



Report to: General Committee

Meeting Date: March 21, 2022

SUBJECT: Consulting Services for the Corporate Administrative Monetary Penalty System Expansion, Residential Infill Development Services Delivery Review and By-law Enforcement Service Delivery Review

PREPARED BY: Alex Moore Ext. 4711

RECOMMENDATION:

- 1) That the report entitled “ Consulting Services for the Corporate Administrative Monetary Penalty System Expansion, Residential Infill Development Services Delivery Review and By-law Enforcement Service Delivery Review ” be received; and
- 2) That the tendering process for Consulting Services for the Corporate Administrative Monetary Penalty System Expansion, Residential Infill Development Services Delivery Review and By-law Enforcement Service Delivery Review” be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1(c), Non-Competitive Procurement which states “when the extension of an existing Contract would prove more cost effective or beneficial”; and
- 3) That the contract for Consulting Services be awarded to WSCS Consulting Incorporated in the amount of \$317,822.94 (\$136,221.02 + \$96,439.99 + \$85,161.93) inclusive of HST:
 - Corporate Administrative Monetary Penalty System Expansion - \$136,221.02
 - Residential Infill Development Services Delivery Review - \$96,439.99
 - By-law Enforcement Service Delivery Review - \$85,161.93
- 4) That the award amount of \$317,822.94 be funded from the following accounts:
 - Account number 005-1600106 “Expanded AMPS set up” - \$136,221.02
 - Account number 600-101-5699-22306 “Residential Infill Development Strategy” - \$111,936.00
 - Account number 327-101-5699-22307 “By-law Enforcement Service Delivery Review” - \$100,080.00
- 5) That Staff be authorized to engage WSCS Consulting Incorporated following General Committee approval to commence the projects immediately; and further,
- 6) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To obtain approval to award the contract for consulting services to complete the following:

- Project management services for administrative monetary penalties (AMPS)
- Residential Infill Development Service Delivery Review
- By-law Enforcement Service Delivery Review

BACKGROUND:**Project Management Services for Administrative Monetary Penalties (AMPS)**

As part of Intake 2 of the Province's Audit and Accountability Fund, the City of Markham received grant funding to hire a consultant to prepare a business case for the expansion of the Administrative Monetary Penalties System to a broader range of bylaw infractions, beyond parking offences.

The final report was completed in fall 2021 per the provincial guidelines, and provided a strong rationale to establish a corporate approach to administration and adjudication of a full range of infractions, across City departments to enhance efficiency and effectiveness.

Consistent with Council approval during the budget process, this project will focus on implementation of the expanded AMPS program within the City. The scope of work includes governance, communications, project planning monitoring, organizational model, change management strategy, develop a detailed budget, review and revise bylaws, update policies and processes, work with various departments (ITS, Contact Centre, By-laws) and work with the Corporate AMPS Committee (comprised of staff from all Commissions) to create a revenue distribution model for fines collected as well as cost recovery.

As part of the 2022 budget process, in support of modernization and operational efficiency, Council gave approval to proceed with a project to implement a Corporate Administrative Monetary Penalty System (AMPS) (i.e., to expand the use of AMPs beyond parking offences).

WSCS was the consulting firm that prepared the report that was funded through the Province's Audit and Accountability Fund on the proposed implementation plan for a Corporate AMPs program for Markham.

Additionally, they have completed a similar review for the City of Burlington, and more recently reviewed aspects of bylaw services as part of the AMPS expansion project for Markham. WSCS has good knowledge of the City's operations, and significant experience on other Ontario municipalities. WSCS has a solid track record of quality delivery within required timelines. The firm's rates are comparable with those in the industry.

Residential Infill Development Service Delivery Review

The Province of Ontario announced the third intake of the Provincial Audit and Accountability Fund (Fund) to help large municipalities to review municipal service delivery expenditures to find efficiencies and modernize service delivery, while protecting jobs.

On January 24, 2022, the Province responded to the City and identified they would provide funding for up to \$111,936 for an independent third party assessment of the

City's residential infill development processes including the preparation of a final report which will include actionable recommendations.

Council had previously authorized Staff on October 26, 2021 to execute the Ontario Transfer Payment Agreement with the Province should funding be approved by the Province, and new capital projects be created based on the amount of funding approved by the Province. The agreement with the Province does not preclude the City from advancing the procurement process to retain a third party consultant, prior to authorizing the Mayor and Clerk to execute the agreement.

The objectives of this assessment is to ensure Markham's processes related to residential infill development are:

- Efficient, streamlined, and effective,
- Clear and transparent to staff, applicant and the public,
- Aligned similarly with other municipalities in processes, staffing and resources,
- Support excellence in the built environment

The following will be evaluated during this review process:

- Assess current approval processes and enforcement tools within Building Standards, By-Law Enforcement, Development Engineering and Operations,
- Benchmark against other municipalities with a comprehensive infill strategy for lessons learned and best practices.
- Develop a fully integrated strategy (between all affected departments) aimed at minimizing the adverse effects of infill development within established communities,
- Develop and streamline current processes and enforcement tools. Provide enhanced process mapping complementing the strategy,
- Provide recommendations for future state enforcement using the Administration Penalties System

Staff are recommending that WSCS Consulting Inc. be retained by the City to provide the comprehensive review of the residential infill development process. WSCS Consulting Inc. has been involved in the review of the City's AMP's program (AMPS is instrumental to the infill strategy) and reviewed the entire development process providing a needs assessment for electronic plans review. WSCS Consulting Inc. has strong knowledge and familiarity of City services and processes not only within Development Services, but with other departments involved with infill development such as By-law Enforcement. WSCS Consulting Inc. have undertaken more than 200 municipal service delivery and business process reviews. A number of these reviews are focused on planning, building and enforcement services provided by Municipalities.

Staff are of the opinion that WSCS Consulting Inc. have the requisite skills, knowledge and expertise, which makes them uniquely qualified to deliver this project. While other consultants were contacted, WSCS Consulting Inc. offers a unique experience and perspective with a good understanding of policies, which apply to the City of Markham, and familiarity with our extensive stakeholder network that needs to be engaged to complete the following work to address the following:

- Review of current processes and proposal of future state process
- A complete strategy, process mapping and implementation plan for residential infill development. The strategy will include a two stage approach, one using current enforcements tools and a future state utilizing the Administration Penalties System
- Internal and External facing strategy document

By-law Enforcement Service Delivery Review

The Province of Ontario announced the third intake of the Provincial Audit and Accountability Fund (Fund) to help large municipalities to review municipal service delivery expenditures to find efficiencies and modernize service delivery, while protecting jobs.

This project review will assist in assessing optimal organizational structure, hours of work, processes, systems and service models.

The consultant will:

Review internal documents including by-law risk assessment and the internal by-law review as well as staff satisfaction surveys.

Review all by-laws for relevancy in the current state and make recommendations for update, consolidation or elimination.

Analyze workload of respective bylaw areas and forecast levels for the next 10 years with service and cost impacts on staffing and ability to meet demand as the City grows.

Assess workload management and planning with the view to reverse the balance from primary reactive responses to proactive and the implications from a service model, staffing and training perspectives.

With the expansion of AMPS, undertake an impact study on bylaw service delivery to support move to proactive activities.

Assess customer service relationship management systems and abilities to meet customer demands, with possible improvements to service including hours of service.

Undertake consultations and surveys with key stakeholders to understand current issues including, but not limited to, overlap, duplication, customer service challenges, bylaw process ownership, technology.

Benchmark against other municipal bylaw service delivery model including staffing levels, hours of service, systems and organization. Additionally, consult with the Region, other departments for opportunities for synergies, reporting mechanism and shared services.

Develop fully integrated bylaw service model and strategy with cost/benefit analysis, technological solutions and policies.

The completion of the AMPS expansion provides good understanding of the bylaw enforcement operations, personnel, and processes and allows to advance the process quickly. Also, some synergies will be realized between the AMPS expansion and this review (bylaw review). WSCS Consulting Inc have completed similar reviews in other municipalities and their rates are comparable with those in the industry.

FINANCIAL CONSIDERATIONS

Project Management Services for Administrative Monetary Penalties (AMPS)

Cost of award	\$136,221.02	Account number 005-1600106 Expanded AMPS set up
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The initial cost to set up the AMPS operation will be temporarily funded from a balance sheet account 005-1600106 with the understanding that once revenues are generated the expenses will be transferred to the operating budget.

Residential Infill Development Service Delivery Review

Available grant funding	\$ 111,936.00	Residential Infill Development Strategy (600-101-5699-22306)*
Cost of award	\$ 96,439.99	Total Award (Inclusive of HST)
Grant fund remaining after award	\$ 15,496.01	

The province has approved a maximum reimbursement of \$111,936. The City will receive \$61,565 by April 2022 and final payment of up to \$50,371 will be provided no more than 30 days after the Province's approval of the Final Report (must be submitted to the Province by February 1, 2023).

That the remaining balance in the amount of \$15,496.01 be retained within the new capital project for any additional costs related to the project, and that authorization to approve expending of this amount up to the specified limit be in accordance with the Expenditure Control Policy.

By-law Enforcement Service Delivery Review

Available grant funding	\$100,080.00	By-law Enforcement Service Delivery Review (327-101-5699-22307)
Cost of award	\$ 85,161.93	Total Award (Inclusive of HST)
Grant fund remaining after award	\$ 14,918.07	

The province has approved a maximum reimbursement of \$100,080.00. The City will receive \$55,044.00 by April 2022 and final payment of up to \$45,036.00 will be provided no more than 30 days after Province's approval of the final report (must be submitted to the Province by February 1, 2023).

That the remaining balance in the amount of \$14,918.07 be retained within the new capital project for any additional costs related to the project, and that authorization to approve expending of this amount up to the specified limit be in accordance with the Expenditure Control Policy.

Staff were able to negotiate a reduction of \$35,999.64 or 10% from the original quotation by using the synergies of all three projects and the economies of scale to attain better pricing.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

Not applicable.

BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

RECOMMENDED BY:

Chris Bullen
Manager, By-Law & Regulatory Services

Kimberley Kitteringham
Director, Legislative Services &
Communications

Trinela Cane
Commissioner, Corporate Services

Stephanie Di Perna
Director, Building Standards

Arvin Prasad
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