Agenda – Council – September 29, 2021

Report – Executive Policy Committee – September 21, 2021

Item No. 15 Application to Municipal Service Delivery Improvement Program (Province of Manitoba) – Public Works Level of Service Project

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 2021, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That the *Public Works LOS Project* application be approved for submission to the Municipal Service Delivery Improvement Program.

2. That the Public Service be directed to submit the application in Attachment A to the Municipal Service Delivery Improvement Program.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda – Council – September 29, 2021

Report – Executive Policy Committee – September 21, 2021

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On September 21, 2021, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: Application to Municipal Service Delivery Improvement Program (Province of Manitoba) – Public Works Level of Service Project

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Nichols	J. Berezowsky	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

Defining council-approved Levels of Service (LOS) is one of the objectives outlined in the City's *Asset Management Policy* (FI-011) and a key strategic goal within the City's *Corporate Strategic Plan*. The Province of Manitoba's Municipal Service Delivery Improvement Program has been established to provide municipalities with financial support to complete value-for-money service delivery reviews of programs and services. The report is recommending that the Public Service be directed to submit the *Public Works LOS Project* application under this funding opportunity. A resolution of Council indicating support is required in order for the application to be eligible for funding.

RECOMMENDATIONS

1. That Council approve the *Public Works LOS Project* application for submission to the Municipal Service Delivery Improvement Program.

2. That the Public Service be directed to submit the application in Attachment A to the Municipal Service Delivery Improvement Program.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The Province of Manitoba has put in place a grant program called Municipal Service Delivery Improvement Program to provide municipalities with financial support to complete value-for-money service delivery reviews of programs and services.

In order for an application to be eligible for funding, a resolution of Council is required indicating support for the proposed project.

The Public Service has identified a continuous improvement project in the Public Works department that would qualify for this funding and has prepared the grant application as attached (Attachment A). The intention would be to submit the application subsequent to obtaining support from Council.

IMPLICATIONS OF THE RECOMMENDATIONS

There is no financial impact to the 2021 Public Works Operating budget. Impacts to future budgets will be determined based on the outcomes of the audit report.

HISTORY/DISCUSSION

On March 11, 2021 the Province of Manitoba announced a $5 million program to assist municipalities across the province with process improvements that will improve municipal service delivery. The program is over the next four years and funding will not be reduced based on implemented savings by municipalities from this program.

These service delivery reviews (also referred to as 'audits' in the program materials) are intended to improve service delivery without raising taxes or reducing front line services. The program is structured that the City will work directly with a third-party consultant from a list of prequalified firms. These consultants will analyze the usual 3-E's of value-for-money projects: effectiveness, efficiency, and economy of dollars as it relates to this specific process stream.

The City will own the report of the analysis and actionable recommendations, which must be posted publicly and submitted to the Minister of Municipal Relations. The consultant will bill costs for their work directly to the Province of Manitoba.

Eligibility Criteria

To be eligible, the audit must:

- Evaluate services or programs such as transportation, protection, water and sewer, recreation and culture, planning, general government administration or other categories found in municipalities' financial plans.
- Be supported by a municipal Council resolution provided with the application.
- Result in a report that includes specific and actionable recommendations for cost savings and improved efficiencies.

Audits that include the following are not eligible:

- Opportunities for revenue generation or reductions in front line services.
- Objectives that extend beyond municipal accountability/jurisdiction.

Conditions of accepting a grant are:

- The report must be posted publicly and be submitted to the Minister of Municipal Relations.

Recommendations in the report must be reasonable and actionable for the municipality. Implementing those recommendation will result in efficiencies. Although the report will be posted publicly, the recommendations in the report are not mandatory for a municipality to implement.

Applications will be evaluated by a committee of staff from Manitoba Municipal Relations and Manitoba Finance based on:

- Return on investment/service delivery improvements
- Project alignment with program guidelines

- Promotion of joint or regional municipal audit projects
- Demonstrated financial need
- Balanced regional representation

In addition, the committee can use discretion to include other evaluation factors.

The consultant will be matched by the members of this committee to each project, although applicants are asked to suggest their preferred consultant.

There is no financial impact to the 2021 budget. Impacts to future budgets will be determined based on the outcomes of the audit report.

Project Overview

The Public Works Department will engage the support of a consultant to complete work currently underway to define current LOS and performance measures in alignment with Council-approved organizational goals and objectives for each of the eight services delivered by the department, including:

- City Beautification
- Insect Control
- Parks and Urban Forestry
- Roadway Construction and Maintenance
- Roadway Snow Clearing and Ice Control
- Transportation Planning and Traffic Management
- Fleet Management Agency
- Winnipeg Parking Authority

Furthermore, the consultant will work collaboratively with departmental staff to develop lifecycle cost models with aim to define the full cost of service delivery at the defined current service levels.

Defining council-approved LOS is one of the objectives in the City's Asset Management Policy (FI-011) and a key strategic goal within the City's Corporate Strategic Plan. It is foundational to developing an asset management program that balances costs, opportunities, and risks against the desired LOS. Having a clearly defined LOS framework allows strategic objectives to be linked with customer expectations and the technical performance of an asset. It also allows staff to use target levels of service as a baseline during lifecycle analysis and to evaluate the impacts of changes to LOS.

Ultimately by defining LOS, related performance metrics and associated costs, continued value will be provided to Winnipeggers through sustainable, efficient and effective service delivery across all public works services supported by informed and evidence-based decision-making.

With the development of the lifecycle cost models within the targeted service areas the Public Service can present LOS options connected to budget requirements for Council review and approval.

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 16, 2021

Project Name:

Application to Municipal Service Delivery Improvement Program (Province of Manitoba) – Public Works Level of Service Project

COMMENTS:

There is no financial impact to the 2021 Public Works Operating budget based on the recommendations presented in this report. Impacts to future budgets will be determined based on the outcomes of the audit report.

"signed by J. Ruby, CPA, CA"
J. Ruby, CPA, CA
Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with: n/a

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity

Direction 1: Provide efficient and focused civic administration and governance.

- Continue to implement life-cycle costing for capital projects and consider all relevant financing and delivery options.

Direction 3: Maintain strong intergovernmental cooperation.

- Pursue cost-effective sharing agreements with other governments and with the private sector for priority infrastructure projects.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

n/a

SUBMITTED BY

Department: Public Works
Division: Director's Office
Prepared by: L. Nichols, Manager, Asset Management Office
Date: August 16, 2021

Attachments: Attachment A: Grant Application MSIDP – City of Winnipeg