



Date: Wednesday, April 3, 2024

From: Niall Loble, CAO

Michael Benner, Director Development & Infrastructure

Subject: Building Shared Services Pilot with City of Owen Sound

Report CAO2024-006

This document and its attachments are public and available in an accessible format upon request.

Recommendation

That Council direct staff to enter into a Shared Service model with the City of Owen Sound for the provision of Building Services, and,

That the CAO be authorized to sign an agreement for the provision of Shared Services as per this report, to extend no later than December, 2024 and,

That staff prepare an amended by-law to designate staff of the City of Owen Sound to act as Chief Building Official, Deputy Chief Building Official and Inspector as needed, and,

That the agreement specify an agreed on 'day rate' for Building Services to be provided to the Township by the City and that the Township be invoiced on the agreed 'Day Rate' on a monthly basis, and,

That a report to Council on the pilot be provided before the end of 2024.

Background

The Township of Georgian Bluffs provides a Building Services team as part of the Development and Infrastructure department. Building Services provides a range of services to residents, primarily focused on ensuring that development in the Township is done aligned with Ontario Building Code and the Township building bylaw. This includes providing advice as to when a permit is required, support in applying for a permit, managing that permit through successive inspections to ensure building code and bylaw requirements are met, and the issuance of final permits. The team is also responsible for issuing building orders and property standards bylaw violations when needed, and managing these through the courts as may be required.



In 2023, the Building Services team issued almost 300 permits for new buildings, septic systems, pools, residential, commercial and agricultural development, accessory building, decks and more. The Building Services team generates revenue through permit fees for the Township each year which covers the cost of providing its services.

In 2023, the Building Service team experienced staffing challenges; a Building Inspector position has remained vacant through two successive recruitments. Over recent years, as has been widely reported in the media, Ontario faces an acute shortage of Building Inspectors, and as the province aspires to build more homes, this shortage will only become more acute. The Township has experienced the impacts of this shortage with the lack of applicants to its positions over recent months and has been reliant on consultant support to ensure inspections are carried out in a timely fashion.

In late 2023, the Development Services Technician went on a period of parental leave and, in late winter 2024, the Chief Building Official went on an extended period of personal leave. This left the Building Services team unstaffed at the Township. In response, the existing contract with RSM Building Consultants who provide third party building services to support to many municipalities across Ontario, has been extended to ensure uninterrupted provision of Building Services to the Township.

Analysis

The *Municipal Act, 2001* and the *Building Code Act, 1992* provide a legislated obligation on the municipality to enforce the Building Code Act and ensure that Ontario Building Code standards are met. There are multiple ways in which this requirement is met by municipalities. For some, having a Chief Building Official and Inspectors employed by the municipality addresses this need, for others, a shared service model between municipalities may meet this need, and for others, contracting this service out meets the needs.

Across Grey and Bruce Counties a range of models are used with some municipalities reliant on consultant and contractor support, some municipalities providing in house services and some, such as Chatsworth and West Grey, offering Building Services through shared service agreements. Several Grey County municipalities utilize RSM Building Consultants for support in their building teams.

The Township has been reliant on RSM Building Consultants since 2023 when through staff turnover, the Township saw a vacancy that could not be filled in the Building Services team for a Building Inspector. Currently around 2 – 3 days a week of inspection support is provided by RSM Building Consultants. In early 2024, as a result of further staffing constraints, RSM have been engaged to provide full building service coverage from plans review through building inspections and are able to provide this service on behalf of the Township through the Township CloudPermit system. RSM



work with more than 110 communities across Ontario and have significant experience across all aspects of Building Service support.

Council has provided an indication to staff that they are keen to see exploration of the potential for sharing services with other municipalities where there is potential for community benefit to be derived from such partnerships. This was embedded into the last strategic plan, and has been a frequent point of discussion with Council. There are many opportunities for sharing that the Township already adopts, and many more ways in which these could be further explored. For example, the Township;

- Works in partnership with the Township of Meaford in engaging and supporting the Inter Township Fire Department to provide fire services across the Township
- Works with the Township of Chatsworth in respect to managing the wastewater treatment lagoons
- Has more recently started working with the City of Owen Sound in respect to yard and leaf waste, the provision of water services to residents, and the provision of fire inspection services to the Township

The opportunity through these partnerships is the ability for the Township to provide residents and community with a wide range of services at a cost efficient and effective manner. Working together can enhance the services and range of services provided to both municipalities and can help reduce duplication of skillsets and competition for resources between municipalities.

In discussion with the City of Owen Sound, there is capacity to provide some support to the Township within the Building Services team within Community Services at the City. The City has a highly skilled and competent Building Services team consisting of a CBO, Deputy CBO and Inspector. As experienced in many areas, 2023 saw a decline in building activity, and while Owen Sound remains ready for development, developers have slowed the pace of construction. As such, the City has seen a decrease in demand over recent months for its Building Services team. While it is firmly anticipated this demand will return, the City indicates it anticipates that this will not be for several months yet.

Given that staff believe it is likely that the existing constraints on staffing at the Township are likely to extend over much of 2024 and that the City has some capacity to provide support, there is an opportunity to explore, as a pilot, if Building Services could be delivered as a shared service between Owen Sound and the Township.

For the Township, this delivers a localised service to residents that meets the needs of community. It provides an increased scope of service coverage with access to Inspectors, Deputy CBO and CBO services, all provided through the Townships own CloudPermit system. For the City, delivering services in this way provides for a source



of revenue to help meet the costs of Building Services and ensures that the City remains in a state of readiness for future development.

In discussion with the City, the City is able to support two full days of coverage to the Township consisting of plans review, permit issuance, building order management and inspections. The City will also be able to support with advice and support in managing building services in the Township.

This would provide an excellent basis on which to pilot a shared service model and see if this is something that there would be mutual benefit from exploring further in future years.

The Township would continue to retain RSM Building Consultants to ensure that building services support remained in place at all times, though anticipate that through working in partnership with the City, the need for RSM support would be reduced over time. In addition, staff are bringing in administrative support for Development and Infrastructure services in the form of agency staff to provide support through the balance of ongoing parental leaves.

Financial Impact

There will be no impact to the tax budget through this work. It is anticipated that all costs associated with this will be borne from existing staff savings as a result of vacant position and from building permit fees. A day rate will be agreed between the City and Township which will be invoiced monthly.

Strategic Priorities

N/A

Conclusion

It is recommended that a Shared Services pilot be entered into with the City of Owen Sound to explore the provision of Building Services on a shared basis.

Respectfully Submitted: Niall Loble, CAO