

Town of Markham

E3

(Excellence through Efficiency & Effectiveness)

**September 29, 2008
General Committee**

Agenda

- Introduction
- Project Objectives
- E3 Roadmap
- E3 Roll-out Staging
- E3 Initiatives
- Next Steps

Introduction

- Our E3 exercise, at its core, is a set of ideas and strategies that, when implemented, enhance Markham's ability to stay current, agile, relevant and sustainable on all fronts. It's designed to push the organization to the next level of performance and stimulate progress – essential elements of a **"Visionary Company"**
- The NQI excellence journey is our commitment to making quality and continuous improvements. With the next goal of achieving the PEP level III certification, there is further commitment to demonstrate improvements with a sustained focus on quality and wellness.

Project Objectives

- To provide quality services at lowest tax rates with a focus on value for money.
- The objectives of the E3 project are:
 - To review services to find as many efficiencies as possible, maximize revenue opportunities and to minimize tax rate increases as much as possible while maintaining a focus on customer and staff satisfaction;
 - To establish meaningful KPIs for every service category to show accountability.
- To ensure E3 continuous improvement methodology is part of the regular business plan process

E3 Roadmap – to date

Jun 23

Presentation on the E3 initiative to General Committee

Jun 24

Council Endorsement

Jul 3, 4 & 9 Meetings with DHF

- The first meeting was to communicate the context and parameters of the initiative, solicit feedback and to address any concerns. Staff seemed to positively embrace the initiative.
- At the second meeting, successes from the Make It Happen Task Force were communicated to Staff and the draft project charter was distributed and reviewed, followed by a brainstorming/idea generation session using the Open Space Approach. Many ideas were generated from cross-commission to departmental related.
- At the third meeting, a means of communicating to the balance of staff was presented as well as a business case template for the purpose of tracking each initiative, followed by the continuation of the breakout groups to formalize some of the ideas from the previous sessions.

E3 Roadmap – to date (continued)

Jul 10 & 11 Meetings with Performance Managers & Supervisors

- Similar approach to the DHF meetings: communication of the E3 initiative from the CAO, presentation of the project charter and brainstorming/idea generation breakout groups
- Distribute communication package that included message on E3 initiative through the communication forum “From the desk of” including FAQs and E3 Change Management Strategy as a tool to assist in communicating to the balance of staff across the Corporation

Week of July 7

- Met with Union (CUPE and MPFFA) executives to communicate the E3 initiative

Week of July 14

- Town-wide communication through “Mark of Excellence”
- Commissioners, directors, performance managers & supervisors continue to reinforce the initiative and address any questions and/or concerns
- Department meetings with Managers/Directors and front-line staff

E3 Roadmap – to date (continued)

E3 Council Steering Committee Meetings

- 1st meeting – July 18
- 2nd meeting – August 7
- 3rd meeting – September 9
- 4th meeting – September 19

(Agenda items included: E3 initiatives, Revenue streams from PowerStream, MEC & MDEI, Tax Rate Comparisons, Core Service Review (CSR)/Core Service Implementation (CSI)

E3 Intranet Site

- Posting of E3 initiatives collected at the Aug 1st Town Hall Meetings
- E3 business case template
- Manager's toolkit
- E3 toolkit & articles

Other

- E3 Executive Committee continues to meet weekly to strategically guide the project
- CCC review of all hiring requests & vacancies (ongoing)
- Communicate status of the E3 project through the communication forum "From the desk of" & "Mark of Excellence"
- Change management session was held to assist staff in addressing and managing the business transformation process; provide tools to assist the process and opportunity to share experiences and ideas

E3 Roll-Out Staging

- E3 Initiatives are being rolled-out in the following 3 stages:
 1. Initiatives that are being implemented/can be implemented now
 2. Initiatives that are works in progress
 3. Initiatives that require report to Council

E3 Initiatives

- The E3 initiatives are broken down into the following categories:
 1. Process Re-Engineering/Process Improvement
 2. Technology
 3. Revenues
 4. Conservation
 5. Centres of Excellence/Organizational Re-Alignment
 6. Additional Items
- Initiatives that require capital investments are included in the 2009 Capital Budget
- The Commissions are abbreviated as follows:
 - CS – Corporate Services
 - DS – Development Services
 - CFS – Community & Fire Services

E3 Initiatives

1. Process Re-Engineering/Process Improvement

1. Items that are being implemented/can be implemented now

Commission	Department	Key Initiatives
CS	Finance	Investigate eliminating Goods & Service Orders (GSO) completely and replace with a Direct PO system and remove requirement to complete GSO for blanket PO draws
DS	Multiple	Make It Happen Task Force Efficiencies and process improvements. Increase in delegated approvals. Amanda automation. Standardize and codify requirements
CFS	Waterworks	Waterworks: 1) Implement Mobile Work Management in Waterworks to allow for electronic data collection on-site and replace paper-based work orders; 2) Benchmarking efficiencies and practices against world wide standards; and 3) Complete implementation and mine efficiencies and effectiveness from the adoption of the Province's Drinking Water Quality Management Standard (DWQMS)
CAO	Strategic Initiatives	Electronic Reporting - Improve reporting to committee process. Electronic signoff to report

2. Works in progress

CFS	Multiple	Coordinate at a Commission level, the review and development of consistent maintenance standards for facilities managed by the Town
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3. Items that require report to Council

CS	Finance	Purchasing By-Law: Increase limits of authority and create rules that will enable exception reporting to Council i.e. more authority to CAO for awarding contracts that are straightforward
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E3 Initiatives

2. Technology

1. Items that are being implemented/can be implemented now

Commission	Department	Key Initiatives
DS	Multiple	Smart Send - Exploits our investment in Xerox multi functional devices by integrating their scanning functionality with Amanda. This moves us closer to a paperless office and spectrum of advantages it presents; security of documents, coincident access by multiple users, less manual handling of documents and less document storage facilities needed
DS	Multiple	Amanda Enhancements - Incorporating Time and Activity Tracking, Letter of Credit and Conditions Module into process improvements. In addition, purchasing Amanda 5 to open up Amanda to the Town's website
CFS	Operations	Manage fuel consumption – monitoring (Automatic Vehicle Locators)
CAO	HR	Introduce and Implement a Learning Management System (LMS) which is an essential tool that facilitates electronic management of Town wide learning and development, tracking and reporting, succession planning and emergency management staff skills matching. Currently tracking and reporting of these initiatives is decentralized across the Corporation. Centralizing under one system will result in resource consolidation

2. Works in progress

CS	Finance	Intelligence Scanning - ability to scan invoices and retrieve data for automatic upload of invoices
CFS	Library	1) Customer Centred Classification (C3) System Project - invest to implement system-wide - to improve staff productivity re material flow - cost avoidance; 2) Determine opportunity to generate revenue by providing the C3 system to other library systems

E3 Initiatives

2. Technology (cont'd)

3. Items that require report to Council

Commission	Department	Key Initiatives
CS	Multiple	Portal (Status - evaluation of Request For Proposal completed, consultant working on prioritization of requirements and work plan, award report to Council by Oct)
CS	Multiple	Information Management (Status - submitted as a proposed 2009 capital project with the initial focus on the business processes, high level strategic study currently underway to understand current practices and future needs, establish general direction to address record management, document management and data management)

E3 Initiatives

3. Revenues

1. Items that are being implemented/can be implemented now

Commission	Department	Key Initiatives
CS	Comm. & Community Relations	Ensure cost neutrality of Recreation & Culture Guide by increasing advertising revenue.
CS	Comm. & Community Relations	Increase sponsorship/advertising revenue

2. Works in progress

CFS/CS	Multiple	Fundraising & Partnership generation for Library to develop revenue opportunities and help offset ongoing costs (6-month position to research & plan)] as well as Culture, Operations, Recreation
CS	Finance	Residential Condominiums Sales List Update from Developers - include as a condition for registration to provide Town with list of occupants and occupancy dates. MPAC uses the final date of final registration as the effective date of assessment. This date is always after occupants have moved in and occupied the units. If Town could get occupancy dates from developer, additional tax revenue could be obtained. Example: 33 Cox Bl - all units were assessed with the same effective date of Sept 1, 2006 when the building permit was issued in Sept 2004 and occupancy began in 2005. Estimated loss of revenue: \$475K of which Town is \$119K.
CS	Multiple	Devote a person to searching for and applying for Grants. Net impact of \$100,000.

E3 Initiatives

3. Revenues (cont'd)

3. Items that require report to Council

Commission	Department	Key Initiatives
CS	Finance	Increase participation in Preauthorized Tax Payments (PTP) from 20%-30%. Investigate the potential of putting all new accounts on PTP. Reduce # of tax installments from 6 to 4. Improve cash flow and investment income.
CS	Finance	Invest in Equity Fund for portion of reserve balance. 25% of \$100 million reserve balance. Could achieve 8% returns vs. 4% money/bond market returns in the long run. Cap the money market interest being allocated to reserves at 2.5%.
DS	Multiple	Building fee restructuring - re-inspection fee
CFS	Recreation	Fitness Initiation Fees for new members
CFS	Multiple	Pricing Strategy Development in the areas of Culture, Library, and Recreation (\$ TBD) including undertake user fee analysis to adjust low outliers to bring them in line with other recreation fees (\$93K in 2009, annualized amount of \$227K)
CFS	Waterworks	Waterworks Fees Implementation
CAO	Legal	By-law to increase fees for Legal Services
CFS/CS	Multiple	Review costs and develop policy and schedule of fees for services provided for Festivals and Special Events by Operations and Waste Management, includes recycling
DS/CAO	Multiple	Telecommunication Towers on Town owned properties

E3 Initiatives

4. Conservation

1. Items that are being implemented/can be implemented now

Commission	Department	Key Initiatives
CFS	Waste Management	Redesign waste collection schedule and mail every 2 years to save printing, production and distribution costs and be environmentally supportive
CFS	Waste Management	Waste Management: Transfer responsibility from other departments for management of facility waste to Waste Management dept to achieve Zero Waste; Roll out Mission Green at work- converting all the Town facilities to 3 stream (up front cost however long term saving)

3. Items that require report to Council

CFS	MECO	Corporate Energy Policy and Action Plan
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E3 Initiatives

5. Additional Items

Some initiatives are:

1. Items that are being implemented/can be implemented

- Pursue opportunities for bulk purchasing of group health benefits;
- Reduce costs on short term rental of vehicles;
- Partnership with other municipalities in delivery of Waterworks lab samples;
- Investigate using Development Charges for contracts (over 7 years) requiring vehicles;
- Utilize space gained from removal of boiler/chiller for records storage. Iron Mountain storage and retrieval costs would be reduced.

2. Works in Progress

- Consider planting of perennials vs. annuals;
- Enhance community engagement, including the use of volunteers.

E3 Initiatives

5. Additional Items (cont'd)

3. Items that require report to Council

- Remove 1 bulk waste collection and educate on alternatives;
- Review Election Rebate Program Phase 1: eliminate rebate to non-residents;
- Cost savings opportunities to curtail crossing guards and traffic calming;
- Land banking in Rural Areas;
- Charge Markham Enterprises Corporation (MEC) for services provided by Legal, Finance, HR, CAO, Strategic Initiatives etc.;
- Undertake public space review and explore options for new approaches in enhancing & maintaining public spaces;
- Library room rental fees.

Next Steps

- Continue implementation of short term strategies (initiatives categorized under stage 1 – initiatives that are being implemented/can be implemented now)
- Identification, approval and implementation of long term strategies (initiatives categorized under stages 2 & 3 – initiatives that are works in progress and initiatives that require report to Council)
- E3 initiatives on Revenues will be brought forward to the Council Steering Committee for further discussion in October