

SERVICE DELIVERY REVIEW UNITED TOWNSHIPS OF HEAD CLARA AND MARIA FINAL REPORT



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INTRODUCTION

In March of 2019 the Provincial Government announced that it would provide funding to 405 small and rural municipalities to “plan, modernize, and improve the way they provide services to their communities.” The Provincial allocation of funding was based on the number of households and whether the municipality is urban or rural. The United Townships of Head Clara and Maria (HCM) received funding in the amount of \$203,140 under this initiative and another \$40,000 in 2020. This funding is not expected to be repeated in the future. If anything, this funding is meant to allow communities to prepare for future funding reductions by making necessary changes to be more efficient, sustainable and resilient. Most recently, at the Association of Municipalities of Ontario, Minister Clark also announced the continuation of these measures and additional funding to support municipal improvement. As part of the modernization process, HCM decided to conduct a Service Delivery Review to identify some areas where service levels could be brought into line with community expectations, operations could be improved, and costs reduced. The review was to ensure that its organizational structure, services and programs are the most efficient and cost effective possible. The objectives of the review are:

- To conduct an overall review of the municipality's current services and processes to identify areas of improvement in efficiencies and cost- savings
- To conduct a line by line review of the municipal budget which will provide information and direction on the review of service delivery and opportunities
- To better align our rural township with similar municipalities

Methodology

This section indicates the approach used to conduct the Review.

1. Document Review. Background information was collected and reviewed, including:
 - Financial statements
 - 2020 Budget
 - The Official Plan, last reviewed in 2018
 - The Zoning By-law
 - The Organizational Chart
 - Review of the Organizational Review of HCM in June 2019
 - Job Descriptions
 - Township By-laws and policies
 - Renfrew County SDR Current State Report
2. Longitudinal Analysis of Spending – Results for the last 5 years were analyzed, and conclusions drawn.

3. Benchmarking.

Using Statistics Canada information and geographic proximity, 5 municipalities that have some similarity to HCM were identified as comparator municipalities. The Financial Information Returns (FIRs) that each of these municipalities file with the province in a prescribed format were collected, and the revenues and costs of operating the five municipalities were compared with those of HCM. As issues were identified, additional information was sought from the municipalities concerned.

The municipalities selected are shown in the table below:

Table 1 Comparator Municipalities Selected

	Population 2016	Private Dwellings	Private Dwellings Occupied by Usual Residents
Head Clara and Maria	248	110	108
Joly	304	164	135
Lake of the Woods	230	521	110
Limerick	346	541	158
Matachewan	225	166	110
Tudor & Cashel	586	768	268

- Data from Statistics Canada

As is evident from the table, the comparator municipalities are similar in size to HCM in terms of population. There is, however, a significant divergence in terms of the reported number of private dwellings that are occupied by “usual residents”. This appears to reflect the municipal growth rate rather than seasonal dwelling numbers, so this report uses the population rather than the number of households when adjusting data to allow inter-municipal comparisons.

4. Consultation Process.

The project team conducted interviews with members of Council and key staff members and inspected each of the municipal facilities and assets. An on-line survey was circulated, and the results were compiled and assessed. 66 individual responses were received, which is an excellent response from 110 households. 47 respondents were year-round residents, 17 were seasonal residents, and 1 was not a resident. 45 respondents were “mostly retired”; while 4 work at home, 6 work elsewhere in HCM, and 8 work outside HCM. While the majority were “mostly retired”, the majority was under 65 years old. The respondents’ households included 157 individuals as follows:

Table 2 **Number of Individuals in Responding Households**

Respondents with the following in their household	Households With	Individuals Involved
Children (under 18)	10	18
Adults (18 to 39)	15	25
Adults (40 to 65)	37	58
Adults (66 or older)	35	56
Total	97	157

5. Analysis.

All the information collected was analyzed to identify the key issues facing the Township and the key opportunities available. These were reviewed with the Steering Committee and further analysis was conducted.

6. Draft Report.

A Draft Report was prepared and reviewed.

7. Final Report.

This Final Report was prepared and submitted.

Township of Head Clara and Maria Overview

The Township of Head Clara and Maria has a population of about 248 (2016 Census), with about 110 year-round households. The Township is located along approximately 60 km of Highway 17 between, but not including, Rolphton and Mattawa. The Township runs north of Highway 17 to the Ottawa River, and south to Algonquin Park. The four main settlements are Stonecliffe (where the Township offices are located), Mackey, Bissett Creek and Deux Rivières.

The Township has a strong tourism business, focused on campsites and cottages that largely attract summer seasonal or vacation residents. Driftwood Provincial Park is within the Township. The year-round population is aging and tends towards retired people. There are few local employment opportunities beyond the campsites, limited retail facilities, and the Township administration, although some home occupations are possible with the limited internet service available.

Organization and Staffing Level

The Township is governed by a Council composed of the Mayor and four Councillors. Two Committees have been created: the Public Works Advisory Committee (PWAC) and the HCM Recreation Advisory Committee (RAC). A library board manages the library services and assets.

In 2019 a review of HCM was conducted that focused on:

- Organizational Structure and Culture
- Roles and Responsibilities
- Organizational Policies and Procedures
- Job Description Analysis

The **administrative structure** in 2019 was comprised of four employees (CAO, Treasurer, Office Manager, and Administrative Assistant). Since then there have been long term absences, a resignation, and a current maternity leave which has resulted in changes in the individuals performing tasks and in their roles and responsibilities. There are currently three active positions:

- Clerk/Treasurer
- Administrative Assistant
- Office Assistant (.6 Full-Time Equivalent (FTE))

They are responsible for supporting Council, conducting financial management (budgets, tax collection, accounts payable, financial statements and FIRs), human resources, IT, Lending Hub, support to Library, Provincial reporting, FOI management, Records Management, Communications, and managing the Asset Management Plan.

The 2019 Organizational Review recommended: “When compared to other Townships of similar population and services, it is likely that the office would be optimally staffed by: - A Clerk/Treasurer - An Administrative Assistant or a Deputy Clerk/Treasurer, and an Administrative Assistant. A temporary/casual assistant could be utilized to help with larger projects such as archiving, updating website content, filing, and organizing resources.”

The Township office is open Monday through Wednesday and Friday (8:30 a.m. - 4:00 p.m.)
The office is currently closed to the public on Thursdays.

The Public Works group includes:

- Road Superintendent (.8 FTE)
- Public Works Labourer
- Waste Collection & Disposal Site Attendant (.6 FTE)

They provide solid waste collection on a weekly basis; Tuesdays in Deux Rivieres and Bissett Creek, and Thursdays in Stonecliffe and Mackey. There are two waste disposal sites; one at Bisset Creek (open Tuesday and Saturday afternoons) and one at Stonecliffe (open Thursday afternoon and Saturday mornings).

They are also responsible to maintain, or oversee the maintenance of, Township assets, including snow plowing and grading gravel roads (contracted), park maintenance (contracted), and building maintenance. A custodian is also on staff to clean the Municipal Building approximately 5 hours per week (.12 FTE).

The **Building, Zoning and Planning** function handles planning applications, issuance of building permits, and inspection of properties during renovations or construction. It is staffed by the Chief Building Officer (CBO) from the Town of Deep River and provides 7 hours per week of service (.2FTE).

There is no fire department; however the Ministry of Natural Resources is contracted to fight any forest fires within the Township.

The Librarian is under the direction of the Library Board, although paid by the Township. She works 7 hours per week (.2 FTE)

The table below shows the staffing levels over the past 5 years.

Table 3 Staffing Levels Past 5 Years
Data from FIRs

	2015	2016	2017	2018	2019
Administration					
Full-time	3	3	3	3	2
Part-time	1	1	1	1	1
Seasonal	-	1	1	1	-
Public Works					
Full-time	1	1	1	1	2
Seasonal	1	1	1		
Parks & Recreation					
Part-time	1				
Library					
Part-time		1	1	1	1
Planning					
Part-time	2	1			
Other					
Part-time		2	2	2	3*
Total					
Full-time	4	4	4	4	4
Part-time	4	5	4	4	5
Seasonal	1	2	2	1	-

- The three “others” are the CBO, the Waste Collection & Disposal Site Attendant and a Cleaner.

Financial Overview

The tables below provide a summary of Township financial performance over the last 5 years as reported to the Province in the annual Financial Information Return (FIR).

Table 4 Revenues Over Five Years

	2015	2016	2017	2018	2019
Property Taxes	458,925	474,087	497,206	498,305	511,615
Payments in Lieu	149,902	155,282	153,076	160,771	168,117
Ontario Municipal Partnership Fund	100,300	88,200	77,700	68,100	59,900
Ontario (Capital Grants)	25,000	25,000	55,800	0	0
Other Ontario Grants	49,268	22,530	44,328	80,680	280,774
Federal	700	15,149	26,204	26,690	31,345
Other Municipalities	0	13,920	4,909	6,000	0
User Fees & Charges	39,590	43,190	77,631	31,352	29,633
Licenses, Permits, etc.	11,533	16,478	10,211	10,738	18,324
Interest	14,744	10,347	8,621	18,075	23,192
Other	23,158	5,338	7,302	3,514	985
Total Revenues	873,120	869,521	962,988	904,225	1,123,885
Total Expenses	1,100,457	894,436	916,782	921,821	771,469
Surplus (Deficit)	(227,337)	(24,915)	46,206	(17,596)	352,416
Accumulated Surplus	1,655,904	1,630,989	1,677,195	1,659,599	2,012,015

Property tax revenue has increased an average of 2.7% per year. Payments in Lieu are funds received from the Provincial or Federal governments (or their agencies) in lieu of property taxes. The Ontario Municipal Partnership Fund is the main unconditional grant from the Province to small and rural municipalities. It has been declining in recent years. The “Other Ontario Grants” included \$203,000 in 2019 to fund modernization projects, which increased revenues substantially compared to previous years. It will not be re-occurring. Expenses exceeded revenues three of the five years, although the accumulated surplus remained strong throughout the period. Expenses declined significantly in 2019 (see below) with the result that the Township produced a strong surplus in 2019.

Table 5 Expenditures over Five Years

	2015	2016	2017	2018	2019
Governance	23,014	19,348	22,678	28,348	26,784
Corporate Management	293,196	322,566	417,962	378,187	281,183
Fire	10,020	10,466	10,820	12,423	11,356
Police	53,621	74,552	91,481	90,686	88,482
Building permit and inspection services	12,992	13,348	14,860	14,837	13,753
Emergency measures	1,381	274	-	-	-
Roads - Unpaved	143,818	181,932	151,268	182,800	140,260
Winter Control	36,981	55,410	51,316	51,907	49,077
Solid Waste Disposal	95,550	94,433	94,142	114,460	78,103
Recycling	26,230	18,663	9,158	9,158	7,269
Landfill Post Closure Liability Adjustment*	316,000	10,000	(111,000)	(80,000)	(9,000)
Parks	14,915	12,725	15,526	12,412	15,298
Recreation programs	24,392	30,610	85,708	36,784	15,941
Rec. Fac. - All Other	25,567	30,396	35,251	31,736	30,986
Libraries	20,780	19,713	26,595	37,066	20,961
Planning and zoning	2,000	-	1,017	1,017	1,016
Total	1,100,457	894,436	916,782	921,821	771,469
Total (excluding Post Closure Liability) *	784,457	884,436	1,027,782	1,001,821	780,469

- The estimates of Post Closure Liability for the landfill sites has varied over the years and are shown as a separate line to isolate the effects.

The decline in expenditures in 2019 included a significant reduction in Corporate Management costs, related to the reduced staffing noted above. There was also a reduction in the cost of roads, garbage collection and disposal, recreation programs and library operations.

As the table below shows, the Township has maintained a strong reserves position over the past five years.

Table 6 Reserves at Year-End

	2015	2016	2017	2018	2019
Contingencies	227,500	227,500	146,100	146,100	146,100
General Government	112,900	115,952	78,713	115,713	321,372
Protective Services	150,000	140,000	30,000	30,000	30,000
Roadways	86,000	103,000	88,000	128,000	128,000
Landfill/Solid Waste	516,496	507,996	463,996	441,304	441,304
Parks	33,330	19,330	4,330	14,330	14,330
Recreation	30,000	55,851	0	0	20,500
Library	22,300	18,272	18,272	23,889	23,889
Fed Gas Tax	10,645	17,830	7,341	14,857	14,165
	1,189,171	1,205,731	836,752	914,193	1,139,660

Reserve accounts are nominally allocated for various intended purposes, but there are no legislative restrictions on the use of the vast majority of the funds. The largest reserve is intended to handle the post closure liability of the landfill sites.

The 2020 budget is not prepared in a manner consistent with the FIRs shown above, as the FIR's include non-cash items such as amortization and expensing of liabilities (Landfill post closure liabilities, and amortization of vehicles/equipment). Budgets are prepared on a cash basis whereas financial statements and FIR's are prepared using Public Sector Accounting Board accepted practices and accrual accounting. However, the 2020 budget does foresee lower revenues from the Province; an increase of about \$74,000 in salaries, an increase of \$20,000 in Council honorariums, an increase of \$31,000 in gravel resurfacing of the roads, a \$13,000 increase in special projects related to the landfill sites, and some decreases in special events funding due to COVID-19. This study and some summer student hiring will also off-set some grant revenues.

It is unlikely the increase in recreational program costs will be realized; as well, the projected revenue may not be achieved given the impact of COVID-19 on recreation programs.

The following table summarizes the 2020 operating budget.

Table 7 **2020 Operating Budget**

		Budget 2019	Actual 2019	Proposed 2020
Expenses				
General Government	\$	487,420.00	\$ 413,672.00	\$ 512,305.00
Protection & Health Services	\$	105,750.00	\$ 106,163.00	\$ 105,831.00
Transportation Services	\$	156,800.00	\$ 119,498.00	\$ 134,992.00
Environmental Services	\$	68,750.00	\$ 53,153.00	\$ 73,575.00
Social & Family Services	\$	-	\$ -	\$ -
Recreational & Cultural Services	\$	40,220.00	\$ 33,930.00	\$ 43,830.00
Land Use Planning & Development	\$	-	\$ -	\$ -
Grant expenses	\$	11,880.00	\$ 8,168.00	\$ 63,462.00
TOTAL	\$	870,820.00	\$ 734,584.00	\$ 933,995.00
Transfers to Reserves	\$	203,000.00	\$ 226,159.00	\$ 218,066.00
Capital Budget	\$	-	\$ -	\$ -
TOTAL	\$	203,000.00	\$ 226,159.00	\$ 218,066.00
Grand Total	\$	1,073,820.00	\$ 960,743.00	\$ 1,152,061.00

Summary of Municipal Assets:

Municipal Complex

The Municipal Complex includes a Community Centre with kitchen, administration offices, and the public library. The operating hours are Monday through Wednesday and Friday, 8:30 am to 4:00 pm. The complex is also used for occasional evening and weekend activities, and the Library is open Saturdays. The Community Hall can be rented; it is used for many fundraising events. During the winter season a food service is conducted for the snowmobilers that use the trail system. It is likely these uses will be constrained this winter due to COVID-19.

Public Works Garage

The Town Garage is located on Township Hall Road adjacent to the administrative building. It consists of two large bays used for storage of two municipal vehicles and various other equipment including snow blowers, a woodchipper and tools (photo at right).



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Landfill – there are two landfills; one located in Stonecliffe on Kenny Road and the second located on Bissett Creek Road. Both landfills are operated under the care and control of the Landfill Site Attendant who alternates between sites. An open trench is used to dispose of organic and waste material. Curbside recycling material is transported to the landfill sites and stored in disposal bins for collection by a contractor. Recyclable metal is accepted as are passenger vehicle tires. There is no equipment located at this site.



- Bissett Creek Landfill – Trench on the left and Recycling containers on the right.

Outdoor facilities - an outdoor asphalt pad that has been used as an outdoor hockey rink in the past (see photo at right) but is now a combination helicopter pad and basketball court. Also housed at this location is storage for the lending hub for recreational equipment which includes bikes, kayaks, paddle boards, hockey nets, volley balls, badminton nets etc. All of this equipment is available to borrow at no cost, for up to a week at a time. Reservations can be made by calling the office. There is a baseball diamond with benches located in the field adjacent to the Township office.



- Baseball diamond at left and asphalt helicopter pad/basketball court at right.

Boat Launches and parks – there are three public boat launches that operate free of charge in Deux Rivieres, Stonecliffe and Mackey. The boat launches have a public toilet located at each.

Old Mackey Park is located on Jennings Road in Mackey and has public toilets on site and a playground (see photo at right) and covered area with barbeques (users bring their own propane tank). Lacroix Park is located in Deux Rivieres.



Other- The Township also owns grounds which are leased for \$8000 per year by Bell and the salt shed is leased to the snowmobile club for \$1300 per year.

Summary of the Renfrew County Service Delivery Review

The County of Renfrew has engaged a consulting firm to conduct a Service Delivery Review similar to the project that Head Clara and Maria have initiated. As of the writing of this report the project had progressed to the point of defining the current service delivery method and issues. A preliminary list of 35 opportunities for further investigation has been developed. The opportunities have been grouped into Enterprise wide, Technology, People, etc.... Most of the work and the opportunities are internally focused. However, there are several opportunities with regards to shared services which directly involve the Local Municipal Partners (LMP). These are listed below:

30. Continue to build and refine communication processes between Council and LMP staff to promote consistent engagement and awareness of activity at the County level
31. Facilitate a regional discussion on waste management for LMPs.
32. Increase HR professional development and training coordination
33. Regionalize economic development via a regional economic commission
34. Investigate potential opportunities to share trail maintenance services
35. Establish a County-wide notification system

One opportunity that has the potential to impact HCM is the development of a regional approach to waste management. The draft report includes this section:

OPPORTUNITY: Consider the development of a **regional approach to waste management**.

RATIONALE: Landfill sites are approaching end of life in many municipalities and they will not be renewed. Every municipality will be on their own in shipping waste from rural areas to larger sites. If the County gets involved from a leadership perspective, there is

an opportunity for a broader shared services agreement to build on the levels of shared services already offered, such as those provided by the Ottawa Valley Waste Recovery Centre and collective tenders. Of the comparators counties that do offer some waste management coordination (Simcoe, Leeds and Grenville, and Northumberland), Simcoe County's is considered 'best in class'.

The impact of this recommendation contained in the report needs to be understood given that it can further define two opportunities for HCM. First, if there is a regional approach to landfill closure, then the expertise and the potential closure costs could become part of a regional project. This could mean the ability to leverage the work of others to close the facility and reduce costs such as engineering work, tendering, and the benefits of economies of scale for joint tenders, etc. In addition, a regional approach may mean that the Province may be more willing to participate in the closure costs. Second, landfill space has a value and can become a revenue stream. If other communities are reaching a point of closure, they may be willing to consider driving their waste to other municipal landfills; because the cost of developing new landfills is very high under current environmental regulations. Given their locations, the distances involved and the related trade-offs between tipping fees and the cost of hauling, this may not be likely, but may be possible despite the need to amend the ECA for the HCM landfills. There may also be opportunities to specialize in certain high cost segments of waste disposal such as contaminated soil processing or special disposal such as asbestos. Of course, these are services that the municipality may have to consider carefully as there would likely be some risks to consider.

Other shared service issues that could benefit HMC are the economic development approach and HR services. The County would certainly have the scale to provide those services on a more economic basis. Sharing IT systems and support can also be a useful approach.

Resident Survey

The survey invited respondents to comment on a variety of opportunities that had been previously identified. The results are reported in the sections dealing with those opportunities, which follow. The survey also invited respondents to make their own suggestions for services the Township should do better; services that it should add, or services it should no longer perform. The majority did not recommend changes, with 27 of the 66 responses replying "no" to the three questions, an additional 16 leaving all three questions blank, and another 4 inserting comments complementing the Township and the services it provides. The 19 that did include suggestions concerned:

- Some suggested assistance to senior citizens such as:
 - 3 suggested drives to appointments
 - 1 suggested cleaning senior's driveways in the winter – for a price
 - 1 suggested a rebate on taxes to support snow plowing of driveways

- 1 suggested seniors' dinners on weekends as some still work
 - 1 suggesting sanding/salting by senior's homes
- There were some suggestions regarding solid waste:
 - 2 suggested longer dump hours in the summer, or longer more flexible hours
 - 1 suggested shorter dump hours
 - 1 suggested eliminating the use of garbage bag stickers
- Some suggestions related to road maintenance:
 - 1 suggested clearing brush and debris from the roads
 - 1 suggested reducing the use of sand on roads in the winter
 - 1 suggested speed limits be increased
- 2 suggested the Township office should open Thursdays
- 1 suggested Banks should accept tax payments
- 1 suggested increased policing
- 1 suggested better dissemination of information to residents
- 1 suggested less maintenance on the ball fields
- 1 suggested hiring more summer students
- 1 suggested a boat slip or marina
- 1 suggested building more infrastructure.

IMPROVEMENT OPPORTUNITIES

The opportunities reviewed in this chapter are a compilation of key issues and opportunities that the Township is faced with today as it transitions to a more progressive, efficient, effective and responsive municipal government. They were identified and analysed based on the analysis of financial results, the interviews with Councillors and staff, and comments from the public on the survey.

1. Solid Waste Operations, including the potential to close a landfill site and/or modify the collection of solid waste.
2. Upgrade of IT capability – including the need for a better Township network and wireless connections to the network.
3. Modify the Lending Hub operation by implementing a user fee.
4. Fire services - options to improve response to incidents.
5. Reduce the costs of library operation, and clarify the role of the Township and the Library Board.
6. Consider changes to winter road maintenance operations, including options to clear driveways and/or windrows at the end of driveways. This includes consideration of replacing the contractor with in-house staff. The approach to patrolling roads is also considered.
7. Administrative Staffing.
8. The approach to preparing the Township Budget.

Solid Waste Operations

Current Situation

Solid waste management includes two components, namely the curbside/roadside collection service (garbage and recycling services) and disposal - the operation of two landfills. One part time staff person performs the weekly waste collection and is the Site Attendant during landfill operating hours. There is a weekly bag limit of one bag per residence and up to four bags for businesses. All waste that is set out in tagged bags is accepted and collected. Full-time residents receive 52 bag tags each year, and part-time residents receive 26 bag tags. Additional bag tags can be purchased at the municipal office at a cost of \$1 each.

The curbside/roadside collection of waste is scheduled as follows:

Deux Rivieres (garbage and recycling) Tuesday 10:00 a.m. - 11:00 a.m.

Bissett Creek (garbage and recycling) Tuesday 11:30 a.m. - 12:00 noon.

Mackey Thursday 9:00 a.m. - 11:00 a.m.

Stonecliffe Thursday 11:00 - 12:00 noon

Stonecliffe and Mackay receive biweekly recyclables collection.

The Site Attendant/Waste Collector is responsible to collect waste and recycling from the 110 permanent dwellings. A regular size pickup truck with an enclosed rear box is used to collect the waste. Because the pickup truck has a limited capacity, the entire community cannot be completed without making trips to the landfill to offload. The split in the weekly collection allows the collection to be done in the morning and one or the other landfill to be operated during the



afternoon of that day. The pickup requires the waste collector to hand load and hand unload the pickup. There is no dumping mechanism. On the days that waste is not being collected the pickup could be available for other Public Works related work. The location of the two landfills in the community is close to the collection routes which mean that there is no significant issue of long travel times in order to off load material. Because the Site Attendant is on his way to open the landfill facility, the off-loading trip is accomplished at the same time as opening the facility for the afternoon. However, this arrangement works because of the two landfills and the volume of material from the number of properties to be collected.

One landfill is located in Stonecliffe on Kenny Road and the other is located in Bissett Creek on Bissett Creek Road. A third landfill located in Deux Rivieres was closed earlier. It should be noted that the Township stopped using the Deux Riviere site in the spring of 2006 but did not apply the final cover until the fall of 2007 when it received financial assistance for it as a project. Thus the Township could stop using another landfill without formally “closing” the site until conditions are right.

Following the closure, the Township commissioned a report from JP2G Consulting to describe the closure, post-closure monitoring, maintenance, inspection and reporting program proposed for the Deux Rivieres Landfill Site. The report noted: “The consolidation of operations at **ONE** of the other two (2) sites provides a more efficient means of servicing the municipality as a whole.”

By-law 2011-21 Waste Management, contains a schedule of tipping fees for use of the landfill. Charges are recorded by the Site Attendant and dropped off to the administrative officer for invoicing.

Municipal Disposal Site Hours are as follows:

Bissett Creek Site Tuesday 12:30 pm - 3:30 pm Saturday 12:45 - 3:45 pm

Stonecliffe Site Thursday 12:45 pm - 4:15 pm Saturday 8:30 am - 12:00 pm

The Bissett Creek landfill is operated one hour less per week during the winter months of January, February and March. The privately-operated campgrounds self-haul material to the landfills and are the largest producers of waste; although this is seasonal. According to the Site Attendant the highest number of users at a site during his time has been 43; that it usually averages around 25 on a summer Saturday. Metal is collected and stored at the site for a metal recycler to collect.

Residents were asked to comment on possible changes to the solid waste program. The results are shown below.

Table 8 Survey Responses, Solid Waste

For solid waste disposal services, which approach would you prefer/support. Select one of the options below:		
Eliminate garbage collection, requiring residents to drop off their garbage and recycling at the landfill? (\$20,000 or 3% of taxes saving)	6	9.52%
Continue current garbage collection, but close one of the landfills (\$17,000 or 2.5% of taxes saving)	10	15.87%
Eliminate weekly garbage collection and close one landfill (\$35,000 or 5% of taxes saving)	1	1.59%
Don't make any changes	46	73.02%
TOTAL	63	

One of the main operational issues is the lack of a recycling collector to empty the containers on each landfill site on a consistent and low-cost basis. Beaumen Waste Management Systems Ltd. stopped operating in June of 2019, creating challenges for local municipalities that count on the business for recycling collection, including Renfrew, Arnprior, Horton, Admaston/Bromley, McNab/Braeside and Whitewater Region. Since that time other recyclers have stepped in to fill the need, but the costs are higher.

The Township has a large number of containers at each landfill and can store materials for a considerable time before pickup is required. This ensures that when a frontend loading garbage truck does come for pickup it is collecting the stored materials from several months of curbside collection. One issue is the open top roll off containers that are used for the weekly containers. During winter these open top roll off containers fill with snow. This limits the amount of material that will be in the roll off bin; thereby reducing the amount of recyclables they can store.

The winter route in Bissett Creek and Deux Rivieres is one trip including the recycling. In summer this is split into two trips to the landfill with one being the trip to open the site. Mackay and Stonecliffe require three trips to the landfill with one trip being the opening of the

landfill site for the afternoon. While these trips to off-load add time to the routes, the volume of material and number of properties collected does not warrant the purchase of a compacting garbage truck. While a purpose-built garbage truck would go largely unutilized because of its much larger capacity, the use of a landscaping trailer with enclosed frame would increase capacity, not require a special driver's license, and be available for use by Public Works for other activities. It could also be equipped with a dumping mechanism that would assist in offloading and reduce the risk of injury. A dumping landscape trailer with enclosed frame could be a reasonable capital investment.

In discussion with the Site Attendant the cell (trench for waste) at Stonecliffe takes about 2.5 hours to dig and lasts about 2 weeks. The Bissett Creek landfill requires fewer new cells to be dug. Cover material is on site or is obtained free of charge as people dispose of fill material. This reduces the need to import cover material; at least in recent years. The placement of material, compaction and digging of new cells is also contracted out.

The table below shows the comparison of all waste costs included in the 2018 Financial Information Returns (FIR) for HCM and our comparators. We can see that on a net unit cost comparison per capita that HCM exceeds all other municipalities. We use net cost, which is expenditures minus any revenues, to reflect that some services generate revenue through grants; in this case tipping fees.

Table 9 Solid Waste Costs – Comparator Municipalities

2018 FIR Solid Waste (All Combined)	Total Operating Expenses	Revenue Total All Sources	Net Operating Cost without Capital	Net Cost Per Capita
Head Clara and Maria	\$ 123,618	\$ 19,942	\$ 103,676	\$ 418
Joly	\$ 22,245		\$ 22,245	\$73
Lake of the Woods	\$ 91,326	\$3,905	\$ 87,421	\$ 380
Limerick	\$ 80,562	\$ 13,703	\$ 66,859	\$ 193
Matachewan	\$ 91,336	\$120,824	(\$ 29,488)	(\$131)
Tudor & Cashel	\$ 122,234	\$ 18,127	\$ 104,107	\$ 178

- HCM costs have been adjusted to remove an \$80,000 reduction in the expected liability for post-closure expenses

The municipality of Tudor & Cashel is the only municipality with the total cost close to that of HCM. It also operates two landfills. Tudor & Cashel have about double the population of HCM. Lake of the Woods has the next highest cost per capita, having challenges with its loss of population.

The 2019 FIR data has the total for Waste Management at around \$83,000 (excluding the adjustment in post closure liabilities) and about \$13,000 in offsetting revenue. The 2020 Budget for Environmental Service expenditures and salary is approximately \$112,000 once the

Helipad and Physician recruitment are removed. Other than salary, the largest line items are site monitoring, excavation, recycling (bin collection and processing), and household hazardous waste collection.

There are two potential costs savings that could be incorporated into the waste services; these are the closure of one landfill and the reduction in the staff hours required to operate the site, as well as a corresponding reduction in contracted excavation and snow clearing required. These are estimated to be between \$20,000 and \$27,000 annually depending on the reduction in monitoring costs. This should not affect revenue. The purchase of an enclosed landscaping trailer will allow the Bissett Creek and Deux Rivieres collection routes to be done without having to return to Stonecliffe to offload between routes. Stonecliffe/Mackay may also benefit, but one must be careful not to create routes that require hooking and unhooking of the trailer as it is moved to strategic locations in the route. This could add additional time and labour costs which will reduce the savings.

Given the current discussions of regional waste management coordination the landfill could be operationally closed without completing full and final closure. Simply complete the current cell and do not dig another cell. The closure work, such as capping of the landfill, trenching of road to eliminate access, removal of gates and installing monitoring wells, could be delayed until the regional planning is completed. The operational closure will still produce annual savings.

Recommendations

- Close one landfill which will reduce salary costs, excavation, snow clearing and, potentially, monitoring costs
- Purchase an enclosed landscaping trailer to increase capacity for Bissett and Deux Rivieres routes. This will reduce the risk of injury; it will also have an application in Public Works to increase their efficiency
- Annual savings of \$20,000 to \$27,000 with a one-time cost of \$10,000 to 15,000 for a landscaping trailer

Upgrade of IT Capability

Interviews were conducted with staff to understand their role and responsibilities, as well as processes/tasks and work that they complete, including linkages with other staff, outside agencies and the public.

One aspect that was noted was the current use of information technology and the challenges and limitations of current equipment. Workstations and equipment such as scanner/copier/printer within the Township Office were not connected to a wireless network. This limited the ability to share and access key files and meant that staff had to physically copy files from one computer to another or use one specific computer due to limited software licenses.

It was noted that key documents that are necessary for operation of the Township were stored on USB drives or flash drives as well as the hard drives of the computers. A large number of flash drives, in excess of 30, were being used to store and transfer files. This led to numerous copies of the same files with no way to control the current version. Using the correct version relied on communication and the memory of staff from year to year as to what file was the current and most up to date. This issue was resolved over the summer of 2020. In addition, the changes to work environments and processes as a result of COVID-19 safe working practices meant that limitations of the existing equipment and setup became apparent and difficult to work around.

There are also limitations on the ability of staff to work remotely and to access key files and data. A virtual private network (VPN) is often used as a means to access files stored on a central server or computer by a staff member who may be working from home or at another location. Various “cloud” based, and SharePoint software can also be used to accomplish this accessibility. This flexibility could be key in winter storm events to allow staff to remain connected and productive without having to physically be in the office. This can also offer flexibility to a small staff when there are family emergencies, vacations or sick days that result in key staff being away from the office.

One limitation that was noted was the use of a wired point of sale terminal (debt machine) in the front office. The POS terminal was located in the copy room and people wanting to make a payment simply went with staff to the copy room to use the device. COVID-19 required this practice to stop; when the POS was moved to the front counter, it limited the devices that could be used in the front office – computers and printer - as there were limited connections.

We understand that a networking specialist was engaged and that the majority of the networking issues have been resolved. These changes will result in productivity increases and savings on staff time. No more searching for the correct version, copying and redoing work, or lost/corrupted flash drives which may have contained vital information. Of note is the need to ensure that adequate software and off-site back up of information is necessary to avoid issues which could occur as a result of theft of equipment, fire, or corrupted data resulting in an impediment to the Township being able to operate. An evaluation of the ability of the Township to function after losing its main data source should be conducted to ensure that in the event of lost or corrupted data that the Township can recover. This would likely result in an improved back-up process, likely using a cloud-based resource. This is a key risk for municipalities and businesses in general.

It would also be useful to obtain a wireless POS machine so that it can be used in other areas of the Township Office such as the kitchen and hall for recreation activities and the café when the snowmobilers are able to operate again. These events currently use the Square machine, which incurs substantial fees that the municipality (not the event organizers) must pay.

HCM may consider approaching the County of Renfrew to suggest it offer IT system support to its LMP's – local municipal partners. This is the model that many municipalities in Lanark County use to access IT experts to maintain and operate their IT systems. While it does have some challenges, it can be a reasonably priced service given today's ability to do so much work remotely.

Recommendations

1. Continue to upgrade the Township IT capabilities, including the wireless network, wireless network devices, and development of a virtual private network; ensuring off-site information back-up.
2. Suggest to the County that it provide IT support services on a shared services basis.

Lending Hub Operation

The Township operates a Lending Hub which allows residents and campers at the local camp sites to borrow recreational equipment ranging from bicycles to stand-up paddle boards to street hockey equipment. The equipment was initially purchased using a grant, and to date has been lent out by Township staff without any fee involved. The photo at right shows the shipping container used to host the Lending Hub. The Township has been willing to absorb the administrative costs as the equipment was purchased at no cost to the Township.



The equipment is generally still in good condition but is beginning to wear. As well, there are always new types of items that can be added. Without re-investment the Lending Hub will gradually become less attractive and less interesting. The Township could provide the required investment, though most of the users tend to be summer visitors. An alternative would be to set a modest fee that can be charged and used to cover the administrative costs and the cost of replacing worn equipment or adding new items. Residents were asked in the survey if they would support this approach. The table below provides the results:

Table 10 Survey Results – Lending Hub Fee

The Lending Hub used a grant to buy sports equipment that it lent free of charge to residents and campers. Some now needs replacement. Should borrowers be charged a fee to cover replacement and administration costs?		
Yes	53	81.54%
No	12	18.46%
Total Responses	65	

One respondent noted that the fee should only go towards Township administrative costs, but the vast majority of respondents agreed that a fee should be imposed.

Recommendation:

- That a modest fee be set for significant items borrowed from the Lending Hub. The fee should relate to the value of the items involved – e.g. the fee for a bicycle should be higher than the fee for a volleyball net. There may be some smaller items where a fee is not appropriate and should not be charged – e.g. a basketball, where a fee would discourage use.

Fire services - options to improve response to incidents

HCM does not provide or have access to fire suppression services for structure fires either from its own fire department or through an arrangement with another community or private sector provider.

The Ministry of Natural Resources does provide fire suppression at a cost for events such as forest fires. This is the cost represented in the table below which compares the costs for HCM with those of other municipalities.

Table 11 Fire Service Costs – Comparator Municipalities

2018 FIR Fire Services	Total Operating Expenses	Revenue All Sources	Net Operating Cost (without Capital)	Cost Per Capita
Head Clara and Maria	\$ 12,423		\$ 12,423	\$50
Joly	\$ 26,777		\$ 26,777	\$88
Lake of the Woods	\$ 54,456		\$ 54,456	\$ 237
Limerick	\$ 102,849	\$ 63,823	\$ 39,026	\$ 113
Matachewan	\$ 75,716		\$ 75,716	\$ 337
Tudor & Cashel	\$ 102,921		\$ 102,921	\$ 176

HCM has the lowest cost, and the lowest cost per household, as a result of the low level of service provided. In the event of a structure fire in the community, Head Clara & Maria relies on equipment owned by private individuals and businesses along with the help of concerned citizens to contain its spread. With a low volume of incidents this is a mechanism to address fire suppression. However, this approach concerns some people, particularly those who arrive from urban environments.

We have explored how our comparator municipalities provide fire suppression services; 3 of the 5 have volunteer fire departments – Lake of the Woods, Limerick and Matachewan. However, Limerick offsets the cost of its fire department by providing services to other municipalities and recovering the cost. Limerick provides services to Tudor & Cashel which in turn purchases fire suppression services from both Limerick and Madoc. Limerick recovers over 60% of its fire services expenditures. Joly and Tudor & Cashel purchase fire services from their neighbours. In HCM, the option to purchase services from neighbouring municipalities is limited by the capacity of the neighbours and by the distances and resulting time required in any responses. The potential to form a volunteer force is also limited by the small population, particularly among the younger age groups most frequently found in volunteer forces.

One alternative would be to establish a very modest fire department with a small number of career firefighters supplemented with volunteers to the extent they are available. Residents were invited to respond to this concept in the survey.

Table 12 Survey Responses – Fire Services

The Township has an agreement with the province to cover combatting forest fires, but does not have a fire department to respond to house or structure fires. Creating a fire department with one station and one full-time staff 24/7 (to be supplemented by volunteers) would require at least a doubling of property taxes. Would you favour creating a fire department?		
Yes	3	4.69%
No	61	95.31%
TOTAL	64	

The survey asked if residents would be in favour of developing a fire department if it meant a substantial increase in property taxes. Overwhelmingly, respondents did not want the service if it meant a large tax increase.

The other alternative would be to purchase fire services from another municipality. The *Fire Protection and Prevention Act* (FPPA) permits municipalities to enter into agreements to provide services to other municipalities or purchase services from outside their municipal boundaries.

In the past, the Township has requested assistance from Laurentian Hills, Deep River and Garrison Petawawa to handle vehicle extractions. All have turned down the request, largely because their municipalities would be left with no fire resources if they responded to a situation potentially 60 km away. The Town of Mattawa will respond for vehicle extraction if no other response is available, but similarly is concerned with devoting its full resources to a call from HCM.

Vehicle extractions are a particular challenge given the extent of Highway 17 that is within the Township and the volumes of traffic it carries. Calls for vehicle extraction have occurred more frequently than structure fires. They are also less expensive as the costs are generally recovered from the province or vehicle insurance.

Deep River has recently arrived at an agreement with the Chalk River Nuclear Laboratories (CRNL) to have CRNL respond to an incident in Deep River if Deep River's fire department is already occupied (and vice versa). This may allow Deep River to consider an automatic aid agreement with HCM because Deep River could count on the CRNL fire department to respond within Deep River if an event happened in concert with an event in HCM.

It should be noted that given the size of HCM it may be preferable to have support from both Mattawa and Deep River, depending upon the location of an event.

Recommendations:

- That Deep River be approached to provide responses within HCM. The approach could be for the provision of response to vehicle extraction requirements as a first step, and could potentially include response to structure fires as a second step. The response might be limited to the eastern part of HCM.
- That Mattawa be approached with a view to continuing the response to vehicle extraction requirements, at least in the western half of HCM, with further consideration of potential responses to structure fires.

Library Board Operations

The HCM Library is located in the municipal complex. The Library itself is operated by, and independent of, the Library Board. There is one part-time staff, but open hours of operation are generally staffed by volunteers and/or municipal office staff, with the library operating on an honour system. The costs of the Library operation are substantially higher than those in the comparator municipalities, both the Total Operating Costs and the Net Operating Costs after deducting revenues from grants, fines and fundraising as shown in the table below.

Table 13 **Library Costs – Comparator Municipalities**

2018 FIR Libraries	Total Operating Expenses	Revenue All Sources	Revenue as % of Expenses	Net Operating Cost	Cost Per Capita
Head Clara and Maria	\$ 37,066	\$9,281	25%	\$ 27,785	\$ 112
Joly	\$ 851			\$ 851	\$ 3
Lake of the Woods	\$4,600	\$3,043	66%	\$1,557	\$ 7
Limerick	\$3,262			\$3,262	\$ 9
Matachewan	\$0				\$0
Tudor & Cashel	\$ 10,281	\$6,729	65%	\$3,552	\$ 6

HCM does have the largest revenues, but they are not significant enough to reduce net costs to the level of other municipalities. Even Tudor & Cashel, with a population twice that of HCM, spends much less on its library services; generally just providing the facility. Matachewan does not have a formal library program, just a desk in the Township office where residents can leave or pick up books as they wish.

HCM currently provides the location and pays all utilities associated with the Library and pays the part time librarian's salary. The library does not pay when "renting" the hall for events, but the library does pay for its own telephone and internet. The comparator municipalities have much lower costs as they do not pay for a librarian.

The Library has offered a unique service to residents and visitors alike. There is limited internet access throughout the Township; the Library has provided a WIFI internet connection that can be accessed from outside the building, and that is therefore available 24/7. Thus, residents or visitors who do not have ready internet access can attend the library and check their e-mail or conduct whatever transactions may be required.

The survey asked residents whether they are aware of this service – and whether it is something that could be of use to them.

Table 14 **Survey Results - Library**

Did you know the Library offers access to the internet from the parking lot 24 hours a day?		
Yes	39	61.90%
No	24	38.10%
TOTAL	63	

Could this service be of use to you?		
Yes	29	45.31%
No	35	54.69%
TOTAL	63	

Recommendations:

- That the Township only accept responsibility to provide the library facility, facility maintenance, utilities, internet access (which is shared with the public) and accounting support to the Library
- That the Library Board have the right to allocate any grant, donation or fee revenue as they determine, including to cover salaries if desired

Road Maintenance

A number of issues arose from the survey and interviews, including:

- Improving service levels by plowing driveways and/or the windrows at driveway entrances
- The frequency of snow plowing and road patrolling
- The cost of road maintenance, and potential to reduce costs by bringing all activities in-house

As background, the table below compares the cost of winter road maintenance in HCM with that in comparable municipalities.

Table 15 Winter Road Maintenance Expenses

2018 FIR Winter Control Roads	Total Operating Expenses	Revenue All Sources	Net Operating Cost (without Capital)	Lane Kms of Road Winter Maintained	Cost Per Lane Km	Cost Per Capita
Head Clara and Maria	\$ 51,907		\$ 51,907	33	\$ 1,573	248
Joly	\$ 58,574		\$ 58,574	90	\$ 651	304
Lake of the Woods	\$ 57,635	\$6,100	\$ 51,535	143	\$ 403	230
Limerick	\$ 30,974		\$ 30,974	75	\$ 413	346
Matachewan	N/A			19		225
Tudor & Cashel	\$ 91,143		\$ 91,143	192	\$ 475	586

HCM costs per capita are modest, but the cost per lane km is high, largely because there are relatively few roads to maintain. The challenge is that the roads are widely dispersed, with significant trips on Hwy 17 between each smaller section of road to be maintained.

This is less of an issue with other road maintenance activities as shown below.

Table 16 Road Maintenance Expenses Other Than Winter Maintenance

Road Maintenance (Other than Winter)	Total Operating Expenses	Lane Kms of Road	Cost Per Lane Km	Cost Per Capita
Head Clara and Maria	182,800	71	2,575	737
Joly	304,208	134	2,270	1,001
Lake of the Woods	363,492	185	1,965	1,580
Limerick	868,615	117	7,424	2,510
Matachewan	295,133	22	13,415	1,312
Tudor & Cashel	1,026,759	206	4,984	1,752

The cost per lane km is similar to Joly and Lake of the Woods which have larger road networks, and it is much lower than some of the other municipalities. The 2020 budget does include some additional costs for adding gravel to some roads, but even with those costs the cost per capita will be lower than the comparators.

The survey asked some specific questions about expanding Township services to include clearing private driveways, or just clearing the windrows at the end of the driveways caused when the roads are plowed. The results of the survey are shown below.

Table 17 Survey Results – Driveway Clearing

Some residents want the Township to clear their driveways. Given the various lengths of driveways and the need to enter private property, that seems inappropriate. But should the Township remove the windrows across laneways that result from road plowing? It would increase taxes about \$30,000 or 4.5%.		
Yes	3	4.76%
No	60	95.24%
Total responses	63	

Table 18 Survey Results – Clearing Windrows

Should the Township clear windrows only for senior citizens? (perhaps \$15,000 or 2% tax increase)		
Yes	14	21.88%
No	50	78.13%
TOTAL	64	

Both approaches were opposed by the vast majority of respondents. In addition to the financial considerations, having the contractor who currently plows the roads for HCM stop, reverse and remove the windrow will slow the process of clearing the streets for everyone. This will mean an increase in the hours utilized, and costs to clear the snow across the whole community.

However, a number of residents did suggest special consideration be given to senior citizens who are physically not able to maintain their driveways or remove the windrows created by road plowing. In most locations it is possible to purchase such a service from private companies. In some HCM communities it may be possible to engage a neighbour – but that is not guaranteed. There are contractors in Mattawa and Deep River that advertise an interest in driveway clearing, but it would be expensive to have someone come out to handle an individual driveway. The municipality may be able to play a role in identifying residents interested in the service, and arranging to have someone local enter the business or, failing that, co-ordinate purchases so it is worth a contractor coming to HCM to clear a number of driveways.

Winter road maintenance is governed by Council policy, which is in turn is guided by the Minimum Maintenance standards (MMS) set by the Province of Ontario. The MMS for Municipal Highways were incorporated into the Municipal Act in 2001 in response to area municipalities' requests for relief from onerous court decisions on claims for damages. The municipality is considered to be meeting its obligations as long as it meets the MMS standards as set out in Regulation 239/02 allowing it to avoid (or at least reduce) liability for claims related to road and sidewalk maintenance. Not meeting the MMS means a municipality is back in a position of defending its approach in the event that it is sued pursuant to its road maintenance activities.

In May 2018, the MMS regulation was amended by Ontario Regulation 366/18 by including three significant additions related to:

- 1) declaring significant weather events;
- 2) sidewalk maintenance, and;
- 3) bicycle lanes maintenance.

Sidewalk and bicycle lane maintenance are not issues in HCM; however, in the event of severe weather that could delay the municipality's snow or ice control activities, the municipality now has the option of declaring an emergency, which extends the available time for response.

The MMS sets different requirements depending upon the classification of the road. The classification in turn depends upon the speed limit and the volume of traffic on the road. As the chart below shows, Township roads would be class 5 or 6.

Table 19 Road Classifications per MMS

Average Daily Traffic (# motor vehicles)	Speed Limit: Km/Hr						
	91-100	81-90	71-80	61-70	51-60	41-50	1-40
53,000 or more	1	1	1	1	1	1	1
23,000 - 52,999	1	1	1	2	2	2	2
15,000 - 22,999	1	1	2	2	2	3	3
12,000 - 14,999	1	1	2	2	2	3	3
10,000 - 11,999	1	1	2	2	3	3	3
8,000 - 9,999	1	1	2	3	3	3	3
6,000 - 7,999	1	2	2	3	3	4	4
5,000 - 5,999	1	2	2	3	3	4	4
4,000 - 4,999	1	2	3	3	3	4	4
3,000 - 3,999	1	2	3	3	3	4	4
2,000 - 2,999	1	2	3	3	4	5	5
1,000 - 1,999	1	3	3	3	4	5	5
500 - 999	1	3	4	4	4	5	5
200 - 499	1	3	4	4	5	5	6
50 - 199	1	3	4	5	5	6	6
0 - 49	1	3	6	6	6	6	6

The MMS for road snow removal remained unchanged from the 2018 amendments. As shown below, it indicates that the Township would have 24 hours after the accumulation of at least 10 cm of snow to clear the roadway to a width of at least 5 m.

Table 20 Snow Removal Roadways: MMS

Class of Highway	Snow Depth	Time	Roadway Width
1	2.5 cm	4 hrs	After snow accumulation ends, provide a minimum lane width with the lesser of 3 m for each lane or the actual lane width
2	5.0 cm	6 hrs	
3	8.0 cm	12 hrs	
4	8.0 cm	16 hrs	On Class 4 or 5 highways with 2 lanes, provide a total width of at least 5 m
5	10.0 cm	24 hrs	

Snow removal includes road plowing and salting, and/or applying abrasive materials or chemical or organic agents. The MMS provide that when the depth of snow accumulation is less than or equal to the depths shown in the above table, the roadway is deemed to be in a state of repair with respect to snow accumulation.

There are also MMS outcomes for snow removal on Class 6 roadways which are “once all others have been cleared”. MMS also provides 24 hours from awareness that there will be icy conditions for action to prevent icy conditions on class 4 and 5 roads. This largely doesn’t

matter as you rarely have 24 hours' notice that something will become icy (freezing rain forecast – right temperature range, etc.). However, once you identify that icy conditions exist there is less time to respond.

Table 21 Addressing Icy Conditions on Roadways: MMS

Class of Highway	Time to Address
1	3 hours
2	4 hours
3	8 hours
4	12 hours
5	16 hours
6	Once all others have been completed

There has also been concern about the time and mileage consumed patrolling highways. MMS does require that roads be patrolled regularly as follows:

Table 22 MMS Patrolling Requirements

Class of Highway	Patrolling Frequency
1	3 times every 7 days
2	2 times every 7 days
3	once every 7 days
4	once every 14 days
5	once every 30 days

As indicated, even if some of the Township roads qualify as class 4, they only require patrolling every 14 days; most roads would be class 5, only requiring patrol every 30 days. The garbage collection vehicle already travels most roads once a week. If the garbage collection staff were aware of the patrol requirements and what they should be looking for, they could conduct the patrolling at the same time as the garbage collection. There may be a need to patrol roads that do not receive garbage collection, but they would only require patrolling once a month; most are closed during the winter, eliminating the need for patrolling.

The potential to eliminate some of the contracted work and have it done in-house was also raised during discussions. The main contracts today are for the plowing and sanding of roads in the winter, and the grading of gravel roads (all Township roads are gravel) in the summer. It should be noted that the Superintendent uses the Township pick-up with a plow blade to clean up the intersections between town roads and the highway, as it would be unsafe for the larger tandem plow/sander truck used by the contractor to back-up as part of handling the windrows at the intersections.

The current contracts call for payment based on the hours of work involved with the materials included. The Superintendent controls the hours as the contractor requires authorization to initiate work. Moving the work in-house would require the Township to acquire a tandem plow/sander truck (which can be used to carry gravel in the summer), and a grader to use in the summer; and to expand the maintenance yard to build garages suitable for storing and working on this equipment. It would also require the Township to engage at least one operator, although most municipalities have two operators per vehicle to ensure they have coverage on the weekends and/or evenings or overnight. The other staff would already be busy carrying out their current roles, including set of the pick-up to clean-up intersections. The equipment would be underutilized as the Township does not require a tandem truck for many other functions, and it uses a grader only for short periods given the limited length of roads it maintains. There would be a similar problem with an additional operator (or two). It would be difficult to find them useful work when there is no snow, or the roads have been graded in the summer. A truck operator usually costs about \$45-60,000 per year and the amortization, maintenance and operating costs of a tandem truck and its accessories will cost about \$100,000 per year. These costs would far exceed the costs of the current contractor – before even considering the costs of an in-house grader. Owning unique vehicles or equipment also puts the Township at risk when there is a mechanical breakdown as there is no “spare” vehicle.

With a small road network, the Township does not have the economies of scale required to conduct an efficient road plowing, sanding or grading operation. It is generally more economical to do work in-house when you have a consistent requirement for the equipment and staff, and to contract those activities that you only require on a periodic basis – and that is the case for road plowing and sanding and summer road grading in HCM. It could improve those economies by participating in a shared service, perhaps working with Mattawa, Laurentian Hills and Deep River to have one set of equipment that handled the needs of all participants. However, that is essentially what the contractor is doing – using one group of staff and equipment to meet the needs of several clients. So, a shared services approach may not result in savings for HCM over the current contracted services.

The current contractor has been doing the work for a number of years, and has won competitive tenders each time. He indicates his hourly rates are lower than those set by the province. If there is concern the contracted rates may be sub-optimal, the Township could explore the shared services option with other municipalities.

There is also an opportunity to reduce staffing costs within Public Works. We understand that the Superintendent and the part-time Disposal Site Attendant are both likely to retire in the not too distant future. This may present the opportunity to re-organize the work so it can be completed by two full-time staff (a reduction from two full-time and one part-time). The Public Works Labourer has been with the Township for some time and is likely capable of supervising operations while continuing to carry out work directly, and with the addition of a second skilled labourer there would be the capacity to keep the landfill(s) open Saturday and conduct two person operations when required.

Recommendations:

- Promote development of a driveway snow clearing capability in HCM.
 - Consider a Township subsidy of 50% of the cost of clearing standard driveways for families without an able-bodied resident, including those incapable of driveway clearing because of age-related disability
 - Ask residents to determine how many would be willing to pay for driveway snow clearance (with subsidy for those who qualify)
 - Based on the numbers involved, determine whether there are local individuals or companies who would be willing to provide the service
 - If necessary, determine whether companies in Mattawa, Rolphoton or Deep River would be willing to provide the service.
- Continue to contract winter road plowing, sanding and summer gravel grading
- Reduce travel for road patrolling by conducting the road inspections at the same time as waste is collected on a weekly basis (this exceeds the MMS requirement) and limiting patrol of roads without garbage collection to a monthly schedule.

Administrative Costs

The Organizational Review completed in June of 2019 noted a number of changes to staffing that have helped to lower costs. In particular, it noted that most similar sized municipalities have two full-time administrative staff, a Clerk/Treasurer (or CAO/Clerk/Treasurer) and a support position which could be a Deputy Clerk/Treasurer or an Administrative Assistant. The report looked at nine municipal structures to come to that conclusion.

The financial benchmarking completed with this review also shows the Corporate Administration and Program Support Costs of HCM are high.

Table 23 Administrative Costs – Comparator Municipalities

2018 FIR Corporate Administrative and Program Support	Total Operating Expenses	Revenue All Sources	Net Operating Cost (without Capital)	Net Cost Per Capita
Head Clara and Maria	\$338,948	\$37	\$338,911	\$1,367
Joly	\$230,749	\$1,552	\$229,197	\$ 754
Lake of the Woods	\$103,928		\$103,928	\$ 452
Limerick	\$291,783	\$ 51,000	\$240,783	\$ 696
Matachewan	\$257,708	\$223,815	\$ 33,893	\$ 151
Tudor & Cashel	\$353,889	\$3,054	\$350,835	\$ 599

This chart is based on 2018 costs. The Township did see the costs of administrative staffing decrease in 2019. The 2020 budget increases to allow for the addition of a temporary part-time

Office Assistant and a 6 week overlap between Clerk-Treasurers to facilitate training. HCM has a particularly challenging circumstance with the senior position on leave and an acting person leading the administration. However, this provides some longer-term opportunities to have a casual staff person available to fill in as required with the smaller administrative staff group. The Organizational Review recognized the need to provide part-time or casual (intermittent) staff to support a small staff group during vacations, busy times of day or year, etc. It is expected that the part-time temporary position will end in January, with a casual Office Assistant being engaged on an as required basis. There will also be an increased requirement to hire contracted experts to carry out specific projects.

Recommendation:

- That the Township continue with two full-time administrative staff, with part-time, casual and project-based support as required.

Budget Preparation

Current Township processes have the budget being prepared when the previous year's financial statements have been prepared. While it may be useful to fully understand the previous year's financial performance, this process does not have the budget prepared until the year is nearly half completed. Decisions at that point can only influence spending in the second half of the year, limiting their impact. Staff have to operate for months without any budget, and by implication, without direction from Council. After election years it is essential that new councillors have some time to understand how the Township functions, but most years many municipalities complete their budget deliberations before the end of the previous year, or early in the New Year.

Recommendation:

- That the Township aim to approve its budget before the end of January, except for the years following an election, when the budget should be adopted before the end of March.

Procurement

We note that the Township does not appear to have a Standing Offer for engineering services, or for a number of trades or professional services required from time to time (electrician, plumber, etc.). A Standing Offer requests qualified professionals to indicate their availability and usually their rates, but does not guarantee any work. Respondents are selected based on their skills, experience and/or rates (as described in the Request for a Standing Offer). Once selected, the professionals selected can be called to meet particular requirements as they arise. Having a Standing Offer would allow the Township to bring in expertise whenever it might be useful; engineering expertise to design roadwork or building renovations for example. Using the same firm for a period of time can help build some familiarity of the engineering contractor with the Township facilities. There are other specialties where expertise is occasionally

required – and this approach may be useful in those areas as well. The Standing Offer will allow the Township to have access to professional advice or assistance on an as and when needed basis for smaller pieces of work without having to seek quotes or issue an RFP. This is often a key issue when trying to prepare grant applications when preliminary designs and cost estimates are required. The familiarity will also allow the smaller pieces of work to be done economically by building on past knowledge versus starting fresh with a new firm.

The procurement process is a clear area where shared service arrangements can provide substantial value. Instead of establishing its own Standing Offer arrangements, recognizing that they may not be used frequently, it may be more useful to recognize Standing Offer arrangements established by the County or other area municipalities.

Calling for a standing offer provides the competitive element required for municipal procurements and can result in more than one bidder being accepted, while setting rates for a 2 to 4-year period as appropriate.

Recommendation:

- That the Township establish a Standing Offer for engineering services and for other trades or professional services used on a regular basis
- That the Township consider partnering with the County or other local municipalities to establish a suitable range of Standing Offers