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DELIVERY OF ROAD MAINTENANCE ACTIVITIES

The Transportation and Works Committee recommends the following report, August 24, 2005, from the Commissioner of Transportation and Works be deferred to the October 12, 2005 Transportation and Works Committee meeting and Staff provide further information regarding the cost savings for this plan.

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council endorse the second phase of the Road Maintenance Optimized Service Delivery Plan in principle, as outlined in this report.

2. The associated four positions be referred for discussion in the proposed 2006 Roads Transportation Budget and Business Plan.

2. PURPOSE

The purpose of this report is to provide the Transportation and Works Committee and Regional Council with an update on the Region's recent Road Maintenance Delivery Review, and to seek endorsement for the second phase of the proposed Optimized Service Delivery Plan.

3. BACKGROUND

An Optimized Service Delivery Plan has been developed to be implemented over a five year period. On November 25, 2004, Regional Council endorsed the first phase of this plan. The goal of the plan is to create an environment where the Region selects how the service is delivered, based on cost and delivery time. A reduced reliance on contractors will improve service delivery on a range of activities to allow for better customer service response.

An Optimized Service Delivery Plan will produce the following benefits:

- The ability for the Region to select the service delivery methods based on the best value for the work done.

- Reduce dependency on contractors should they not be available and/or prices are higher than expected.

- Increase staff to carryout improved service delivery on a range of activities to allow for better customer service response.

4. ANALYSIS AND OPTIONS

The Optimized Service Delivery Plan is to be phased in over a five-year period.

4.1.1 Year One (2005)

Year One consisted of the addition of eight staff for Roads Maintenance and a reduction in contracted services equal to the cost of the additional staff. The changes proposed in year one were cost neutral.

The following services were selected because they could be implemented utilizing existing equipment and did not require any capital purchases. In addition, the identified contracts were up for renewal in 2005, therefore, no contracts had to be broken or terminated.

- Roadway sweeping
- Work zone traffic control
- Bridge washing
- Dump truck rental
- Rural grass cutting
- Safety barrier post repair
- Winter snow plow and spreader trucks (3)

To accommodate the additional in-house service delivery requirements and to satisfy the requirements of the Ontario Health and Safety Act, eight new positions were required as follows:

- Road Supervisor (4)
- Transportation Maintenance Worker (4)

To date, a significant benefit has been derived from the ability to schedule work with proper crew sizes that has minimized unproductive time and to react to requests for service in a timely fashion. This has reduced the frequent call backs on the same item requesting information on the status and timing of the work.

4.1.2 Year Two (2006)

The proposed 2006 Business Plan and Budget includes an additional four maintenance workers for roads maintenance and a reduction in contracted services equal to the cost of the additional staff. In effect, the changes proposed in year two are cost neutral. The additional staff will allow the Region to pursue its goal of creating an optimized service delivery environment that provides for an increase in service time and a reduced reliance on contracted services. The additional staff will also allow the Roads Branch to meet the performance targets of our core summer maintenance operations within the allotted time period.

It is proposed to reduce contracted service and increase in-house service delivery in the following areas, utilizing existing equipment and will not require any capital purchases.

- Curb and catch basin repair.
- Winter snow plow and spreader truck (1)

4.1.3 Year Three (2007)
In year three, it is proposed to add an additional four maintenance workers.

4.1.4 Year Four (2008)
In year four, it is proposed to add four Customer Service Representatives, one to be stationed at each of the yards.

4.1.5 Year Five (2009)
In year five, it is proposed to add one Road Occupancy Permits Clerk and two Asset Technologists.

5. FINANCIAL IMPLICATIONS

The proposed 2006 tax levy costs for the additional staff to implement the Optimized Service Delivery Plan are outlined in Table 1.

Table 1
Optimized Service Delivery Plan

Additional Proposed Staffing	Number	Tax Levy Costs
2006 (4) Transportation Maintenance Workers	4	$218,000
2006 Reduction in Contracted Services	-	($218,000)
Total Tax Levy Impact		**$0**

The additional Transportation Maintenance Workers will allow for the ability of the Region to select the service delivery methods based on the best value for the work done and reduce the dependency on contractors should they not be available and/or priced higher than expected.

There are no tax levy costs associated with these staff increases after the savings have been deducted from the reduced contracting out component.

6. LOCAL MUNICIPAL IMPACT

The proposed Optimized Service Delivery Plan will allow for improved service delivery and quicker response to local needs and requirements. This will better align our service delivery with the local municipalities.

7. CONCLUSION

An Optimized Service Delivery Plan has been developed to be implemented over a five year period. Phase 1 was approved for 2005. It is proposed to implement Phase 2 in 2006 with the addition of four Maintenance Workers and a corresponding reduction in contracted services to improve service delivery on a range of activities to allow for better customer service response. It is recommended that Regional Council endorse the implementation in principal of the second phase of the Optimized Service Delivery Plan.

The Senior Management Group has reviewed this report.