



Media Release: Immediate

Regional Municipality of Waterloo

Consolidated

Council Agenda

Wednesday, October 8, 2014

Closed Session 6:30 p.m.

Waterloo County Room

Regular Meeting 7:00 p.m.

Regional Council Chamber

150 Frederick Street, Kitchener, ON

* Denotes item(s) not part of Original Agenda

- 1. Moment of Silence**
- 2. Roll Call**
- 3. Motion To Go Into Closed Session**

That a closed meeting of Council be held on Wednesday, October 8, 2014 at 6:30 p.m. in the Waterloo County Room in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

- a) proposed or pending acquisition and disposition of land in the City of Cambridge
- b) proposed or pending litigation and receiving of legal advice that is subject to solicitor-client privilege related to a matter before an administrative tribunal

c) receiving of legal advice that is subject to solicitor-client privilege related to a matter before an administrative tribunal

* d) receiving of legal advice that is subject to solicitor-client privilege related to an agreement

4. Motion to Reconvene Into Open Session

5. Declaration of Pecuniary Interest Under The Municipal Conflict of Interest Act

6. Presentations

7. Petitions

8. Delegations

a) Andrew Telegdi re: Code of Conduct notice of motion

* b) [Benjamin C Revoy](#), Director, HUGO Specialized Supportive Housing re: Supportive Housing Program A

* c) Brian Turnbull, re: Light Rail Transit

9. Minutes of Previous Meetings

a) Licensing and Retail – September 17, 2014 Regular

b) Licensing and Retail – September 17, 2014 Closed

c) Licensing and Retail – September 17, 2014 Hearing

d) Closed Council – September 17, 2014

e) Council – September 17, 2014

f) Community Services – September 30, 2014

g) Closed Committee - September 30, 2014

h) Administration & Finance – September 30, 2014

i) Planning & Works – September 30, 2014

10. Communications

11. Motion To Go Into Committee Of The Whole To Consider Reports

12. Reports**Finance Reports**

- a) [F-14-118](#), T2014-170 Six (6) Ambulances 1

Committee Reports

- a) [Community Services](#) - attached & marked SS-140930 3
- * [Closed Community Services](#) - attached & marked CSS-140930 4A
- b) [Planning & Works](#) - attached & marked PS-140930 5
- * [Closed Planning & Works](#) - attached & marked CPS-140930 6A

Chief Administrative Officer

- a) [CA-14-011](#), [C2014-26](#) Consultant Selection for Region Service Review 7

Regional Chair**Regional Clerk****13. Other Matters Under Committee Of The Whole**

- a) [CR-RS-14-091/E-14-119](#), Weber Street Improvements and Grade Separation – Close Temporary Detour Road and Open Weber Street between Victoria Street and Wilhelm Street, City of Kitchener 25
- * b) [CR-RS-14-085](#), By-law to Amend any and all Existing By-law References to Departmental, Commissioner and Director Titles to Reflect New Organizational Structure Effective November 3, 2014 30
- * c) SS-14-040, Community Homelessness Prevention Initiative Additional Funding – to be distributed at meeting

14. Motion For Committee Of The Whole To Rise And Council Resume**15. Motion To Adopt Proceedings Of Committee Of The Whole****16. Motions****17. Notice of Motion**

- a) I, Rob Deutschmann, intend to introduce the following notice of motion to be discussed at the October 8, 2014 Regional Council meeting:

Whereas s.223.2(1) of the Municipal Act provides a municipality with the authority to establish a code of conduct for members of council and local boards of the municipality

And Whereas s.223.3(1) of the Municipal Act provides a municipality with the authority to appoint an independent Integrity Commissioner who reports to council and is responsible for performing in an independent manner the functions assigned by the municipality with respect to the application of the code of conduct and the application of any procedures, rules and policies of the municipality and local boards governing the ethical behaviour of members of council and local boards.

And Whereas a Code of Conduct will assist in establishing a minimum standard of behaviour of Council members, committee members, local board members and employees of the Regional Municipality of Waterloo in carrying out their functions;

And Whereas a Code of Conduct can assist members of Council, board members and employees:

1. Understand the standards of conduct that are expected of them and the law that applies in relation to these standards;
2. Fulfill their duty to act honestly and exercise reasonable care and diligence; and
3. Act in a way that enhances public confidence in government.

Be it resolved that the Regional Municipality of Waterloo work to develop and adopt a Code of Conduct that would apply to members of Regional Council in the performance of their duties and responsibilities as well as members of Region of Waterloo committees and local boards and the employees of the Region of Waterloo;

And be it further resolved that the Regional Municipality of Waterloo appoint an Integrity Commissioner upon adoption of a Code of Conduct.

18. Unfinished Business

19. Other Business

20. Questions

21. Enactment Of By-laws – First, Second & Third Readings

- a) A By-law to Amend By-law 04-069, A By-law to License, Regulate and

Governs Brokers, Owners and Drivers of Taxi-Cabs Equipped with Taxi-Cab Meters within the Regional Municipality of Waterloo, as Amended (Amend License Renewal Dates)

- b) A By-law to Open Regional Road 8 (Weber Street) between Victoria Street and Wilhelm Street, in the City of Kitchener to Public Passage and to Widen Regional Road 8 (Weber Street)
- * c) ~~A By-law to Repeal By-law 13-034, to Establish a Public Highway a Temporary Detour Road During Construction of Regional Road 8 (Weber Street)~~ A By-law to Permanently Close a Temporary Detour Road During Construction of Regional Road 8 (Weber Street), and to Repeal By-law Number 13-034
- * d) ~~A By-law to Amend By-law 01-059, a By-law to Consolidate all By-laws with Respect to Roads Included in the Regional Road System, as amended (Weber Street)~~
- * d) A By-law to Amend any and all References in Existing Regional By-laws to Departmental, Commissioner, and Director Titles to Reflect the New Department Organizational Structure effective November 3, 2014
- e) A By-law to Confirm the Actions of Council – October 8, 2014

22. Adjourn

From: Hugo Hugo
Sent: Sunday, October 05, 2014 6:44 PM
To: Regional Clerk
Subject: Letter

I request another chance at being a delegation to Region Council. I want to present and discuss the following letter directed at Region Council.

Dear Waterloo Regional Council Members,

Some of you may remember me and HUGO from my introduction and plea this last May to the Community Services Committee.

<http://view.earthchannel.com/PlayerController.aspx?&PGD=waterlooonca&eID=175>

For those of you not familiar with me or our organization; I invite you to come and learn more via our Facebook page (facebook.com/47hugo) or by calling me directly on my personal line at 519-465-5976 or by visiting HUGO through appointment with myself. I would be glad to provide a personal tour and introduction to our Residents.

I believe strongly that our organization is a prime representation of this Region's Supportive Housing Program. Even though we are not in the Ward of many of the Candidates, other homes within the program are. If you do not know who we are or who your local homes are, then I strongly suggest you investigate all of us. We are an important part of your communities infrastructure and we are in dangerous jeopardy at this moment.

We are still awaiting word on an increase in funding. The Region of Waterloo Council has had full discretion to offer an increase since the beginning of 2013. We have not seen any increase even inflationary based since our 2% increase in 2009 though our estimated costs of operations have gone up 28%. No other related program that I am aware of has been so callously disregarded. In fact as the Province increased its support to this program, the Region lowered its contribution to match the Provinces increase. Recent Region Council Meeting Minutes outline millions in funding for new programs while disregarding ours. Many other Region's across Ontario have stepped up to the plate since 2009 offering capital funding and per-diem increases to their homes. At the time of me writing this to you, we have no committed foreseeable specified increase and no additional support.

This is unacceptable and is the cause for our home to be contemplating a sale which would likely result in the housing loss of our 21 vulnerable Residents. If it were not for our passionate commitment to our community our doors would have already closed.

Council Members and Candidates; we implore you to make us a priority. We beg of you to ensure that we receive fair and equitable treatment.

Will Supportive Housing have a voice on our Council or will we continue to be a silent victim of a system that ignores our needs?

Benjamin C Revoy
Director

HUGO

Specialized Supportive Housing

47 Hugo Crescent

Kitchener, ON N2M 3Z3

Phone:(519)576-0309

Fax:(519)576-0309

Email: hugo@rogers.com

Facebook Us: www.facebook.com/47HUGO.

Member of the Dom Hostel Owners and Operators Alliance of Waterloo Region and Ontario Homes for Special Needs Assoc.

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Report: F-14-118

Region of Waterloo
Finance Department
Procurement & Supply Services Division

To: Regional Chair Ken Seiling and Members of Regional Council

Date: October 8, 2014 **File Code:** F18-30

Subject: T2014-170 Six (6) Ambulances

Recommendation:

That the Regional Municipality of Waterloo accept the tender of Demers Ambulances for T2014-170 Six (6) Ambulances in the amount of \$847,161.00 including all applicable taxes.

Summary: Nil

Report:

Tenders were called for T2014-170 Six (6) Ambulances and were advertised in the Record, on the Ontario Public Buyers Association website and on the Region's website. The tenders were opened in the presence of E. Ritzmann, S. VanValkenburg, R. Crossan and T. Lumgair.

The following tenders were received:

Demers Ambulances	Beloeil, QC	\$847,161.00
Crestline Coach Ltd.	Saskatoon, SK	\$947,213.46
Malley Industries Inc.	Dieppe, NB	\$903,536.34

Prices shown include optional rear suspension which is designed to lower the rear of the vehicle for easier loading and unloading.

The six 2010 model year ambulances being replaced currently have an average of 245,000 kilometers and are expected to accumulate an additional 55,000 kilometers by

the time the new ambulances are ready for service. The ambulance life cycles are based on the provincial 54 month standard. High mileage vehicles if kept beyond this life exhibit high and increasing costs of service.

Corporate Strategic Plan:

Award of this contract meets the Corporate Strategic Plan objective to enhance local health service delivery by optimizing Emergency Medical Services (EMS) delivery and collaborating with health care partners to support system change under Strategic Focus Area 4 Healthy and Inclusive Communities.

Financial Implications:

T2014-170	\$847,161
Less: Municipal Rebate of 86.46% of HST (11.24%)	<u>(84,264)</u>
	Total <u>\$762,897</u>

The approved 2014 EMS Capital Budget includes \$840,000 for six (6) ambulances funded from vehicle reserves. The remaining \$77,103 will used for other ancillary costs.

The final date of acceptance for this tender is October 27, 2014.

Other Department Consultations/Concurrence: Nil

Attachments: Nil

Prepared By: Lisa Buitenhuis, Acting Director, Procurement & Supply Services

Approved By: Craig Dyer, Chief Financial Officer

SS-140930

The Regional Municipality of Waterloo

Community Services Committee

Summary of Recommendations to Council

The Community Services Committee recommends as follows:

1. That the Regional Municipality of Waterloo approve the selection of Past|Present|Future by Ernest Daetwyler as the public artwork for the Former County Courthouse, as described in Report No.P-14-096, dated September 30, 2014.
2. That the Regional Municipality of Waterloo support the approach to assist individuals who will be affected by the Out of the Cold (OOTC) site closures outlined in SS-14-048, dated September 30, 2014;

And that the Regional Municipality of Waterloo support and authorize an agreement with the YWCA to provide an open space shelter for the 2014/2015 OOTC season.

September 30, 2014

CSS-140930

The Regional Municipality of Waterloo
Community Services Committee

Summary of Closed Recommendations to Council

The Community Services Committee recommends as follows:

1. That the Regional Municipality of Waterloo approve the following appointments to the Employment and Income Support Community Advisory Committee as follows:
 1. Appoint Erma Friesen (Participant Member) for a one year term ending December 31, 2015.
 2. Appoint Jane Tuer (Literacy Network) for a one year term ending December 31, 2015.

September 30, 2014

1723558

The Regional Municipality of Waterloo

Planning and Works Committee

Summary of Recommendations to Council

The Planning and Works Committee recommends as follows:

1. That the Region of Waterloo accept P-14-088, Monthly Report of Development Activity for August 2014, dated September 30, 2014
2. That the Regional Municipality of Waterloo (the Region) approve entering into an Amending Agreement with Ontario Infrastructure and Lands Corporation (IO) to amend the original IO Memorandum of Understanding (MOU) to revise services being provided during construction and eliminate post substantial completion services thus reducing the upset fee limit by \$846,008 to a new upset limit of \$3,008,536 plus applicable taxes, as described in Report No. E-14-113 dated September 30, 2014.
3. That The Regional Municipality of Waterloo:
 - (a) Declare lands described as Part of Lot 17 (B. Moogk), South of King Street, Plan 364 designated as Part 1 Plan 58R-18253 being Part of PIN 22502-0083, in the City of Kitchener forming part of lands municipally known as 25 Cedar Street, Kitchener and more particularly depicted in Appendix "A" hereto (the "Cedar Surplus Lands") as surplus to the needs of the Region, subject to the Regional Solicitor being satisfied that all steps required under the Region's Property Disposition By-Law have been completed;
 - (b) Proceed to perform and complete the Settlement Agreement pertaining to the expropriation /acquisition of land for the Rapid Transit Project – Stage 1 described as Part of Lot 16 or 15 (Hueglin) Part of Lot 17 (B. Moogk) South of King Street Registered Plan No. 364 designed as Part 3 on Plan WR768754 being PIN 22502-0252 (LT), City of Kitchener forming part of lands municipally known as 21 Cedar Street, Kitchener from Bac Quang Luu on terms that include the transfer of the Cedar Surplus Lands to Mr. Luu as partial consideration for the settlement of Mr. Luu's claims in accordance with Regional Council's resolution of September 9, 2014 and subject to the Regional Solicitor's satisfaction in connection with item (a) above. [CR-RS-14-087]

Conflict:
R. Deutschmann

Conflict:
R. Deutschmann

PS-140930

4. That the Regional Municipality of Waterloo enter into a Consulting Services Agreement with CIMA Canada Inc. of Vaughan, Ontario, to provide consulting engineering services for undertaking the Preliminary Design for Upgrades at the Galt Wastewater Treatment Plant, at an upset limit of \$401,936 plus applicable taxes. [E-14-112]

September 30, 2014

CPS-140930

The Regional Municipality of Waterloo

Planning and Works Committee

Summary of Closed Recommendations to Council

The Planning and Works Committee recommends as follows:

1. That the Regional Municipality of Waterloo (a) bring a motion for leave to appeal to Divisional Court with respect to the Ontario Municipal Board (“OMB”) decision issued September 18, 2014 (the “Motion Decision”) with respect to the procedural fairness of the OMB hearing that resulted in the January 21, 2013 decision with respect to the Region’s Official Plan, Board File No. PL110080 (the “Decision”); and (b) make a request to the OMB pursuant to section 43 of the Ontario Municipal Board Act to vary the Motion Decision such that the Decision is rescinded.

September 30, 2014



Report: CA-14-011

Region of Waterloo
Office of the Chief Administrator
Internal Audit

To: Regional Chair Ken Seiling and Members of Regional Council
Date: October 8, 2014 **File Code:** A32-40/RSR
Subject: **C2014-26 Consultant Selection for Region Service Review**

Recommendation:

For information.

Summary: Nil

Report:

On January 15, 2014, Regional Council adopted the following resolution regarding a potential Regional Service Review:

“Be it resolved that the Regional Municipality of Waterloo tender for and secure the services of a third party consulting firm to conduct a service review of all Regional services and programs, that this review be led by a subcommittee of Regional Council and the CAO and that the third party consulting firm report to Regional Council with the purpose of finding efficiencies in the delivery and overall service levels of Regional services and programs and that the CAO report back by the Summer of 2014 with a report detailing the scope of work and RFP for review.”

On June 25, 2014, Regional Council approved undertaking a Regional Service Review under the direction of the Audit Committee as generally described in report F-14-074/CA-14-006 dated June 17, 2014, which is included in Appendix 1 of this report.

The overall purpose of the Service Review is to ensure that the Region’s services provide the best value to the community.

The Service Review would address questions such as:

- Is the organization providing the desired level of service as efficiently as

- possible? Are there ways to provide the desired services more efficiently?
- What programs and services should the organization be providing?
 - Because of changing circumstances, are there programs or services that the organization should no longer be providing?
 - For those programs and services that the organization continues to provide, what “level of service” should be provided?
 - Are there mechanisms of continuous improvement that could be implemented to improve the efficiency and effectiveness of service delivery on an ongoing basis?

A Regional Service Review would be designed around these questions and would encompass all Regional services with the exception of Waterloo Regional Police Service which is governed by a separate board.

Based on this direction, a Request for Proposal (RFP) was prepared in order to engage a consulting firm to undertake the Service Review. The RFP was reviewed by the Audit Committee, and issued in late July.

A total of four (4) proposals were received. Consultant submissions were evaluated in accordance with the Region’s Purchasing By-law which include quality and price factors. These evaluation criteria and their respective weightings were as follows:

Quality Factors

Project Understanding	20%
Corporate Experience	20%
Project Approach and Workplan	20%
Background and Experience of Manager and Project Team	20%

Price Factor

Upset Price	20%.
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The Evaluation Committee was comprised of the Audit Committee and several senior staff members. After the Evaluation Committee finalized the evaluation of the quality factors, three (3) consultants were short-listed and invited to an interview. Upon completion of the interviews, the Evaluation Committee further approved the short-list to two (2) of the consulting firms. The short-listed consultants were:

- Deloitte Inc.
- KPMG LLP.

The proposals and work plans submitted by the short-listed consultants demonstrated good understanding of the project, capable teams and experience on similar projects.

The fee proposals submitted by Deloitte Inc. and KPMG LLP were opened and the overall scores were calculated, including project understanding, corporate experience, project approach and workplan, background and experience and price. KPMG LLP received the highest overall score, and had the lowest fee proposal.

As noted below, the total cost of this proposal is less than \$300,000. Under the Region's Purchasing By-Law, the CAO has delegated authority to award consulting assignments valued at less than \$300,000. Accordingly, the CAO will be awarding this assignment to KPMG LLP.

Corporate Strategic Plan:

The Service Review is consistent with Focus Area 5.3: Ensure Regional programs and services are efficient and effective and demonstrate accountability to the public.

Financial Implications:

The Region's cost of this proposal (C2014-26 Region Service Review) is in the amount of \$298,338.70 including a contingency amount of \$27,121.70 and all applicable taxes.

The project will be funded as set out in the table below, as approved in Report F-14-074/CA-14-006. The available budget is more than sufficient to cover the costs of the Region Service Review.

	2014	2015	TOTAL
Internal Audit Operating Budget	\$65,000	\$65,000	\$130,000
Capital Levy Reserve Fund	\$135,000	\$235,000	\$370,000
TOTAL	\$200,000	\$300,000	\$500,000

Other Department Consultations/Concurrence:

This report was developed jointly by Finance staff.

Attachments:

Appendix 1: Report F-14-074/CA-14-006, Regional Service Review, June 14, 2014

Prepared By: David Young, Manager Internal Audit

Approved By: Michael Murray, Chief Administrative Officer

Appendix 1**Report F-14-074/CA-14-006, Regional Service Review, June 17, 2014****Report:** F-14-074/CA-14-006**Region of Waterloo****Finance Department****Office of the Chief Administrator**

To: Chair Tom Galloway and Members of the Administration and Finance Committee**Date:** June 17, 2014 **File Code:** F01-80**Subject:** **Regional Service Review**

Recommendation:

That the Regional Municipality of Waterloo undertake a Regional Service Review under the direction of the Audit Committee as generally described in report F-14-074/CA-14-006 dated June 17, 2014;

And That the 2014 capital budget and 2015 capital forecast be amended to include the Regional Service Review at an estimated cost of \$500,000 to be funded from the 2014 and 2015 Internal Audit Budgets and from the Capital Levy Reserve Fund, as set out in report F-14-074/CA-14-006.

Summary: Nil**Report:****Background**

At its meeting on January 15, 2014, Regional Council considered a notice of motion presented by Councillor Deutschmann with respect to a potential Regional Service Review. The resolution approved by Council is contained in Appendix "A" to this report

and the operative clause of the resolution reads as follows:

“Be it resolved that the Regional Municipality of Waterloo tender for and secure the services of a third party consulting firm to conduct a service review of all Regional services and programs, that this review be led by a subcommittee of Regional Council and the CAO and that the third party consulting firm report to Regional Council with the purpose of finding efficiencies in the delivery and overall service levels of Regional services and programs and that the CAO report back by the Summer of 2014 with a report detailing the scope of work and RFP for review.”

This report is staff’s response to the direction received on January 15, 2014 and provides an outline of the possible scope, timing and cost of a Regional Service Review.

Objectives and Scope of Work

A service review is one method used to ensure that municipal services are of the highest value to the community, to reduce or eliminate lower valued services, to apply best practices to cost effective service delivery, and to direct valuable, limited resources to the delivery of valued programs and services.

Service reviews in other jurisdictions have typically focussed on addressing questions such as:

- What programs and services should the organization be providing?
- Because of changing circumstances, are there programs or services that the organization should no longer be providing?
- For those programs and services that the organization continues to provide, what “level of service” should be provided?
- Is the organization providing the desired level of service as efficiently as possible? Are there ways to provide the desired services more efficiently?

A Regional Service Review would be designed around these questions and would encompass all Regional services with the exception of the Waterloo Regional Police Service and Regional Libraries, which are governed by separate boards.

If approved, the Region would issue a Request for Proposal (RFP) to engage a consultant to undertake the service review. The primary objective of the RFP would be to select the consulting firm with the best combination of capability and experience to efficiently and cost-effectively undertake and successfully complete the review. The consultant(s) would conduct a thorough review of the Region’s organization and service delivery, providing recommendations and measures to reduce costs and improve the efficiency of service delivery. The scope of work to be set out in the RFP would include the following key tasks:

1. Identify and document all services provided by the Region, including service descriptions, current resource utilization (staff and budget), and performance indicators, whether the service is:

- a. mandatory – Regional Council is required to deliver the program under federal or provincial legislation and service levels are defined by those other levels of government, e.g. Ontario Works
 - b. mandatory/discretionary – Regional Council is required to deliver the program under federal or provincial legislation and service levels are at the discretion of Regional Council, e.g. Sunnyside Home
 - c. discretionary – the program is not required by legislation and Regional Council has complete discretion over the operation of the program, e.g. municipally operated Child Care centres
2. Identify the services that are outside the Region’s mandate
 3. Identify the division of responsibilities between the Region and the Area Municipalities
 4. Identify the services which have the greatest potential for cost savings, either by reducing or ceasing to provide a service, or through a change in the method of service delivery
 5. Perform additional analysis on the services most likely to yield savings including a description of impacts on service level
 6. Prepare interim and final reports

While the organizational structure review that is currently underway will identify the preferred departmental organizational structure to provide the current range of Regional programs and services, a service review would recommend changes to the scope and/or scale of Regional services and how they are delivered. If these service changes require further refinements to the organizational structure, those would be dealt with later in 2015.

Current Regional Initiatives

A service review would build on ongoing Regional initiatives focused on improving service and efficiency, such as program reviews conducted by the Region’s Internal Audit area, performance measurement activities, and annual reviews of service levels conducted by staff and Council as part of the budget process.

a. Program Reviews

A well-executed program review should provide confidence that programs are “doing what they are supposed to do” with the most efficient use of goods, human resources, and funds. Program reviews are intended to provide an objective assessment of the extent to which a program is achieving its intended results, i.e. its effectiveness. Reviews also objectively assess whether a program is efficiently using its resources, (both funding and people) as well as verify that the program is in compliance with applicable laws and regulations. They are very in depth reviews of individual programs, which are completed by Internal Audit, with assistance from the management staff in the program area. All program reviews have utilized external consultants.

Internal Audit typically conducts two program reviews per year. Regional staff has undertaken a number of program reviews since 2006, as shown in Appendix B. Common themes which have been observed through recent program reviews include:

- need for a clear identification of program mandate

- automating manual processes
- improved use of performance measurement and reporting
- documentation of processes and procedures
- updating program area organizational structures

Internal Audit has advised the Corporate Leadership Team of common issues and themes coming out of recent program reviews in an effort to identify potential areas for improvement in their departmental operations.

b. Performance Measurement

The Region of Waterloo participates in a number of performance measurement efforts. The most prominent program, which spans most Regional service areas, is the Ontario Municipal Benchmarking Initiative (OMBI). OMBI is a co-operative of six upper tier municipalities and ten single tier cities committed to continuously improving the way services are delivered to citizens and promoting accountability and transparency of municipal results.

The OMBI “2012 Performance Benchmarking Report” was released on October 16, 2013. In general, 2012 OMBI measures and comparisons indicate that Regional programs are operating effectively and in an efficient manner. As indicated in report F-13-100, 2012 OMBI Performance Benchmarking Report, approximately 75% of the Region’s service areas are performing at or better than the OMBI median, 43% of service areas saw an improvement in their overall year over year performance and 36% of service areas maintained the level of their performance at that of prior years’. The Region of Waterloo performed at or above the median in 84% of service areas reporting efficiency measures. With respect to effectiveness measures, the Region performed at or above the OMBI median in 67% of service areas. Balancing efficiency and customer service/community impact is an ongoing challenge. Focusing on efficiency in isolation may have an adverse impact on customer service or community impact and vice versa. Regional staff continually strives to provide a balance between program efficiency and effectiveness (customer service and community impact).

c. Annual Budget Process

Regional staff continues to undertake base budget reviews as part of the budget development process. Budget review sessions with the CAO, CFO, program and Finance staff cover operating budgets (including a three year expenditure/revenue review), capital budgets (including the need, timing, cost and financing of capital projects) and program user fees. Since 2010, the base budget review process has identified \$11 million in base budget reductions, as shown below:

2010	2011	2012	2013	2014	Total
\$ 2.1 m	\$ 2.4 m	\$ 2.1 m	\$ 1.9 m	\$ 2.5 m	\$ 11.0 m

The nature of these base reductions is varied and includes revenue adjustments and expenditure reductions in materials & supplies, staff training, administrative costs and other expenditures not having a service level impact.

Other Municipal Experience/Results

Several municipalities have undertaken service reviews over the last few years. Appendix C provides a summary of recent municipal experiences with such reviews. While every municipality and review process is different, there are some common themes that have emerged:

- The service review must have a clear mandate and objective.
- Council engagement at the beginning and throughout the process is essential.
- All services areas of the municipality should be open to review and recommendation.
- A clear understanding of each recommendation's implication for service, finances and other resources must be available for Council to make informed decisions.

Governance

The resolution adopted by Council on January 15, 2014 states that the service review would be "led by a subcommittee of Regional Council and the CAO." Given the scope and nature of project, staff recommends that the Region's Audit Committee fulfill the governance role for this review. As indicated in the Committee's Terms of Reference (attached as Appendix D), the Audit Committee was established to monitor the effectiveness and efficiency of Regional programs. The Audit Committee operates as a sub-committee of Administration and Finance Committee and includes the following members:

- Chair of Administration and Finance Committee (will also Chair Audit Committee);
- Vice-Chair of Administration and Finance Committee;
- Chair of Planning and Works Committee;
- Chair of Community Services Committee;
- Regional Chair (ex-officio)

The Audit Committee receives and considers Program Review reports and recommendations, and as such is well suited to be the appropriate subcommittee to direct the work of the successful consultant and consider the Service Review's recommendations.

Timeline

Should Council decide to proceed with a Regional Service Review, the following timeline is proposed:

Description	Date
Council direction to proceed with the review	Jun 2014
RFP finalized and issued	Jul 2014

Description	Date
Consultant selected	Sep 2014
Information gathering	Oct 2014-Jan 2015
Present interim report to Audit Committee	Feb 2015

It is proposed that staff would work with the Audit Committee to issue the RFP in July and select a consultant by September. The successful consultant would then proceed with an information gathering phase through the fall, and report back to the new Audit Committee early in 2015 with potential areas of opportunity to achieve costs savings. Additional detailed work on specific service areas would then be completed in the first quarter of 2015 with a final report submitted in the second quarter of 2015, in time to inform 2016 and future budgets. Although it is possible that some findings and recommendations from the interim report could be incorporated into the 2015 budget process it is more likely that the results of the service review would inform the 2016 budget process. The release of the final report would coincide (roughly) with the finalization of the 2015-2018 strategic planning exercise to be undertaken with the incoming Council.

Public Engagement

Although detail regarding public involvement with the service review process has not been resolved, it will be important to engage the public in this process at appropriate times. There may be opportunity for initial public engagement and input to the Service Review in conjunction with the 2015 Strategic Planning process and the 2015 budget process. It may also be appropriate to provide additional opportunities for public input: (a) Once the interim report and initial findings are presented to Audit Committee and/or (b) Regarding implementation once the final report is presented to Council. The public engagement process will be developed as part of finalizing the project workplan with the selected Consultants, and it will be integrated with the engagement process for the 2015 Strategic Planning process and the 2015 budget.

Next Steps

Should Council choose to proceed with a Regional Service Review, staff would proceed to finalize the terms of reference of the review and develop the RFP, both in conjunction with the Audit Committee. This would be a priority project for Internal Audit staff, with the Region's Manager of Internal Audit serving as the Project Manager and primary point of contact. Staff from Finance and other departments would participate in the project as required. Direction would be provided as required by the Chief Administrative Officer, and the project team would report to the Audit Committee for overall strategic direction and reporting of results.

Corporate Strategic Plan:

This report supports the Corporate Strategic Plan objective to ensure Regional programs and services are efficient and effective and demonstrate accountability to the

public under Focus Area 5 Service Excellence.

Financial Implications:

Recent municipal experience (as described in Appendix C) indicates a fairly wide range of potential costs. Staff estimates the cost of a review of Regional services would be in the range of \$300,000 to \$500,000. Two of the factors that would impact the cost would be the nature and extent of public involvement and input, and the extent of Regional staff resources that could be dedicated to the project. Both of these would need to be clarified in the RFP document.

The review is not included in the approved 2014 Regional Budget or ten year capital plan. Should Council wish to proceed with this project the Capital Budget and Forecast could be amended to include the service review project with a budget of \$500,000. Funding would be as follows:

	2014	2015	TOTAL
Internal Audit Operating Budget	\$65,000	\$65,000	\$130,000
Capital Levy Reserve Fund	\$135,000	\$235,000	\$370,000
TOTAL	\$200,000	\$300,000	\$500,000

Other Department Consultations/Concurrence:

All Regional Departments were consulted in the preparation of this report.

Attachments:

Appendix A – Council Resolution from January 15, 2014

Appendix B – List of Previously Completed Program Reviews

Appendix C – Summary of Service Reviews in Other Municipalities

Appendix D – Audit Committee Terms of Reference

Prepared By: **Lee Parent**, Manager of Financial Services

Cheryl Braan, Manager of Budgets and Performance Measurement

David Young, Manager, Internal Audit

Approved By: **Craig Dyer**, Chief Financial Officer

Mike Murray, Chief Administrative Officer

Appendix A

Resolution adopted by Regional Council on January 15, 2014

Notice of Motion

Moved by R. Deutschmann

Seconded by S. Strickland

Whereas Finance Report F-13-060 provides the following:

The Chief Administrative Officer will initiate a review of the Region's overall organizational structure in the fall of 2013. While this review is not directly tied to the budget process, the purpose will be to ensure that the Region's organizational structure is conducive to the efficient and effective delivery of public services. It is expected that the results of the review will be available in the spring of 2014.

And whereas the Chief Administrative Officer (referred to as "CAO") has previously advised council that the CAO has overseen the review of Regional departments, from time to time, for the purpose of finding savings and efficiencies,

And whereas it is acknowledged in Finance Report F-13-060 that the 2014 Budget will present many challenges for staff and Council, as well as significant budget challenges for the years beyond 2014;

And whereas Regional management have recognized the need to depart from previous practices as provided at page 8 of Finance Report F-13-060

Notwithstanding that this would be a departure from previous practice at the Region, establishing budget guidelines is recommended for the following reasons:

- Significant budget challenges lie ahead which will require a different approach than used in the past;
- Given that a 1% reduction in the 2014 tax rate equates to over \$4 million, reductions totaling approximately \$7.3 million will be required to achieve a tax rate increase for regional services in the range of 1.9% - this will result in service level reductions in 2014.

Be it resolved that the Regional Municipality of Waterloo tender for and secure the services of a third party consulting firm to conduct a service review of all Regional services and programs, that this review be led by a subcommittee of Regional Council and the CAO and that the third party consulting firm report to Regional Council with the purpose of finding efficiencies in the delivery and overall service levels of Regional services and programs and that the CAO report back by the Summer of 2014 with a report detailing the scope of work and RFP for the review.

Carried

Appendix B**List of Previously Completed Program Reviews**

The following is a list of in progress and completed program reviews along with the corresponding year of completion:

In Progress

- Transportation Operations Program Review – 2014.

Completed

- Fleet Services Program Review – 2013-2014.
- Cultural Sites Program Review – 2013.
- Region of Waterloo International Airport – 2012.
- Rent Supplement – 2012.
- Facilities – Maintenance and Operations 2011.
- Information Technology Services – 2010.
- External Communications – 2010.
- Capital Program Delivery/Design and Construction – 2009.
- Purchasing and Materials Management – 2008.
- Administration of the Immunization of School Pupils Act – 2007.
- Waterloo Region Housing - 2007
- Corporate Health and Safety – 2006.
- Provincial Offences Act Administration – 2006.

June 17, 2014

Report: F-14-074/CA-14-006

Appendix C

Municipality	Resource	Cost	Scope	Outcome
City of Toronto 2011	External Consultant (KPMG)	\$2.0 million in 2011, \$2.75 million in 2012	Entire municipality Core Service Review (TCSR) What services should the City provide?	<p>2013 Budget included \$178 million in efficiency and other cost savings, incremental and new user fees of \$29.5 million (\$18.0 million due to increased transit fares).</p> <p>90% of services were core services and 69 areas were identified for further study. 2012-2014 savings of \$200-300 million were identified. Capital expenditures were reduced by \$132 million.</p> <p>119 opportunities for service efficiencies identified.</p> <p>Council approved a User Fee Policy. Fees should generally be full cost recovery unless there are other policy objectives or legislative requirements.</p>
Region of Peel 2012	Internal	N/A	<p>Entire municipality. Reviewed Toronto reports and applied to Peel programs and services. TCSR identified 194 options – 110 applied to Peel programs.</p> <p>Majority of options did not have service implications. Did not undertake broad service review; rather undertake comprehensive reviews of specific</p>	<p>2012 review of Early Learning and Child Care Program undertaken.</p> <p>Peel has phased out directly operated centres. Resulting savings invested in Children's Services to address system pressures.</p>

Municipality	Resource	Cost	Scope	Outcome
			programs/services.	
City of Ottawa 2004 – Universal Program Review			<p>2003 Council directed that \$120 million in cost savings to be identified in the operating budget.</p> <p>All City Programs reviewed and identified impact of a 5/10/15/20% reduction.</p>	<p>Reductions were included in 2003 and 2004 budgets. Staff report many of those reductions were re-instated in later years due to public dissatisfaction with service level reductions.</p> <p>City also undertook a detailed study of services from an efficiency perspective (IBM lead study). City implemented an investment of \$89 million with resulting savings of \$44 million over 4 years.</p>
City of London 2010			<p>City has engaged PwC as internal auditor in 2010 for three years.</p> <p>PwC maintains an internal audit practice that is marketed to a broad range of clients.</p> <p>All city departments and functions.</p> <p>City has requested and encouraged City Boards and Commissions to engage PwC as internal auditor.</p>	<p>16 projects have been undertaken in 2011/12 with 141 recommendations. \$4.36 million in savings have been identified over 5 years. Recommendations have generally been accepted by Council.</p>
City of Hamilton 2011	External Consultant (KPMG)	\$350,000	All City services	<p>All City Services were profiled and ranked / prioritized service delivery options (improvement/ reduction or elimination).</p> <p>Top 34 opportunities were identified.</p> <p>Used filter process to identify 10 areas for</p>

Municipality	Resource	Cost	Scope	Outcome
				<p>"deep dive" service reviews / business cases.</p> <p>Information Services Governance and Fleet Related operations were identified in 2013 for further study.</p>
Municipality	Resource	Cost	Scope	Outcome
District of Muskoka 2013	External Consultant (Strategy Corp)	\$100,000	<p>Completed an internal services review in 2012 to inventory all services. Objectives of the review:</p> <ul style="list-style-type: none"> a) Determine if District services are being provided in the most cost-effective manner and represent sound value for money spent; b) Evaluate whether particular services may be eliminated or the level of service reduced; c) Consider the implications of the options identified in b); d) Examine methods for improved procurement methods that will generate savings and new revenue possibilities; e) Identify the recommended options, quantify any savings and the implications for the public; f) Based upon the options accepted by 	<p>Have engaged a Consultant. Consultant report received January 2014 that included 38 recommendations.</p> <p>Further study/reporting from staff to standing committees required – scheduled for Summer 2014.</p>

Municipality	Resource	Cost	Scope	Outcome
			Council, prepare an implementation plan for consideration.	
Region of Niagara 2012	Responsive Region Improvement Teams 2014/15 Work plan approved	\$613,000 * *2014 budget	Entire municipality Council surveyed for input to work plan. RRIT undertakes process reviews, full reviews, assurance reviews and consulting assignments. Use a combination of internal and external resources.	Report to Council states the RRIT during the period January 1, 2012 to August 2013 completed 41 assignments resulted in proposed \$2.8 million in cost savings and \$715,000 in estimated cost avoidance. Not all recommendations implemented by Regional Council.
Municipality	Resource	Cost	Scope	Outcome
City of Windsor 2008-2010	Staff Lead	N/A	All Services	Outsourcing of garbage and recycling collection; Outsourcing of parking enforcement; Outsourcing of direct delivery of child care and early learning subsidy service.



Report: CA-14-011

Appendix D

Terms of Reference Audit Committee (AC)

1. Name of Committee

- The Audit Committee was established by Regional Council on April 30, 2008.

2. Purpose/Mandate/Scope

- The Audit Committee was established to monitor the effectiveness and efficiency of Regional programs. The Audit Committee will focus on corporate accountability by reviewing/directing the following:

Financial Audit and Statements including presentations from the External Auditor

Receipt of the Annual Financial Statements and Management Letter

Review and recommend approval of the External Audit Plan.

Review and if necessary recommend approval of the Internal Audit Plan

Review of individual Internal Audit Reports

Review of Program Review Reports

Monitor the Progress of the Implementation of Tangible Capital Asset Accounting

Receive/Initiate Special Audits (e.g. transit audit)

3. Reporting

- The Audit Committee will operate as a sub-committee of Administration and Finance Committee.
- Internal audit reports that are reviewed by the Audit Committee shall be forwarded to the appropriate Standing Committee.

4. Committee Membership

- The Audit Committee will include the following members:

- Chair of Administration and Finance Committee;
- Vice-Chair of Administration and Finance Committee;
- Chair of Planning and Works Committee;
- Chair of Community Services Committee;
- Regional Chair (ex-officio);
- The Chair of Administration and Finance Committee will Chair the Audit Committee.

5. **Meetings**

- The Audit Committee will meet at a minimum three times per year at the call of the Chair.

6. **Committee Procedures**

- The Committee procedures will comply with the Region's Procedural By-law.

Dated May 8, 2008



Report: CR-RS-14-091/E-14-119

Region of Waterloo

Corporate Resources

Legal Services

Transportation

To: Chair Ken Seiling and Members of Regional Council

Date: October 8, 2014 **File Code:** T01-20/8

Subject: Weber Street Improvements and Grade Separation – Close Temporary Detour Road and Open Weber Street between Victoria Street and Wilhelm Street, City of Kitchener

Recommendation:

That the Regional Municipality of Waterloo pass a by-law to open to public passage part of Regional Road 8 (Weber Street) between Victoria Street and Wilhelm Street, in the City of Kitchener, effective at 12:01 a.m. on October 9, 2014.

And that the Regional Municipality of Waterloo pass a by-law to permanently close the temporary detour road as described below effective October 9, 2014 at 12:02 a.m.:

- a) Part Lot 16, Registered Plan 374, Part Lot 19 Municipal Complied Plan of Subdivision of Lot 3, German Company Tract being Part 1 on 58R-17826 PIN 22319-0177;
- b) Part Lot 19, Municipal Complied Plan of Subdivision of Lot 3, German Company Tract being Parts 2 and 3 on 58R-17826 PINs 22319-0165 and 22319-0194;
- c) Part Lot 19, Municipal Complied Plan of Subdivision of Lot 3, German Company Tract; Part Lot 221, Registered Plan 376 being Part 4 on 58R-17826 PIN 22319-0195;
- d) Part Lot 221, Registered Plan 376 being Part 5 on 58R-17826 PIN 22319-0171;
- e) Part Breithaupt Street, Registered Plan 376, being Part 6 on 58R-

- 17826 PIN 22319-0190;
- f) Part Lot 155, Registered Plan 376, being Part 7 on 58R-17826 PIN 22319-0158;
 - g) Part of Lots 155 and 156, Registered Plan 376, being Parts 8, 9 and 10 on 58R-17826 PINs 22319-0159, 22319-0160 and 22319-0161;
 - h) Part of Lane, Registered Plan 376 being Parts 11 and 12 on 58R-17826 PIN 22319-0189;
 - i) Part of Lot 81, Registered Plan 376, being Part 14 on 58R-17826 PIN 22319-0150;
 - j) Part of Lots 80 and 81, Registered Plan 376 being Part 15 on 58R-17826 PIN 22319-0149;
 - k) Part of Lot 80, Registered Plan 376 being Part 16 on 58R-17826 PIN 22319-0148.

And that the Regional Municipality of Waterloo pass a by-law to add to the Regional Road System, to form part of Regional Road 8 (Weber Street, Kitchener), the lands as described below effective October 9, 2014 at 12:03 a.m.:

- a) Lane, Registered Plan 376, being Part 12 on 58R-17826 PIN 22319-0189;
- b) Lane, Registered Plan 376, being Part 13 on 58R-17826 PIN 22319-0189;
- c) Part of Lot 19, Registered Plan 374; Part of Lot 16, Municipal Compiled Plan of Subdivision of Lot 3, German Company Tract being Part 1 on 58R-17898 PIN 22319-0177;
- d) Part of Lot 16, Municipal Compiled Plan of Subdivision of Lot 3, German Company Tract; Part Lot 221, Registered Plan 376 being Part 2 on 58R-17898 PIN 22319-0195;
- e) Breithaupt Street, Registered Plan 376 being Part 4 on 58R-17898 PIN 22319-0190;
- f) Part of Lots 155 & 156, Registered Plan 376 being Part 5 on 58R-17898 PIN 22319-0159;
- g) Part of Lot 155, Registered Plan 376 being Part 6 on 58R-17898 PIN 22319-0158;

- h) Part of Lots 155 & 156, Registered Plan 376 being Part 7 on 58R-17898 PIN 22319-0160;
- i) Part of Lots 155 & 156, Registered Plan 376 being Part 8 on 58R-17898 PIN 22319-0161;
- j) Part of Lot 81, Registered Plan 376 being Part 10 on 58R-17898 PIN 22319-0150;
- k) Part of Lots 80 & 81, Registered Plan 376 being Part 12 on 58R-17898 PIN 22319-0149; and
- l) Part of Lot 80, Registered Plan 376 being Part 14 on 58R-17898 PIN 22319-0148;

AND that the Regional Solicitor be directed to register notice of such by-law on title to the lands that are subject to such by-law.

Summary:

Nil

Report:

On August 22, 2013, pursuant to Report CR-RS-13-071/E-13-098 Regional Council passed By-law No. 13-035 to temporarily close the Weber Street roadway between Victoria Street and Wellington Street during construction of the grade separation at the CN Railway tracks, and By-law No. 13-034 to open a temporary detour road between Victoria Street and Wellington Street west of the final alignment of the widened Weber Street. At that same time, the final alignment of the widened Weber Street between Wellington Street and Wilhelm Street was established and opened as part of Weber Street by By-law No. 13-036.

The temporary detour road constructed in August 2013 to divert vehicular and pedestrian traffic around the site of the proposed grade separation was closed to vehicular traffic on July 7, 2014. This temporary closure of the detour road was authorized by the Commissioner of Transportation and Environmental Services pursuant to By-law 11-73, as amended by Regional Council on May 14, 1997, to allow the construction of those final components of the grade separation structure to be built within the footprint of the detour road. Pedestrian access has been maintained between Wellington Street and Victoria Street since July 7 via the remnant of the temporary detour road. The construction of the grade separation structure has progressed sufficiently such that the new road under the structure can be opened to traffic on October 9, 2014.

It is now necessary to establish and open the widening of Weber Street along its final alignment between Victoria Street and Wellington Street as a public highway and part of the Regional Road system. As public passage will be possible on the final alignment of Weber Street as widened between Victoria Street and Wilhelm Street as of October 9, 2014 the temporary road will no longer be required. Accordingly, it is appropriate that the temporary road be permanently closed.

Following the closure of the temporary road, approved project work will continue on a section of laneway acquired from the City of Kitchener. With the completion of that work, it will be necessary to bring an additional report to Council recommending that the unused portion of the laneway be removed from the Regional Road system and reverted to the Corporation of the City of Kitchener.

Corporate Strategic Plan:

The proposed by-laws support the Region's strategic focus on managing growth to foster thriving and productive urban and rural communities.

Financial Implications:

Nil

Other Department Consultations/Concurrence:

Council and Administrative Services staff will be involved in the preparation of the by-laws.

Attachments

Schedule A: Sketch of Temporary Detour Road to be closed and Weber Street Widening to be Opened.

Prepared By: **Fiona McCrea**, Solicitor, Property
Peter Linn, Senior Project Manager, Design and Construction
Andrea Buckley, Senior Project Manager, Transportation Infrastructure

Approved By: **Debra Arnold**, Regional Solicitor, Director of Legal Services
Thomas Schmidt, Commissioner of Transportation and Environmental Services

SCHEDULE "A"





Report: CR-RS-14-085

Region of Waterloo
Corporate Resources
Legal Services

To: Chair Ken Seiling and Members of Regional Council

Date: October 8, 2014 **File Code:** L04-20

Subject: **By-law to Amend any and all Existing By-law References to Departmental, Commissioner and Director Titles to Reflect New Organizational Structure Effective November 3, 2014**

Recommendation:

That The Regional Municipality of Waterloo pass a by-law in the form attached as Appendix "A" to Report CR-RS-14-085, to amend any and all references in existing Regional by-laws to Departmental, Commissioner and Director titles, to reflect the new Organizational Structure effective November 3, 2014.

Summary:

Nil.

Report:

On June 25, 2014, Regional Council approved the recommended Department Organizational Structure as presented in Report CA-14-007. At that time, the "new" structure of Divisions and programs within each Department had not yet been finalized and names associated with each Department were to be considered "working titles" only.

Since then, Commissioners have worked with Directors and Managers who will be in the "new" Departments to evaluate options for Divisional and program structures within each Department.

Presently, Divisional and program structures have been finalized, as have all Departmental, Commissioner and Director titles. These are described and illustrated in

the October 7, 2014 Memo from the Chief Administrative Officer to Regional Council. The purpose of the proposed “housekeeping” by-law is to amend any and all references in existing Regional by-laws to Departmental, Commissioner and Director titles, to reflect the new Organizational Structure effective November 3, 2014.

In the future, when a particular Regional by-law is being substantively updated or amended, the relevant Departmental, Commissioner and Director title references will be reflected within such by-law at that time, and an additional provision will be included whereby any reference to a Departmental title, or the title or position of a Regional officer or employee within the by-law, shall be deemed to refer to any applicable title or position that succeeds the stated title or position without further amendment to the by-law being required.

Corporate Strategic Plan:

The recommendation of this Report is in furtherance of Focus Area 5 of the Corporate Strategic Plan which is to ensure operational effectiveness and efficiency.

Financial Implications:

There are no financial implications of the proposed by-law.

Other Department Consultations/Concurrence:

All Regional Departments were consulted in the preparation of the proposed by-law and, in particular, the Chief Administrative Officer and all Commissioners provided input with respect to the newly established and finalized Departmental, Commissioner and Director titles set out in the proposed by-law, which reflect the new Organizational Structure effective November 3, 2014.

Attachments

Appendix “A” – Draft Recommended 2014 Organizational Structure Housekeeping By-law

Prepared By: Arlene Metz, Solicitor, Corporate

Approved By: Debra Arnold, Regional Solicitor, Director of Legal Services