Howard Armstrong Recreation Centre site, funds received as part of the parkland disposal could be used towards the project.

Next Steps

A Business Case for the development of a new twin pad facility has been included as part of the 2018 budget process. The Business Case submitted identifies debt financing for the project to be started in 2020.

The Parks, Open Space and Leisure Master Plan states that the decision to close any arena should be accompanied by a community engagement process, capital lifecycle analysis, evaluation of alternate uses, and options for the continued delivery of leisure services within the affected community. Upon Council's approval of a new twin pad facility in Valley East a community engagement process would be initiated as per the Parks, Open Space and Leisure Master Plan.

References:

Arena Renewal Strategy, Community Services Committee (January 21, 2013)
<http://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=3&id=585>

City of Greater Sudbury Parks, Open Space & Leisure Master Plan Review (2014)
<https://www.greatersudbury.ca/play/parks-and-playgrounds1/parks-open-space-and-leisure-master-plan-review-2014/>

Framework for Partnership Opportunities for Indoor Turf and Multi Purpose Facilities Interim Report, Community Services Committee (June 19, 2017)
<http://agendasonline.greatersudbury.ca/index.cfm?pg=feed&action=file&agenda=report&itemid=3&id=1152>

Business Cases for Service Level Reductions - 3.5% to 2.5%**2018 Budget
Impact**

Reduction in Summer Asphalt Patching	(200,000)
Reduction to Roads Fleet (One Grader)	(53,563)
Increase Parking Meter Rates	(400,000)
Adjust the NDCA Budget to 3.5% increase	(169,131)
Adjust the Police Budget to 3.5% increase	(213,370)
Adjust the GSHC Budget to 3.5% increase	(520,133)
Business Process Analysis	(500,000)
Salary Gapping	(500,000)
	<u>(2,556,197)</u>

Business Case for Service Level Change

Request/Project Name: Large Spreader Laid Patches

Department: Growth & Infrastructure

Division: Roads and Transportation

I. Executive Summary

Overview of Proposal

The contracted portion of the mill & pave program (Large Spreader Laid Patches) is utilized to remove dips, cracks and potholed areas on paved roads throughout the City. Together with the severity of a given winter season, this program is indirectly proportional to winter pothole patching costs. That is, the more money spent to mill & pave poor sections of pavement in the summer results in less pothole patching, at that location, during the winter months. In 2017, one time funding was approved in the amount of \$2,000,000 to improve the mill & pave program. This 2018 business case proposes a \$200,000 reduction to the current base service level.

Service Level Impact

Depending in the severity of a given winter season, a small mill & pave budget will yield a larger pothole patching cost. This is typically coupled with an inevitably high overall annual maintenance cost and weaker public opinion on the state of our roads. Reducing the service level may further worsen public opinion on the state of our roads. There may also be an increase in pothole related claims.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Large Spreader Laid Patches	The operating budget for mill & pave is presently \$702,090. This budget is utilized to contract Large Spreader Laid Patches that cannot be completed by City Crews.

Drivers for Proposed Course of Action

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

A decrease to the service level is not recommended due to the potential negative financial impacts from pothole patching during winter, an increase in pothole related claims, and the decline of public opinion on the subject.

Urgency

As outlined in the 2012 KPMG Roads Financial Plan, the City is already currently underfunding roads' operations.

How does this align with Council's Strategic Plan?

The decrease in service level would oppose two of the performance metrics identified in the 2015-2018 strategic plan; to have better roads and increased Citizen satisfaction.

IV. Impact Analysis**Qualitative Implications**

As a result of this decreased service level, traffic interruptions and poor ride quality could increase.

Quantifiable Implications - Revenue & Expenditures

The reduction in service levels would result in a savings of \$200,000 that would directly impact the tax levy.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Asphalt Patching Contracts	On-Going	Tax Levy	\$ (200,000)				
	On-Going		\$ (200,000)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (200,000)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (200,000)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (200,000)	\$ -	\$ -	\$ -	\$ -

Implementation (*Likelihood; list any assumptions, constraints*)

The Large Spreader Laid Patches contract is a well established program at the City. The contract is tendered annually for summer work. The scope of the contract can be reduced to reflect the approved service level.

Consequences (*What would be the negative results or drawbacks*)

The potential results of lowering the service level for this program would be decreased ride quality and lowered public opinion of roads, increase in winter pothole patching program, increase in pothole related claims, and an increase in overall life cycle costs of the road asset.

Dependencies/Synergies (*Does the proposal depend on any other projects*)

The service level decrease of this program may result in a corresponding increase on the winter pothole patching program.

Capacity Impacts (*Is there enough capacity? Are other departments impacted?*)

There are no capacity impacts related to this option as the scope of contracted work would decrease a portion of the contract.

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** (*What are the risks of not implementing this change?*)

Continued deterioration of the arterial road network is expected if the Large Spreader Laid Patches program is decreased.

Business Case for Service Level Change

Request/Project Name: Reduction to Roads Fleet (One Grader)

Department: Growth & Infrastructure

Division: Roads and Transportation

I. Executive Summary

Overview of Proposal

The Roads' graders perform multiple tasks including gravel grading and resurfacing activities for gravel roads and gravel shoulders, as well as snow plowing with a wing attachment. The current grader fleet is comprised of six units including unit S355, a 1989 Champion grader. The proposed business case recommends retiring this unit and maintaining current service levels using the existing fleet.

Service Level Impact

The current service levels will not be affected as there is capacity with the remaining five units to perform the current council approved service levels.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Hard Top Surface Maintenance	Surface treatment preparation, gravel grading - shoulders, gravel shouldering
Loose Top Surface Maintenance	Gravel resurfacing, gravel grading
Snow Plowing	Grader mounted plowing

Drivers for Proposed Course of Action

The recommended course of action would realize a cost savings to the City while maintaining the current service level.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

It is recommended to reduce the Roads' grader fleet and retire unit S355 (1989 Champion grader).

Urgency

The grader is currently in a state of requiring repairs. It is recommended to retire the unit prior to repairing.

How does this align with Council's Strategic Plan?

Reducing the current service level will assist with enhancing two of the four council approved priorities; being Fiscally Prudent and while maintaining Sustainable Infrastructure.

IV. Impact Analysis**Qualitative Implications**

As a result of this decreased service level, traffic interruptions and poor ride quality could increase.

Quantifiable Implications - Revenue & Expenditures

The reduction in fleet would realize savings of approximately \$54,000 from maintenance and fuel.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Equip Credits - Direct	On-Going	Tax Levy	\$ 53,384				
Contribution to Reserve	On-Going	Tax Levy	\$ (13,346)				
Fleet Parts	On-Going	Tax Levy	\$ (40,038)				
Surface Treatment Perparation	On-Going	Tax Levy	\$ (759)				
Gravel Resurfacing	On-Going	Tax Levy	\$ (1,688)				
Gravel Grading - Shoulders	On-Going	Tax Levy	\$ (9,553)				
Gravel Grading	On-Going	Tax Levy	\$ (20,076)				
Gravel Shouldering	On-Going	Tax Levy	\$ (5,473)				
Grader Mounted Plow	On-Going	Tax Levy	\$ (16,014)				
Fuel Costs	On-Going	Tax Levy	\$ (179)				
Fleet Charge - Summer	On-Going	Tax Levy	\$ (37,549)				
Fleet Charge - Winter	On-Going	Tax Levy	\$ (16,014)				
Roads Summer Fleet	On-Going	Tax Levy	\$ 37,728				
Roads Winter Fleet	On-Going	Tax Levy	\$ 16,014				
	On-Going		\$ (53,563)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (53,563)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (53,563)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (53,563)	\$ -	\$ -	\$ -	\$ -

Implementation (*Likelihood; list any assumptions, constraints*)

With approval of this business case, the unit would be sold at auction and if unsuccessful, would be sold as scrap.

Consequences (*What would be the negative results or drawbacks*)

Retiring one grader would increase reliance on existing equipment which could result in additional servicing and potentially a more frequent replacement cycle. Furthermore, should another unit require repairs there would be limited opportunity to use a spare.

Dependencies/Synergies (*Does the proposal depend on any other projects*)

N/A

Capacity Impacts (*Is there enough capacity? Are other departments impacted?*)

Should council approve this business case, the reduction of fleet would lessen the impact on all support services departments such as the Finance, Assets and Fleet Department.

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** (*What are the risks of not implementing this change?*)

Should the unit not be retired, there would be less burden on existing equipment and more opportunity for a spare should an existing grader break down.

Business Case for Service Level Change

Request/Project Name: Increase Parking Meter Rates

Department: Corporate Services

Division: Parking

I. Executive Summary

Overview of Proposal

The City has 438 single space meters in the downtown core. The on-street meters are intended to service short stay hourly customers. The cost of hourly parking is \$1.30 per hour, 2-hour maximum with the exception of Elm Street at \$2.00 per hour with a 1-hour maximum. While it is difficult to monitor and obtain accurate data, there are concerns that the time allotted maximums are being exceeded and some on street parking is being used for all day parking. All day parking is more suited to a monthly pass in an off-street lot and on-street parking left available for short stay customers. Parking rates for private sector lots are comparable for monthly stays. However, private sector parking is approximately 50% higher than public lots on an hourly basis. This option seeks to price on street parking at a rate that reflects its convenience relative to alternatives and to assist in diverting demand for these spaces from long-term use to a emphasis on shorter stays.

Service Level Impact

N/A

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)

Drivers for Proposed Course of Action

Reduce the parking subsidy that currently exists relative to the private sector and to divert demand for long-term stays from metered parking to parking lots. This will avail parking to more short-term stays.

III. Recommendation

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

	Change to base operating budget		Change to base FTE allocation
X	Change to fees (unit price)		Change to revenues (volume change)
	Investment in Project		

Recommendation (How/Why)

Reduce the parking subsidy that currently exists relative to the private sector and to divert demand for long-term stays from metered parking to parking lots. The proposed fee for parking will increase from \$1.30 to \$2.50. This will avail parking to more short-term stays.

Urgency**How does this align with Council's Strategic Plan?**

It is fiscally prudent to have users of a service, pay for that service as opposed to being subsidized by the taxpayer.

IV. Impact Analysis**Qualitative Implications****Quantifiable Implications - Revenue & Expenditures**

Increase in revenues of approximately \$400,000 annually.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Parking Meter Collections	On-Going	User Fees	\$ (400,000)				
	On-Going		\$ (400,000)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (400,000)	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (400,000)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (400,000)	\$ -	\$ -	\$ -	\$ -

Implementation *(Likelihood; list any assumptions, constraints)*

N/A

Consequences *(What would be the negative results or drawbacks)*

There may be public dismay and concern from the Councillors.

Dependencies/Synergies *(Does the proposal depend on any other projects)*

N/A

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

N/A

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

Risk is that Council decides against it and that the City continues to subsidize parking.

Business Case for Service Level Change

Request/Project Name: Request NDCA to modify budget to a 3.5% increase

Department:

Division:

I. Executive Summary

Overview of Proposal

Based on the Finance and Administration Committees direction to request that Service Partners consider the budget direction given to staff, this business case proposes that a request is presented to Nickel District Conservation Authority (NDCA) limiting their annual allocation to a 3.5% increase over the 2017 approved allocation.

Service Level Impact

The NDCA has requested an increase of 27% to their budget allocation in order to take on new initiatives. NDCA has requested this increase to right-size their core capacity and address deficiencies identified in their Strategic Plan for 2017-2021.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Funding for NDCA	The current level of service is a proposed 2018 allocation of \$867,000, an increase of \$184,000 from the 2017 allocation.

Drivers for Proposed Course of Action

The driver for the proposed course of action is the Finance and Administration Committee's direction to provide service level changes to reduce the budget to a 2.5% taxation levy increase for 2018.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

If approved, it is recommended that Council request the change to NDCA.

Urgency

The proposed option is in response to the request for a reduced taxation levy.

How does this align with Council's Strategic Plan?

This aligns with Councils direction for a responsive, fiscally prudent, open governance.

IV. Impact Analysis**Qualitative Implications**

By limiting the proposed increase, the Committee is ensuring that the Municipal budget along with the service partners are remaining consistent and fiscally prudent.

Quantifiable Implications - Revenue & Expenditures

The impact of limiting the allocation to the NDCA to a 3.5% increase over the 2017 operating budget allocation is a reduction in the 2018 base budget of \$169,131 which represents a 0.07% tax levy impact.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
NDCA Allocation	On-Going		\$ (169,131)				
	On-Going		\$ (169,131)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (169,131)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (169,131)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (169,131)	\$ -	\$ -	\$ -	\$ -

Implementation *(Likelihood; list any assumptions, constraints)*

If approved, there are no constraints to the implementation of this business case.

Consequences *(What would be the negative results or drawbacks)*

The consequences are that the NDCA will not have the ability to address deficiencies or provide needed services to residents of the watershed.

Dependencies/Synergies *(Does the proposal depend on any other projects)*

N/A

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

N/A

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

The risk of not approving the business case is a taxation levy above 2.5%.

Business Case for Service Level Change

Request/Project Name: Request GSPS to modify budget to a 3.5% increase

Department:

Division:

I. Executive Summary

Overview of Proposal

Based on the Finance and Administration Committees direction to request that Service Partners consider the budget direction given to staff, this business case proposes that that a request is presented to Greater Sudbury Police Services (GSPS) limiting their annual allocation to a 3.5% increase over the 2017 approved allocation.

Service Level Impact

The GSPS has requested a 3.9% increase to their budget allocation for maintaining operations.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Funding for GSPS	The current level of service is a proposed 2018 allocation of \$57.8 Million, an increase of approximately \$2.2 million from the 2017 allocation.

Drivers for Proposed Course of Action

The driver for the proposed course of action is the Finance and Administration Committee's direction to provide service level changes to reduce the budget to a 2.5% taxation levy increase for 2018.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

If approved, it is recommended that Council request the change to GSPS.

Urgency

The proposed option is in response to the request for a reduced taxation levy.

How does this align with Council's Strategic Plan?

This aligns with Councils direction for a responsive, fiscally prudent, open governance.

IV. Impact Analysis**Qualitative Implications**

By limiting the proposed increase, the Committee is ensuring that the Municipal budget along with the service partners are remaining consistent and fiscally prudent.

Quantifiable Implications - Revenue & Expenditures

The impact of limiting the allocation to the GSPS to a 3.5% increase over the 2017 operating budget allocation is a reduction in the 2018 base budget of \$213,370 which represents a 0.09% tax levy impact.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
GSPS Allocation	On-Going		\$ (213,370)				
	On-Going		\$ (213,370)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (213,370)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (213,370)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (213,370)	\$ -	\$ -	\$ -	\$ -

Implementation (*Likelihood; list any assumptions, constraints*)

If approved, there are no constraints to the implementation of this business case.

Consequences (*What would be the negative results or drawbacks*)

The consequences are that the GSPS must review their proposed budget for potential reductions.

Dependencies/Synergies (*Does the proposal depend on any other projects*)

N/A

Capacity Impacts (*Is there enough capacity? Are other departments impacted?*)

N/A

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** (*What are the risks of not implementing this change?*)

The risk of not approving the business case is a taxation levy above 2.5%.

Business Case for Service Level Change

Request/Project Name: Request GSHC to modify budget to a 3.5% increase

Department:

Division:

I. Executive Summary

Overview of Proposal

Based on the Finance and Administration Committees direction to request that Service Partners consider the budget direction given to staff, this business case proposes that that a request is presented to Greater Sudbury Housing Corporation (GSHC) limiting their annual allocation to a 3.5% increase over the 2017 approved allocation.

Service Level Impact

The GSHC budget to the City represents a 9.6% increase over the 2017 actuals to their budget allocation for maintaining operations.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
Funding for GSHC	The current level of service is a proposed 2018 allocation of \$9.4 Million, an increase of approximately \$0.8 million from the 2017 allocation.

Drivers for Proposed Course of Action

The driver for the proposed course of action is the Finance and Administration Committee's direction to provide service level changes to reduce the budget to a 2.5% taxation levy increase for 2018.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

If approved, it is recommended that the Committee request the change to GSHC.

Urgency

The proposed option is in response to the request for a reduced taxation levy.

How does this align with Council's Strategic Plan?

This aligns with Councils direction for a responsive, fiscally prudent, open governance.

IV. Impact Analysis**Qualitative Implications**

By limiting the proposed increase, the Committee is ensuring that the Municipal budget along with the service partners are remaining consistent and fiscally prudent.

Quantifiable Implications - Revenue & Expenditures

The impact of limiting the allocation to the GSHC to a 3.5% increase over the 2017 operating budget allocation is a reduction in the 2018 base budget of \$520,133 which represents a 0.2% tax levy impact.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
GHSC Allocation	On-Going		\$ (520,133)				
	On-Going		\$ (520,133)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (520,133)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ (520,133)	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ (520,133)	\$ -	\$ -	\$ -	\$ -

Implementation *(Likelihood; list any assumptions, constraints)*

If approved, there are no constraints to the implementation of this business case.

Consequences *(What would be the negative results or drawbacks)*

The consequences are that the GSHC must review their proposed budget for potential reductions.

Dependencies/Synergies *(Does the proposal depend on any other projects)*

N/A

Capacity Impacts *(Is there enough capacity? Are other departments impacted?)*

N/A

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** *(What are the risks of not implementing this change?)*

The risk of not approving the business case is a taxation levy above 2.5%.

Business Case for Service Level Change

Request/Project Name: Business Process Analysis

Department: Office of the CAO

Division:

I. Executive Summary

Overview of Proposal

Through the secondment of up to five staff who possess appropriate training and organizational experience, conduct analysis and develop plans for changes to policies and/or work processes that reduce the corporation's net 2018 costs by \$500,000. The focus of the analysis would be on changes to Winter Control services and Arena services.

Service Level Impact

Staff selected for undertaking this work normally perform routine analytical tasks and business support functions. Assigning them to complete this work involves up to three months per person of dedicated time within the first two quarters, followed by implementation timelines to produce the required net cost reductions through the remainder of 2018. This means regular work associated with business support would be put on hold or significantly reduced and other projects that do not produce net cost reductions in 2018 would be delayed. The effect of these assignments could be noticed through increased cycle times for responding to requests for information that involve more complex analysis, or reduced levels of information for decision support on other matters that are not related to this work.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)
	There is not currently a systematic approach for analyzing policies and work processes that lead to net cost reductions. This proposal anticipates, on a temporary basis, creating a new systematic approach for identifying such opportunities.

Drivers for Proposed Course of Action

Despite its place among the lowest-cost cities in the province, the City of Greater Sudbury has an annual challenge when preparing its budget. It is difficult to properly match projected revenues, service level expectations and the cost of providing service. All services seem valuable to some segment of our community, so reductions in any particular area are met with resistance. Opportunities to review the approach for delivering service, adjust the policies that drive service levels or the way work gets done have always been something that managers want to find but the resources to undertake the work have generally not been available. Changes to Winter Control services and Arena services have been discussed for several years. Staff believe the analysis required to develop net cost savings in 2018 could be produced if the work focused on these two service areas.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

This proposal supports Council's goal of achieving a 2.5% change in taxation over 2017 levels. It anticipates reassigning available staff resources, taking them away from their regular work, for a limited period in 2018. Both proposed service areas (ie Winter Control and Arenas) have been previously studied and consume significant resources in their current form. Focused, dedicated analytical effort by staff could produce changes that lead to service level changes and cost reductions in 2018.

Urgency

Staff do not recommend approval of this business case unless it is Council's wish to achieve a 2.5% change in taxation over 2017 levels.

How does this align with Council's Strategic Plan?

This is an operational matter with no direct relationship to the Strategic Plan.

IV. Impact Analysis**Qualitative Implications**

There will be a disruption to normal business processes while the assigned staff complete this project. The specific types and extent of the disruptions cannot be identified at this time, but will generally take the form of longer cycle times to respond to inquiries where more complex analysis is required, delays in projects that do not produce net cost reductions in 2018 and reduced levels of information for decision support. Conversely, if successful, the results of the project will reduce net costs by \$500,000.

Quantifiable Implications - Revenue & Expenditures

The project will reduce net costs by \$500,000. This can be either new revenues, cost reductions, or some combination of revenues and cost reductions.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Business Process			\$ (500,000)				
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (500,000)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time	2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time		-	-	-	-	-
		Part Time		-	-	-	-	-

Net Impact	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
On-Going	\$ -	\$ -	\$ -	\$ -	\$ -
One-Time	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -

Implementation (*Likelihood; list any assumptions, constraints*)

This is a new approach for conducting business process reviews and there is a higher than average risk it will not achieve the \$500,000 net cost reduction goal. Since the changes in process or policy that will produce the cost reductions are unknown until the reviews are complete, there is also a risk that these changes are unacceptable to some stakeholder group and therefore cannot be implemented as intended. It requires clear and regular communication with ELT and updates to Council so that a "no surprises" environment is maintained and the analysis achieves its intended outcomes.

Consequences (*What would be the negative results or drawbacks*)

Current, routine decision support services will be significantly delayed or curtailed while this project is underway.

Dependencies/Synergies (*Does the proposal depend on any other projects*)

This project does not depend on any other projects.

Capacity Impacts (*Is there enough capacity? Are other departments impacted?*)

It appears the corporation has staff with the required skills to perform the work. Some training may be required to ensure recommendations are supported by sufficient, appropriate analysis.

V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** (*What are the risks of not implementing this change?*)

This is a unique approach for conducting business process reviews and there is a higher than average risk it will not achieve the \$500,000 net cost reduction goal. Since the changes in process or policy that will produce the cost reductions are unknown until the reviews are complete, there is also a risk that these changes are unacceptable to some stakeholder group and therefore cannot be implemented as intended.

Business Case for Service Level Change

Request/Project Name: Salary Gapping

Department: Corporate Services

Division: Human Resources

I. Executive Summary

Overview of Proposal

Salary gapping is the unspent dollars resulting from position vacancies (e.g. the time a position is unfilled after resignations, retirements, unpaid leaves, etc.). This proposal would require the creation of a budget line in a central department to house the salary gapping total. As long as vacancies go unfilled any dollar amounts gapped would be tracked against the salary gapping total. Positions not funded by the levy would not be gapped to continue to maximize funding. Similarly operations that require 24/7 services or programs that must maintain regulated staffing would not be gapped.

Service Level Impact

Gapping currently occurs in operating departments and management has flexibility in the Operating Budget Policy to use gapped funds for personnel from temporary agencies and for unforeseen expenses in their department. By enforcing a period of gapping, service to the public may be impacted negatively or work may be delayed. Such a gapping approach would reduce existing flexibility to deal with unexpected absence/retirements. These funds could not be used to take advantage of temporary or relieving situations to support workload as is the case under the Operating Budget Policy.

II. Background

Current Service Level (Describe the existing level of service provided)

Service Name	Service Description (What is the current level of service)

Drivers for Proposed Course of Action

The driver for the proposed course of action is the Finance and Administration Committee's direction to provide service level changes to reduce the budget to a 2.5% taxation levy increase for 2018.

III. Recommendation

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

<input checked="" 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 type="checkbox"/>	Investment in Project	<input type="checkbox"/>	

Recommendation (How/Why)

This proposal supports Council's goal of achieving a 2.5% change in taxation over 2017 levels.

Urgency

Staff do not recommend approval of this business case unless it is Council's wish to achieve a 2.5% change in taxation over 2017 levels.

How does this align with Council's Strategic Plan?

This is an operational matter with no direct relationship to the Strategic Plan.

IV. Impact Analysis**Qualitative Implications**

The flexibility lost by operating departments to manage to their net operating budget would be lost and more time would be required to report to Council on operational matters. Some planned work may not be achievable and/or delayed.

Quantifiable Implications - Revenue & Expenditures

There would be a potential increase in our current under expenditure on labour (as an example the current 2017 projection is \$1.1 million of labour dollars not spent on this expense category) as this process is formalized. We have estimated it to be \$500,000.

Operating Revenues - Incremental**Detail**

Description	Duration	Revenue Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
	On-Going		\$ -	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

Operating Expenditures - Incremental**Detail**

Description	Duration	Funding Source	2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
Salary Gapping	On-Going		\$ (500,000)				
	On-Going		\$ (500,000)	\$ -	\$ -	\$ -	\$ -
	One-Time		\$ -	\$ -	\$ -	\$ -	\$ -
Total			\$ (500,000)	\$ -	\$ -	\$ -	\$ -

FTE Table**Detail**

Position	Bargaining Unit	Duration	Full Time / Part Time		2018 (FTE)	2019 (FTE)	2020 (FTE)	2021 (FTE)	2022 (FTE)
		Full Time			-	-	-	-	-
		Part Time			-	-	-	-	-
		Net Impact			2018 \$	2019 \$	2020 \$	2021 \$	2022 \$
		On-Going			\$ (500,000)	\$ -	\$ -	\$ -	\$ -
		One-Time			\$ -	\$ -	\$ -	\$ -	\$ -
		Total			\$ (500,000)	\$ -	\$ -	\$ -	\$ -

Implementation (*Likelihood; list any assumptions, constraints*)

The new process for tracking salary gapping would require a change in recording vacant positions that has not been performed before. The process would require assistance from the operating department, Human Resources, Payroll, Accounting and Budgets to ensure an appropriate level of accuracy and ensure support from the operating department. There would be also a learning curve as to the process was implemented and business plans developed for minor operational matters.

Consequences (*What would be the negative results or drawbacks*)

There would be the potential impact on service levels as staff would be required to write business plans for approval that in the past could be performed at the department level.

Dependencies/Synergies (*Does the proposal depend on any other projects*)

This would require a change to our current Operating Budget Policy. CBA requirements related to vacancies and minimum staffing levels will also need to be adhered to. This will reduce flexibility in certain areas disproportionately to other, more highly regulated areas.

Capacity Impacts (*Is there enough capacity? Are other departments impacted?*)

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V. Alternatives**Alternatives Considered**

Solution Options	Operating Changes	Revenue Changes	Advantages/ Disadvantages

VI. Risks**Risks** (*What are the risks of not implementing this change?*)

With our current projected under expenditure on labour (\$1.1 Million projected under expenditure for 2017) the City is still projecting a deficit so there is no certainty of a positive result in this program.