

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, Report No. 28, of the Committee of the Whole (Working Session), which was adopted, as amended, by the Council of the City of Vaughan on June 23, 2015, as follows:

By approving that the communication campaign team report back with explanations of the multiple channels that will be utilized to inform the residents about the service levels and winter storm related news.

3 ROADS WINTER MAINTENANCE PROGRAM SERVICE LEVELS AND CONTRACT

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Public Works and the Director of Transportation Services, Parks and Forestry Operations dated June 17, 2015, be approved; and
- 2) That Communication C32 presentation material entitled, “Roads Winter Maintenance Service Levels and Contract”, be received.

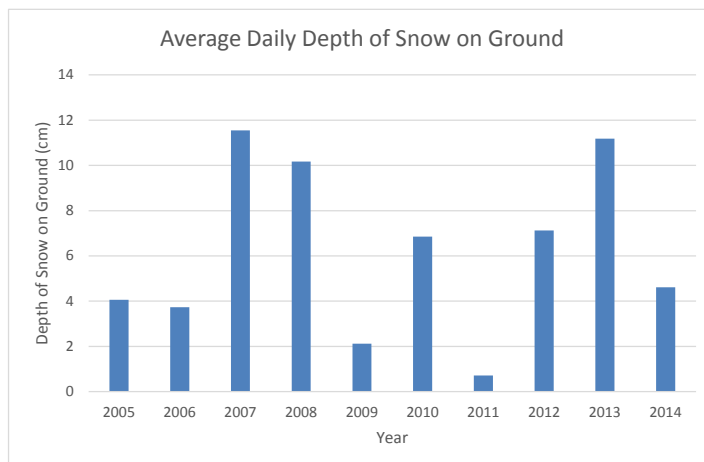
Recommendation

That the Commissioner of Public Works and the Director of Transportation Services, Parks and Forestry Operations, in consultation with the Acting Commissioner of Legal & Administrative Services/City Solicitor, and Director of Continuous Improvement, recommend:

1. That Council endorse the Service Level Objectives for Roads Winter Maintenance in Attachment 1;
2. That Council endorse staff in proceeding with a competitive procurement process for a Roads Winter Maintenance award with the following criteria:
 - a) The award is performance-based as per the Service Level Objectives for Winter Maintenance (in Attachment 1); and
 - b) The term of contract is for a ten (10) years (beginning in November 2016)

Contribution to Sustainability

In the past two seasons, there has been more snow on Vaughan’s roads due to severe winter weather as illustrated in the graph below.



CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, CW(WS) Report No. 28 – Page 2

This has led to higher costs for winter maintenance. In 2014, a draw of \$4.4M on the Winterization reserve was processed. This draw represented 87% of available reserve balance, resulting in a year-end Winterization reserve balance of \$0.7M.

With more severe winter weather, this report contributes to the financial sustainability of the roads winter maintenance program. A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents.

Economic Impact

The roads winter maintenance operating expenditures budget is \$9.3M (2015), including internal labour and other costs, and external service contracts.

Approval of the Service Level Objectives for Roads Winter Maintenance in Attachment 1 will require an increase in the current snow removal budget from \$200K to \$725K annually to reflect actual costs. It is expected that this budget increase will be funded through potential cost savings realized through the new contract framework or, if required, through taxation.

Communications Plan

A residents' survey was conducted as part of the 2014 Operational Review of Winter Control Programs; a detailed analysis of the survey is available on "Have Your Say" on Vaughan.ca. The survey found that:

- Residents largely feel positively about the winter control services provided by the City and the associated levels of service;
- Residents would not welcome a reduction in service or an increase in taxes to secure a higher level of service; and
- The City should look at leveraging local radio and TV stations and other tools to provide up-to-date winter storm-related communications.

In the 2014 Citizen Survey, 84% of residents were satisfied with road snow removal and 76% with end of driveway snow removal, and that these services are priorities (9 and 7 respectively) for improving overall satisfaction in Vaughan.

Further citizen consultation was not conducted as part of this report as a significant change to roads winter maintenance service levels is not proposed; three of the four service level changes are to formally approve existing practices and one (windrow clearing) is a change to a Council-directed operational practice.

The Roads Winter Maintenance Service Level Objectives in Attachment 1 will provide the basis to develop a proactive communication campaign (prior to the 2016/17 winter season) to inform residents of the service that they will receive during a winter storm event. The goal of the communication campaign is to provide residents with multiple channels to receive information about service levels and winter storm-related news. The communications campaign will also aim to provide one customer service window for residents.

Purpose

The report requests Council approval of the Roads Winter Maintenance Service Level Objectives, and authority to proceed with a competitive procurement process for a 10-year performance based contract for roads winter maintenance services. A new contract framework based on clearly defined Service Level Objectives will provide the best value for money for Vaughan's residents.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, CW(WS) Report No. 28 – Page 3

Background - Analysis and Options

The adoption of updated Winter Maintenance Service Level Objectives for City roads is recommended

The Operational Review of Winter Maintenance found that Vaughan residents receive some of the highest levels of winter maintenance services in the GTA. The Operational Review also found that the City is currently providing service levels greater than those that have been formally approved by Council because service levels have been “evolving” in response to citizen service requests and greater accumulation of snow on the roads. The Operational Review recommends clarifying and formalizing service level objectives, prior to proceeding with a request for tender for winter maintenance services in 2016/17.

The highlights of the Service Level Objectives are:

- *Primary and Secondary Road Salting and Plowing:* No change
- *Laneway Salting and Plowing:* An increase to the previously approved service level to formalize the existing practice of maintaining laneways as secondary roads.
 - *Windrows:* Operational change to no longer require the snow plow and windrow machine to operate within close proximity of each other (“coupling”). Service level standards will continue to be met.
 - *Snow Removal:* Request to approve service levels for snow removal to formalize existing practice.

A Winter Control Programs Operational Review was completed in 2014 (see Attachments 2 and 3)

On May 21, 2014, Council received the Operational Review of Winter Control Programs, which identified “opportunities to improve aspects of efficiency, effectiveness and cost management.” A summary of the recommendations from this review is in Attachment 2; this report responds to 1, 3, 5 and 8 of the Operational Review, and work is underway on the remaining recommendations.

Operational Review Recommendations		Response
1	Prior to developing a Request for Tender (RFT) for a new contract for the delivery of Winter Control Programs, review, clarify and formalize service level objectives for the City's Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1).
3	Consider alternative contracting and costing frameworks for Winter Maintenance contracts, including performance based work specifications.	This report requests approval for staff to proceed with a competitive procurement process for a 10-year performance based award for roads winter maintenance services.
5	While windrow clearing is a key service provided by the City, consider de-coupling windrow clearing from the plowing of roads.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1), including item 3.1 related to windrow clearing.
8	Implement and resource a communications protocol for developing and delivering proactive communications about Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1). The service level objectives in provide the basis to develop a proactive communication campaign beginning the 2016/17 season.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, CW(WS) Report No. 28 – Page 4

A new long term performance based contract (10 years) starting in 2016/17 will allow bidders to reduce their risk by increasing the amortization period in capital (new and reliable equipment) leading to more efficient and cost effective service delivery. This will provide the best value for money for Vaughan’s residents.

Performance based contracts are a tool used by buying organizations to achieve better service delivery performance, lower costs or both. Rather than focus on “how work will be performed”, performance based contracts focus on the service level achieved when the work has been completed, and rewarding (or penalizing) the contractor based on exceeding or missing the service level.

As the focus is on desired and achieved service delivery performance, performance based contracts can easily be aligned with the City’s residents’ overarching requirements. For the Winter Control Programs, residents’ requirements are effectively captured (and articulated) in the service levels in Attachment 1, e.g., we need our roads/windrows/laneways cleared – and the ability to meet these requirements is the yardstick by which the contractor is measured.

In this environment, the contractor would be accountable for ensuring that service levels are met and is responsible for incorporating quality control into its service delivery model, and will be penalized (fined) if service levels are not met. The City’s current contract framework (based on providing specific equipment for a specific price) makes it difficult to link contractor’s performance directly to the service level, and the City is held accountable by residents with little opportunity to get redress from the contractor.

A feature of many performance based contracts, particularly those requiring contractors to invest in facilities and/or equipment, is that the term of the contract is often longer than service contracts based largely on price. This is so that capital equipment / facilities associated with the contract (a fixed cost) can be amortized over a period that is closer to the life of the equipment and so reduce the annual contract cost. An additional benefit of the longer amortization period is that the bidders may be able to invest in newer, more cost effective equipment as they are not limited using their existing fleet fleets.

<i>Features of a Performance Based Contract:</i>	Focuses on the “what” (i.e. service levels)	Higher quality assurance	Encourages cost savings and innovations	Long-term contract minimizes bidder risk pricing
Citizen Focus	<i>Contract is focused on service delivery to citizens</i>		<i>Best value for money</i>	
Business Effectiveness	<i>Encourages different ways to achieve the same result (innovation)</i>	<i>Payment is tied to achievement of service levels</i>	<i>Potential for cost savings</i>	<i>Capital can be amortized to reduce risk and costs</i>
Consistency in Service Delivery	<i>TPSFO oversees quality assurance</i>			<i>New, cost effective and reliable equipment reliable can be worked into contract price</i>

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, CW(WS) Report No. 28 – Page 5

Risks associated with Performance Based Contracts:

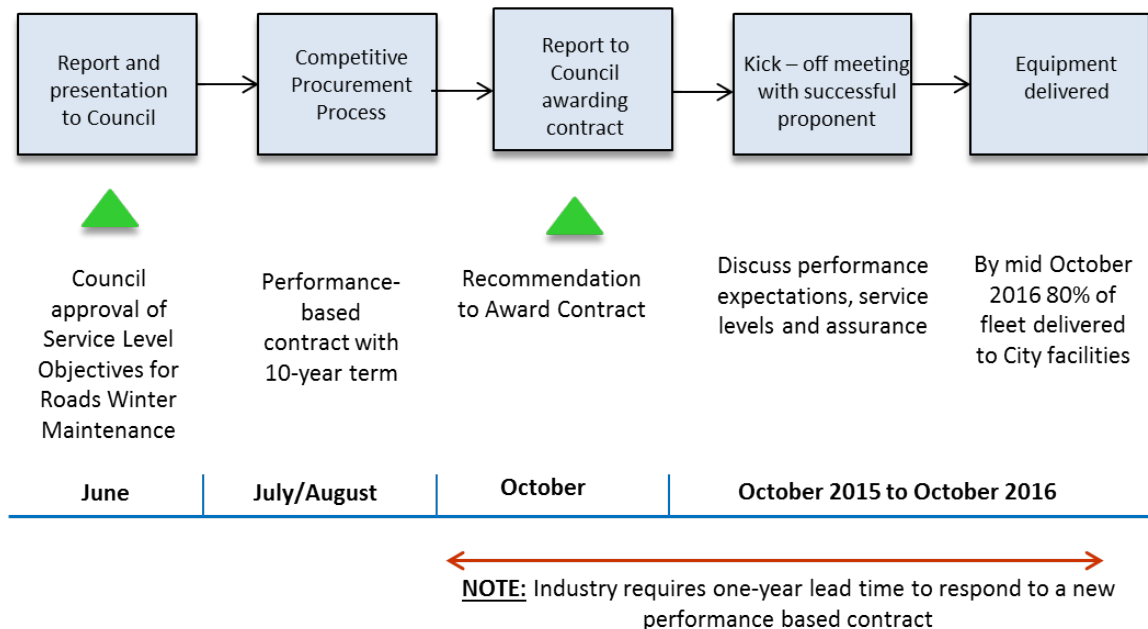
The recent Auditor General of Ontario's report on the Province's Winter Highway Maintenance performance based contracts, identified risks that the City must take into account when developing the specifications for the contract and the governance framework for managing the contract. These risks include:

- Not adequately factoring in the contractor's ability to deliver required services and focusing too much on cost;
- Not developing a risk-based approach to auditing contractors;
- Relying too much on contractors to self-report performance, rather than having real-time access to key performance data; and,
- Not aligning performance or other penalties appropriately with the City's liabilities for meeting the Ministry's Minimum Maintenance Standards.

Transportation Services, Parks and Forestry Operations is aware of these risks and will include provisions in the competitive procurement process to mitigate these risks:

- Incorporating the Roads Winter Maintenance Service Level Objectives in the performance requirement;
- City staff assuming a quality assurance role to monitor the contractor's achievement of service level objectives; and
- Including increased liquidated damages for non-performance.

Once service levels are approved, staff will proceed with a competitive procurement process for a performance-based roads winter maintenance award in summer of 2015 and report back to Council with results in October 2015



Transportation Services, Parks and Forestry Operations will bring forward a separate report in 2015 requesting approval of Service Level Objectives for Sidewalk Winter Maintenance and evaluating different operational models (including outsourcing) for improving sidewalk maintenance.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 3, CW(WS) Report No. 28 – Page 6

Relationship to Vaughan Vision 2020/Strategic Plan

A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents. This purpose contributes to the following Vaughan Vision 2020 goals:

Goal: Service Excellence

- Objective: *Demonstrating excellence in service delivery*

Goal: Organizational Excellence

- Objective: *Ensure financial sustainability*
- Objective: *Enhance and ensure community safety, health & wellness*

Goal: Management Excellence

- Objective: *Maintain assets and infrastructure integrity*

Regional Implications

The Operational Review of Winter Maintenance found that Vaughan residents receive some of the highest levels of winter maintenance services in the Region.

Transportation Services, Parks and Forestry Operations will continue working with its Regional partners to ensure that winter maintenance activities are coordinated to deliver service to citizens (e.g. windrow clearing for homes on arterial roads).

Conclusion

It is recommended that Council endorse the updated Roads Winter Maintenance Service Level Objectives, and give authority to staff to proceed with a competitive procurement process for a 10-year performance based contract for roads winter maintenance services for the 2016/17 winter season. A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents.

Attachments

1. Roads Winter Maintenance Service Level Objectives
2. 2014 Operational Review of Winter Control Programs – Summary of Recommendations
3. Winter Programs Operational Review – Council Extract (May 27, 2014)

Report prepared by:

Zoran Postic, Director, Transportation, Parks and Forestry Operations x. 6137

Derek Patterson, Director, Innovation and Continuous Improvement x. 8053

Jeff Johnston, Manager, Roads Maintenance x. 6120

Leah Zilnik, Manager, Special Projects x.8745

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

C32 - CW(ws) June 17/15 - Item 3

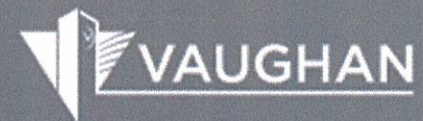


ROADS WINTER MAINTENANCE **SERVICE LEVELS & CONTRACT**

Committee of the Whole Working Session

June 17, 2015

Public Works Commission



PURPOSE

The report requests Council to endorse the following items:

1. Roads winter maintenance service level objectives
2. Authority to proceed with new 10-year performance based contract(s)



AGENDA

1. History

- Impact of recent winters
- Earlier operational review work

2. Moving forward

- Roads winter maintenance service levels
- Performance based contract

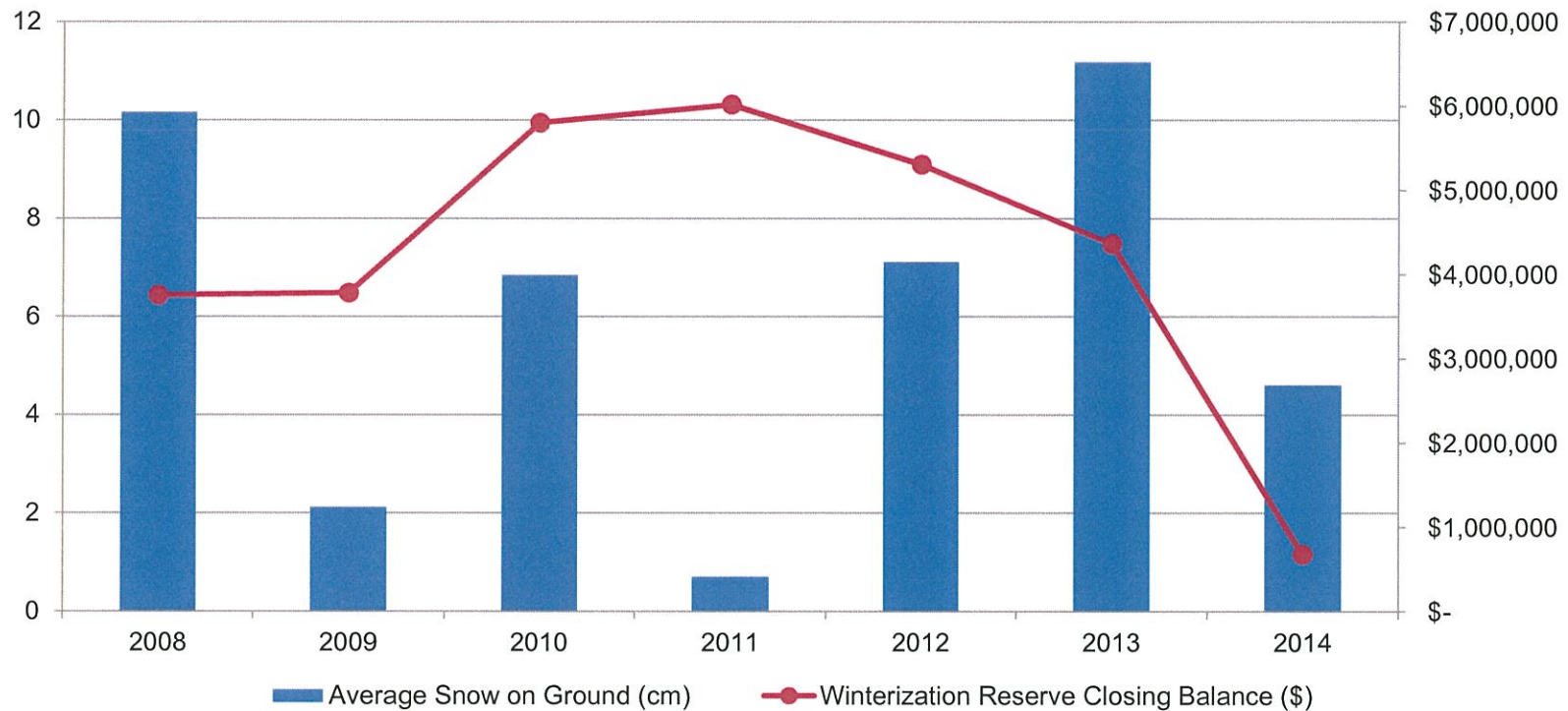
3. Road map to execution

- 2016/17 winter season



IMPACT OF RECENT WINTERS ON RESERVE

*More snow on the roads due to severe winter weather.
2014 year-end Winterization reserve balance of \$0.7M.*



EARLIER OPERATIONAL WORK : KEY FINDINGS

- A number of factors impact ability to deliver “Service Excellence”:
 - The City is currently providing service levels greater than those that have been formally approved by Council
 - Operating practices can constrain the ability to meet all service level objectives cost effectively
 - Snow removal operations have had to be implemented in certain areas
 - While much data is collected, it is challenging to turn it into timely information to assess and address issues
 - More timely information needs to be provided to citizens



EARLIER OPERATIONAL WORK: RECOMMENDATIONS

This report specifically responds to three recommendations:

1. Prior to developing a new winter control contract:
 - review, clarify and formalize service level objectives.
2. Consider alternative contracting and costing frameworks
 - including performance based work specifications.
3. Windrow clearing is a key service provided by the City
 - consider de- coupling windrow clearing from the plowing of roads.



MOVING FORWARD: SALTING OPERATION

SALTING: Winter maintenance Service Levels	
Primary Roads	Commences when snow or ice begins to accumulate on roadway Complete one pass within 4 hours of starting salting/sanding operations
Secondary Roads	Commences once all Primary Roads have been maintained Complete one pass within 12 hours of starting salting/sanding operations
Rear Laneways	Commences once all Primary Roads have been maintained Complete one pass within 12 hours of starting salting/sanding operations



No change to service level previously approved by Council	Increase to service level to formalize existing practice	Operational change
---	--	--------------------

MOVING FORWARD: PLOWING OPERATION

PLOWING: Winter Maintenance Service Levels	
Primary Roads	Commences when snow accumulation reaches 5cm or 2 inches Completed within 4 hours of the end of a winter event
Secondary Roads	Commences when snow accumulation exceeds 5cm or 2 inches Completed within 16 hours of the end of a winter event
Rear Laneways	Commences when snow accumulation exceeds 5cm or 2 inches Completed within 16 hours of the end of a winter event



No change to service level
previously approved by Council

Increase to service level to
formalize existing practice

Operational change

MOVING FORWARD: WINDROW and SNOW REMOVAL

Windrow Clearing and Snow Removal	
Windrow Clearing	Provided to residential properties only Remove 80% of snow left by road plows within 4 hours of plowing
Snow Removal	Occurs in business districts when snow windrow height reaches or exceeds 45cm or 18 inches Occurs on designated roadways at discretion of City Supervisory Personnel

No change to service level
previously approved by Council

Increase to service level to
formalize existing practice

Operational change

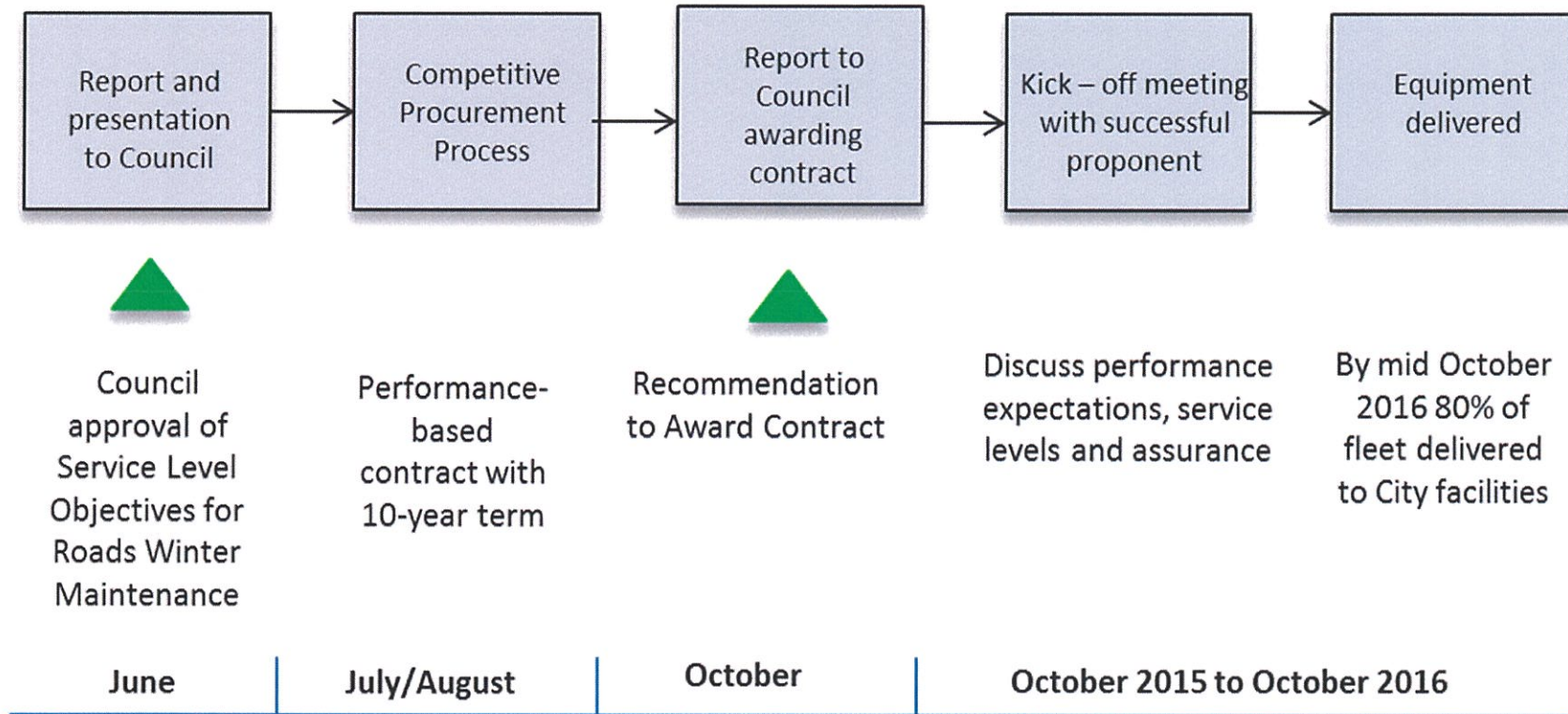


MOVING TOWARDS A PERFORMANCE BASED CONTRACT

- Current framework based on equipment and price
 - Difficult to link service level to performance
- Moving towards a performance based contract(s)
 - achieve better service delivery/performance, lower costs or both
- Focus on the “what” or citizen expectations
 - rewards (exceeding a threshold) or penalty (missing work)
- Contractor accountable for operations
 - Incorporate quality control into their operation
- City staff oversee quality assurance
 - ability to meet is the yardstick used to measure performance



ROAD MAP TO 2016/17 WINTER SEASON



←—————→
NOTE: Industry requires one-year lead time to respond to a new performance based contract



COMMITTEE OF THE WHOLE (WORKING SESSION) JUNE 17, 2015

ROADS WINTER MAINTENANCE PROGRAM SERVICE LEVELS AND CONTRACT

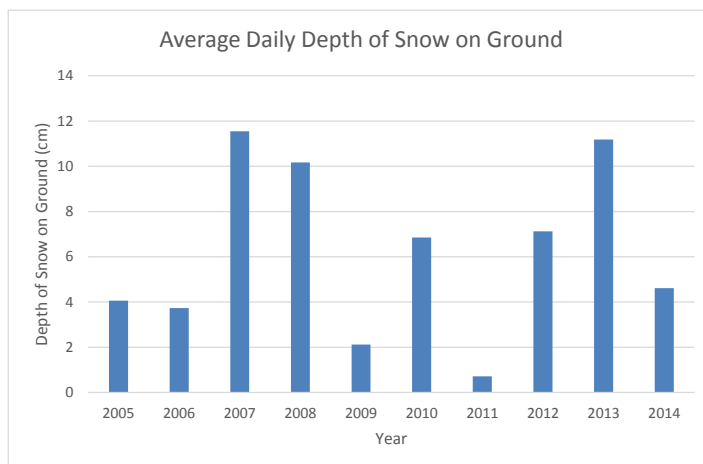
Recommendations

That the Commissioner of Public Works and the Director of Transportation Services, Parks and Forestry Operations, in consultation with the Acting Commissioner of Legal & Administrative Services/City Solicitor, and Director of Continuous Improvement, recommend:

1. That Council endorse the Service Level Objectives for Roads Winter Maintenance in Attachment 1;
2. That Council endorse staff in proceeding with a competitive procurement process for a Roads Winter Maintenance award with the following criteria:
 - a) The award is performance-based as per the Service Level Objectives for Winter Maintenance (in Attachment 1); and
 - b) The term of contract is for a ten (10) years (beginning in November 2016)

Contribution to Sustainability

In the past two seasons, there has been more snow on Vaughan's roads due to severe winter weather as illustrated in the graph below.



This has led to higher costs for winter maintenance. In 2014, a draw of \$4.4M on the Winterization reserve was processed. This draw represented 87% of available reserve balance, resulting in a year-end Winterization reserve balance of \$0.7M.

With more severe winter weather, this report contributes to the financial sustainability of the roads winter maintenance program. A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents.

Economic Impact

The roads winter maintenance operating expenditures budget is \$9.3M (2015), including internal labour and other costs, and external service contracts.

Approval of the Service Level Objectives for Roads Winter Maintenance in Attachment 1 will require an increase in the current snow removal budget from \$200K to \$725K annually to reflect actual costs. It is expected that this budget increase will be funded through potential cost savings realized through the new contract framework or, if required, through taxation.

Communications Plan

A residents' survey was conducted as part of the 2014 Operational Review of Winter Control Programs; a detailed analysis of the survey is available on "Have Your Say" on Vaughan.ca. The survey found that:

- Residents largely feel positively about the winter control services provided by the City and the associated levels of service;
- Residents would not welcome a reduction in service or an increase in taxes to secure a higher level of service; and
- The City should look at leveraging local radio and TV stations and other tools to provide up-to-date winter storm-related communications.

In the 2014 Citizen Survey, 84% of residents were satisfied with road snow removal and 76% with end of driveway snow removal, and that these services are priorities (9 and 7 respectively) for improving overall satisfaction in Vaughan.

Further citizen consultation was not conducted as part of this report as a significant change to roads winter maintenance service levels is not proposed; three of the four service level changes are to formally approve existing practices and one (windrow clearing) is a change to a Council-directed operational practice.

The Roads Winter Maintenance Service Level Objectives in Attachment 1 will provide the basis to develop a proactive communication campaign (prior to the 2016/17 winter season) to inform residents of the service that they will receive during a winter storm event. The goal of the communication campaign is to provide residents with multiple channels to receive information about service levels and winter storm-related news. The communications campaign will also aim to provide one customer service window for residents.

Purpose

The report requests Council approval of the Roads Winter Maintenance Service Level Objectives, and authority to proceed with a competitive procurement process for a 10-year performance based contract for roads winter maintenance services. A new contract framework based on clearly defined Service Level Objectives will provide the best value for money for Vaughan's residents.

Background - Analysis and Options

The adoption of updated Winter Maintenance Service Level Objectives for City roads is recommended

The Operational Review of Winter Maintenance found that Vaughan residents receive some of the highest levels of winter maintenance services in the GTA. The Operational Review also found that the City is currently providing service levels greater than those that have been formally approved by Council because service levels have been “evolving” in response to citizen service requests and greater accumulation of snow on the roads. The Operational Review recommends clarifying and formalizing service level objectives, prior to proceeding with a request for tender for winter maintenance services in 2016/17.

The highlights of the Service Level Objectives are:

- *Primary and Secondary Road Salting and Plowing:* No change
- *Laneway Salting and Plowing:* An increase to the previously approved service level to formalize the existing practice of maintaining laneways as secondary roads.
- *Windrows:* Operational change to no longer require the snow plow and windrow machine to operate within close proximity of each other (“coupling”). Service level standards will continue to be met.
- *Snow Removal:* Request to approve service levels for snow removal to formalize existing practice.

A Winter Control Programs Operational Review was completed in 2014 (see Attachments 2 and 3)

On May 21, 2014, Council received the Operational Review of Winter Control Programs, which identified “opportunities to improve aspects of efficiency, effectiveness and cost management.” A summary of the recommendations from this review is in Attachment 2; this report responds to 1, 3, 5 and 8 of the Operational Review, and work is underway on the remaining recommendations.

Operational Review Recommendations		Response
1	Prior to developing a Request for Tender (RFT) for a new contract for the delivery of Winter Control Programs, review, clarify and formalize service level objectives for the City's Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1).
3	Consider alternative contracting and costing frameworks for Winter Maintenance contracts, including performance based work specifications.	This report requests approval for staff to proceed with a competitive procurement process for a 10-year performance based award for roads winter maintenance services.
5	While windrow clearing is a key service provided by the City, consider de-coupling windrow clearing from the plowing of roads.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1), including item 3.1 related to windrow clearing.
8	Implement and resource a communications protocol for developing and delivering proactive communications about Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1). The service level objectives in provide the basis to develop a proactive communication campaign beginning the 2016/17 season.

A new long term performance based contract (10 years) starting in 2016/17 will allow bidders to reduce their risk by increasing the amortization period in capital (new and reliable equipment) leading to more efficient and cost effective service delivery. This will provide the best value for money for Vaughan's residents.

Performance based contracts are a tool used by buying organizations to achieve better service delivery performance, lower costs or both. Rather than focus on "how work will be performed", performance based contracts focus on the service level achieved when the work has been completed, and rewarding (or penalizing) the contractor based on exceeding or missing the service level.

As the focus is on desired and achieved service delivery performance, performance based contracts can easily be aligned with the City's residents' overarching requirements. For the Winter Control Programs, residents' requirements are effectively captured (and articulated) in the service levels in Attachment 1, e.g., we need our roads/windrows/laneways cleared – and the ability to meet these requirements is the yardstick by which the contractor is measured.

In this environment, the contractor would be accountable for ensuring that service levels are met and is responsible for incorporating quality control into its service delivery model, and will be penalized (fined) if service levels are not met. The City's current contract framework (based on providing specific equipment for a specific price) makes it difficult to link contractor's performance directly to the service level, and the City is held accountable by residents with little opportunity to get redress from the contractor.

A feature of many performance based contracts, particularly those requiring contractors to invest in facilities and/or equipment, is that the term of the contract is often longer than service contracts based largely on price. This is so that capital equipment / facilities associated with the contract (a fixed cost) can be amortized over a period that is closer to the life of the equipment and so reduce the annual contract cost. An additional benefit of the longer amortization period is that the bidders may be able to invest in newer, more cost effective equipment as they are not limited using their existing fleet fleets.

<i>Features of a Performance Based Contract:</i>	Focuses on the "what" (i.e. service levels)	Higher quality assurance	Encourages cost savings and innovations	Long-term contract minimizes bidder risk pricing
Citizen Focus	<i>Contract is focused on service delivery to citizens</i>		<i>Best value for money</i>	
Business Effectiveness	<i>Encourages different ways to achieve the same result (innovation)</i>	<i>Payment is tied to achievement of service levels</i>	<i>Potential for cost savings</i>	<i>Capital can be amortized to reduce risk and costs</i>
Consistency in Service Delivery	<i>TPSFO oversees quality assurance</i>			<i>New, cost effective and reliable equipment reliable can be worked into contract price</i>

Risks associated with Performance Based Contracts:

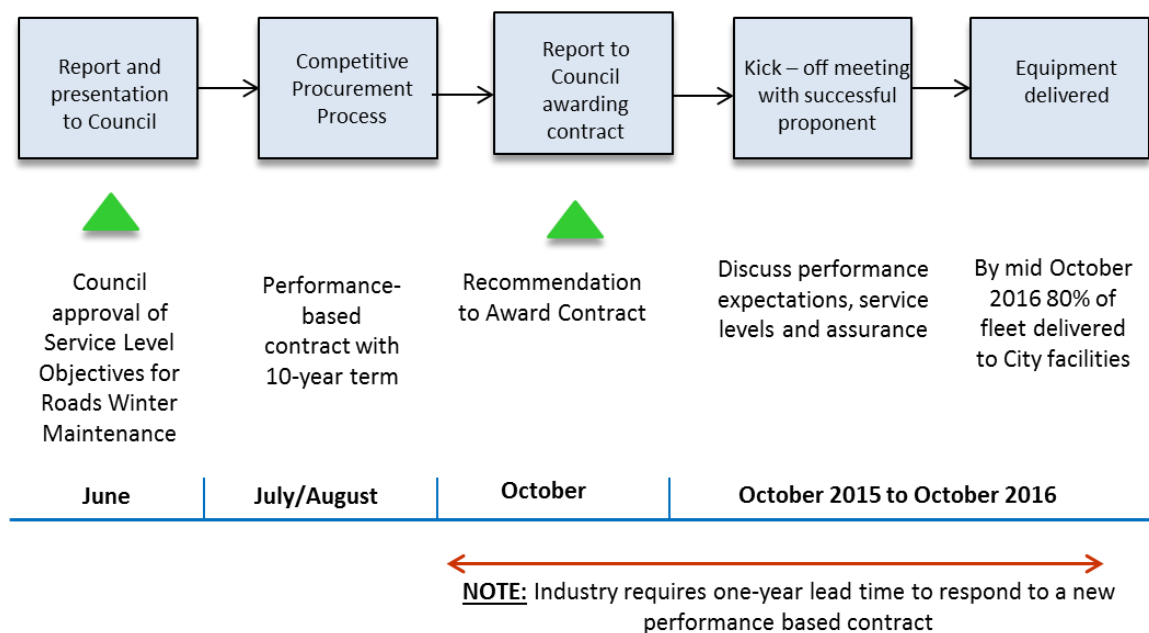
The recent Auditor General of Ontario's report on the Province's Winter Highway Maintenance performance based contracts, identified risks that the City must take into account when developing the specifications for the contract and the governance framework for managing the contract. These risks include:

- Not adequately factoring in the contractor's ability to deliver required services and focusing too much on cost;
- Not developing a risk-based approach to auditing contractors;
- Relying too much on contractors to self-report performance, rather than having real-time access to key performance data; and,
- Not aligning performance or other penalties appropriately with the City's liabilities for meeting the Ministry's Minimum Maintenance Standards.

Transportation Services, Parks and Forestry Operations is aware of these risks and will include provisions in the competitive procurement process to mitigate these risks:

- Incorporating the Roads Winter Maintenance Service Level Objectives in the performance requirement;
- City staff assuming a quality assurance role to monitor the contractor's achievement of service level objectives; and
- Including increased liquidated damages for non-performance.

Once service levels are approved, staff will proceed with a competitive procurement process for a performance-based roads winter maintenance award in summer of 2015 and report back to Council with results in October 2015



Transportation Services, Parks and Forestry Operations will bring forward a separate report in 2015 requesting approval of Service Level Objectives for Sidewalk Winter Maintenance and evaluating different operational models (including outsourcing) for improving sidewalk maintenance.

Relationship to Vaughan Vision 2020/Strategic Plan

A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents. This purpose contributes to the following Vaughan Vision 2020 goals:

Goal: Service Excellence

- Objective: *Demonstrating excellence in service delivery*

Goal: Organizational Excellence

- Objective: *Ensure financial sustainability*
- Objective: *Enhance and ensure community safety, health & wellness*

Goal: Management Excellence

- Objective: *Maintain assets and infrastructure integrity*

Regional Implications

The Operational Review of Winter Maintenance found that Vaughan residents receive some of the highest levels of winter maintenance services in the Region.

Transportation Services, Parks and Forestry Operations will continue working with its Regional partners to ensure that winter maintenance activities are coordinated to deliver service to citizens (e.g. windrow clearing for homes on arterial roads).

Conclusion

It is recommended that Council endorse the updated Roads Winter Maintenance Service Level Objectives, and give authority to staff to proceed with a competitive procurement process for a 10-year performance based contract for roads winter maintenance services for the 2016/17 winter season. A new contract framework based on clearly defined service levels will provide the best value for money for Vaughan's residents.

Attachments

1. Roads Winter Maintenance Service Level Objectives
2. 2014 Operational Review of Winter Control Programs – Summary of Recommendations
3. Winter Programs Operational Review – Council Extract (May 27, 2014)

Report prepared by:

Zoran Postic, Director, Transportation, Parks and Forestry Operations x. 6137
Derek Patterson, Director, Innovation and Continuous Improvement x. 8053
Jeff Johnston, Manager, Roads Maintenance x. 6120
Leah Zilnik, Manager, Special Projects x.8745

Respectfully submitted,

Paul Jankowski,
Commissioner of Public Works

Zoran Postic,
Director of Transportation Services,
Parks and Forestry Operations

ATTACHMENT 1: ROADS WINTER MAINTENANCE SERVICE LEVEL OBJECTIVES

FOR COUNCIL APPROVAL		
SERVICE		SERVICE LEVEL OBJECTIVE
1.0	Plowing	
1.1	Plowing Primary Roads	Commences when snow accumulation reaches 5cm or 2 inches Completed within 4 hours of the end of a winter event
1.2	Plowing Secondary Roads	Commences when snow accumulation exceeds 5cm or 2 inches Completed within 16 hours of the end of a winter event
1.3	Plowing Rear Laneways	Commences when snow accumulation exceeds 5cm or 2 inches Completed within 16 hours of the end of a winter event
2.0	Salting/ Sanding	
2.1	Salting/Sanding Primary Roads	Commences when snow or ice begins to accumulate on roadway Complete one pass within 4 hours of starting salting/sanding operations
2.2	Salting/Sanding Secondary Roads	Commences once all Primary Roads have been maintained Complete one pass within 12 hours of starting salting/sanding operations
2.3	Salting/Sanding Rear Laneways	Commences once all Primary Roads have been maintained Complete one pass within 12 hours of starting salting/sanding operations
3.0	Other	
3.1	Windrow Clearing	Provided to residential properties only Remove 80% of snow left by road plows within 4 hours of plowing
3.2	Snow Removal	Occurs in business districts when snow windrow height reaches or exceeds 45cm or 18 inches Occurs on designated roadways at discretion of City Supervisory Personnel
4.0	Extenuating Circumstances Where Service Levels May be Exceeded	
4.1	Continuing Storms	In extended winter events, Service Level Objectives may not be met Priority for service based on higher class of road
4.2	Accidents & Vehicle Breakdowns	Plowing and windrow clearing completion times may be exceeded
LEGEND		
No change to service level previously approved by Council		Operational change
Increase to service level to formalize existing practice		

ATTACHMENT 1: ROADS WINTER MAINTENANCE SERVICE LEVEL OBJECTIVES

1.3 and 2.3: Plowing and Salting/ Sanding Rear Laneways:

- Service Levels previously approved by Council (CW(WS) February 25, 2008) were:
 - Rear lanes are maintained only after all other roads have been completed.
 - Rear lanes are maintained through the application of salt.
 - Circumstances permitting, if snow and ice accumulations reach 15 cm or 6 inches, or if severe rutting occurs, snow removal will be commenced
- The current practice is to provide the same level of service to laneways as secondary roads.
- Because of the increase in number of laneways in The City and greater accumulation of snow, laneways have become increasingly unpassable and The City has received more complaints from citizens unable to safely leave their homes in their vehicles.
- No budget impact

3.2 Snow Removal:

- Service levels for snow removal have not been previously approved by Council.
- Current annual budget for snow removal is approximately \$200K
- The five year historical average actual cost for snow removal was approximately \$725K
- The \$525K budget gap will be funded through potential cost savings that may be realized through the new contract framework or through an ARR in 2016

3.1 Windrow Clearing:

- Service Levels previously approved by Council (July 12, 1999, "Driveway Entrance Windrow Snow Clearing") were:
 - That windrow clearing operations commence whenever road ploughing operations are deemed necessary;
 - That a driveway be considered cleared when approximately 80% of the driveway width is cleared of snow;
 - That each road ploughing route would have a dedicated windrow clearing unit (October 15, 2001, "Winter Maintenance Update")
- The Operational Review of Winter Control Operations found that "the current operating requirements of keeping the windrow equipment within close proximity of the road plows while ensuring alignment between road plowing and driveway access, it potentially has an impact on costs. As plows are slowed considerably to enable windrow equipment to "keep up", more routes and equipment are required in order to meet service level objectives."
- This request is for an operational change where the plows and windrows would be "decoupled" or no longer required to operate within close proximity of each other.
- The contractor will continue to be required to meet the service level standard of removing move 80% of snow left by road plows within 4 hours of plowing
- This change may result in increased complaints from citizens as there may be a perception that there is a delay in clearing windrow snow. Transportation Services, Parks and Forestry Operations will mitigate these complaints through its proactive communications campaign, closely monitoring contractor performance to the service level, and responding to citizen complaints
- May result in operating cost savings of approximately \$20-40K per plow event

**ATTACHMENT 2: OPERATIONAL REVIEW OF WINTER CONTROL PROGRAMS (2014) –
SUMMARY OF RECOMMENDATIONS**

Operational Review Recommendations		Response
1	Prior to developing a Request for Tender (RFT) for a new contract for the delivery of Winter Control Programs, review, clarify and formalize service level objectives for the City's Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1).
2	Evaluate the potential for outsourcing the winter maintenance of sidewalks.	Transportation Services, Parks and Forestry Operations will bring forward a separate report in 2015 requesting approval of Service Level Objectives for Sidewalk Winter Maintenance and evaluating different operational models (including outsourcing) for improving sidewalk maintenance.
3	Consider alternative contracting and costing frameworks for Winter Maintenance contracts, including performance based work specifications.	This report requests approval for staff to proceed with a competitive procurement process for a 10-year performance based award for roads winter maintenance services.
4	Review the Case Tracking System (CTS) and develop requirements to facilitate capture and reporting of necessary data.	
5	While windrow clearing is a key service provided by the City, consider de-coupling windrow clearing from the plowing of roads.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1), including item 3.1 related to windrow clearing.
6	Institute a cross-departmental team to develop and communicate strategies for effective management of existing by-laws.	
7	Enable integrated reporting by contractors.	
8	Implement and resource a communications protocol for developing and delivering proactive communications about Winter Control Programs.	This report requests approval of Service Level Objectives for Roads Winter Maintenance (see Attachment 1). The service level objectives in provide the basis to develop a proactive communication campaign beginning the 2016/17 season.
9	Assess the overall supervisory (and foreman) requirements for the Roads division for both Winter and Summer operations.	
10	Move contract management for facilities and parking lots to Buildings & Facilities.	

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 27, 2014

Item 4, Report No. 25, of the Committee of the Whole (Working Session), which was adopted without amendment by the Council of the City of Vaughan on May 27, 2014.

4

WINTER CONTROL PROGRAMS OPERATIONAL REVIEW

The Committee of the Whole (Working Session) recommends approval of the recommendation contained in the following report of the Commissioner of Engineering and Public Works, the Commissioner of Strategic and Corporate Services, the Director of Public Works, and the Director of Innovation and Continuous Improvement, dated May 21, 2014:

Recommendation

The Commissioner of Engineering and Public Works, the Commissioner of Strategic and Corporate Services, the Director of Public Works, and the Director of Innovation and Continuous Improvement recommend:

1. That the presentation on the Operational Review – Winter Control Programs be received;
2. That the Commissioner of Engineering & Public Works, or designate, be authorized to negotiate with the City's service providers to extend the contracts for Winter Road Maintenance for an additional one year (for winter 2015/2016) with a commensurate increase in allowable equipment age, maintaining any price increases and other terms and conditions within the limits defined in the current contract; and,
3. That staff be directed to develop a detailed scope for a comprehensive Request for Tender for Winter Maintenance Services using recommendations outlined in the attached Operational Review and present this scope for Council review in early 2015, prior to issuing a new multi-year tender for a comprehensive Winter Maintenance Services contract.

Contribution to Sustainability

A key pillar of sustainability is financial viability. This has been noted in many reports, most specifically the recent financial master plan for the City of Vaughan. The organization will face many financial challenges in the coming years, while balancing the continued delivery of excellence in its programs and services. In 2012, the City completed a program review which examined its 200 plus programs/services. Further, the City recognized the significance of long term sustainability given the growth and change within the municipality and the administration: this resulted in a reorganization of the City and the establishment of the Department of Innovation and Continuous Improvement (ICI). One of ICI's main business functions is to complete operational reviews for the City's 200 plus programs/services as a means of identifying program/services efficiencies, relevance and cost effectiveness while considering service levels/standards and delivery models.

Findings, and associated recommendations, from an Operational Review of the City's Winter Control Programs are contained in the attached report.

Economic Impact

For the winter 2013/2014, the budgeted contract cost for providing Winter Road Maintenance was \$6,471,716. Extending the contract for an additional one year (i.e., for services through the winter 2015/2016) will require a similar budget amount, with an adjustment for changes in the Consumer Price Index (CPI).

It is anticipated that the more comprehensive performance based approach to Winter Control programs proposed in the Operational Review recommendations will provide significant savings for the City.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 27, 2014

Item 4, CW(WS) Report No. 25 – Page 2

Communications Plan

A residents' survey was conducted as part of the Operational Review of Winter Control Programs, a detailed analysis of the survey is contained in the attached report and this section will also be made available on the "Have Your Say" section of the City's website. Further communication with residents will be planned, as specifications for a new comprehensive approach to winter control programs are developed.

Purpose

To update Council on the findings from the Operational Review of the City's Winter Control Programs, and to review opportunities to improve aspects of efficiency, effectiveness and cost management.

Background - Analysis and Options

Vaughan residents receive some of the highest levels of winter maintenance services in the GTA

When compared to other municipalities, the City of Vaughan provides residents with some of the highest levels of service in Winter Control or Maintenance programs. Whether it's reducing ice formation on roads through sanding / salting, removing snow from roads, clearing snow from paths / sidewalks or enabling residents to exit their driveways by partially removing windrows – crews from the City's Public Works and Parks & Forestry Operations departments endeavour to ensure that residents, and others, can travel safely despite the weather.

The City aspires to provide a level of service for all its Winter Programs that will enable residents (and other stakeholders) to travel safely within a certain timeframe of a winter storm ending. At the same time, the City must balance levels of services with the costs of providing those services. A recent comparison of service levels between the City of Vaughan and other GTA municipalities, suggests that the City provides its residents with some of the highest levels of service for winter control programs.

Although the various winter maintenance services are provided by different departments using a variety of resources and / or service providers, they are interlinked

Currently, the City uses a blend of external and internal resources to deliver its winter control programs. The most significant operational and cost components relate to the salting and plowing of the extensive road network, and the majority of these services are delivered by external contractors, under a contract that expires in March 2015.

Winter control programs (i.e., Road Salting, Road Snow Plowing, Snow Removal, Windrow Snow Clearing, Snow Fencing and Path / Sidewalk Plowing) are highly interlinked (e.g., snow plowing roads and sidewalks, and snow plowing roads and removing windrows), so any proposed changes in service level (or service delivery model) in one program could have a ripple impact on another program.

To understand these impacts, to develop a holistic and truly integrated approach to winter control, and to prepare for issuing a new request for services, an operational review of all winter control programs was warranted (including windrow clearing). City staff recommended that an operational review of all Winter Control Programs be conducted in order to highlight potential service delivery models, levels of service, impacts on residents, program costs, risks and mitigation.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 27, 2014

Item 4, CW(WS) Report No. 25 – Page 3

Surveys suggest that the overwhelming majority of Vaughan residents believe they are getting good value for their tax dollars when it comes to winter maintenance services

The most recent Ipsos Reid survey conducted for the City¹ demonstrates that residents “believe they receive good value for their tax dollars” with over 81% VERY SATISFIED or SOMEWHAT SATISFIED with the winter control services provided by the City. The survey suggests that residents are comfortable supporting the current service levels. The Ipsos Reid report also identified Road and Sidewalk Snow Removal programs as areas for maintenance, i.e., services of relatively high importance where satisfaction is good and where the focus is on maintaining current levels of service.

The residents’ survey was a self-selected survey utilizing both on-line and hard copy response forms. Residents were made aware of the survey through a Corporate Communications e-mail “blast” to over 8,000 subscribers, information posted on the City’s web-site together with information presented at the City’s ten community centres. Over 670 responses were collected from respondents in all wards; though hard copy survey forms were available at the community centres, only one returned from these locations.

From this survey, it was apparent that:

- Residents largely feel positively about the winter control services provided by the City and the associated levels of service;
- Residents would not welcome a reduction in service or an increase in taxes to secure a higher level of service; and,
- The City should look at leveraging local radio and TV stations and other tools to provide up-to-date winter storm-related communications.

There are a number of factors impacting the City’s ability to deliver “Service Excellence” to residents

Not only does the City aspire to deliver high levels of service to residents with its winter maintenance programs, it actually does so much of the time – though delivering services through the unusually cold 2013/2014 winter has highlighted some challenges. Some of the City’s approaches to winter maintenance service delivery impose additional constraints and impact service delivery costs, e.g., road plows and windrow machines operating in tandem requires more routes and equipment, striving to clear sidewalks to bare pavement requires more passes and causes greater wear / tear on equipment, inconsistent by-law enforcement with respect to sidewalk maintenance and car parking requires service providers to perform additional passes.

The following items impact the ability of the City to deliver on its service levels, and should be addressed:

1. The City is currently providing service levels greater than those that have been formally approved by Council, i.e., plowing snow in laneways;
2. Operating practices can constrain the ability to meet all service level objectives cost effectively, e.g., road plow routes are planned to keep plows and windrow machines closely linked;
3. In certain areas snow removal operations have had to be implemented regularly, as there is nowhere for plows to push the snow;
4. The fleet of City-owned sidewalk plows struggles to cope with the wear and tear associated with meeting the requirement to clear snow to bare pavement;

.../4

¹ City of Vaughan – Citizen Survey – Ipsos Reid, March 2012

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 27, 2014

Item 4, CW(WS) Report No. 25 – Page 4

5. The City is constrained by Employment Standards legislation and must limit the number of hours that staff can work consecutively and in a seven day period. As Parks & Forestry Operations staff (sidewalks) and Parks Services staff (hand clearing) have responsibilities beyond winter control, even in winter, crews can sometimes be understaffed particularly when overtime call-outs are required and staff decline the callout and/or overtime;
6. Roads supervisors are supported by foremen and resources seconded from the team of heavy equipment operators, who have each been working (on average) an additional day each week in overtime, impacting their ability to rest and recover, and, in the case of the seconded resources, focus on a key role of managing the City's salt inventory;
7. Barriers, such as parked cars and encroachments, impact the ability of contractors and staff to deliver winter control programs, leading to higher costs or reduced service quality; and,
8. The City collects a great deal of data associated with the delivery of its winter control programs, (e.g., CTS, road winter maintenance logs, equipment GPS, road patrol logs etc.) but in many cases it is difficult to collect this data and mine it for information in order to identify challenges / issues and potential route causes.

Additionally, the ability to manage residents' expectations with respect to winter maintenance service levels is critical to ensuring continued resident satisfaction with the City's service delivery. The City expanded on its tools for communicating information about winter control, which worked well at informing residents about what to expect during the winter, but more needs to be done to be able to tell / show a resident when s/he will have her/his local roads and sidewalks cleared and to clarify residents' responsibilities to ensure a safe and accessible City.

The attached report provides details of the following issues and associated recommendations for addressing them (presented in order of priority). In total, 10 recommendations are provided and the comprehensive justification for the recommendations (and an associated approach) is detailed in Section 8.0 of the report.

Next Steps

In order to address the challenges previously identified, a one year extension to the existing winter road maintenance contracts is required

The majority of the City's Winter Control programs (i.e., those associated with maintaining safe roads) are provided under a contract that was initially negotiated in 2008 and which has subsequently been extended twice under available extension terms. The current contract extension expires at the end of the 2014/2015 winter season, i.e., March 2015.

The City has the opportunity to consolidate all winter control programs into a comprehensive contract for winter control programs, i.e., incorporate winter maintenance of sidewalks and facilities / parking lots, and to implement a performance-based environment, so that service providers are held accountable for delivering the service levels approved by Council.

It is anticipated that such a comprehensive tender for winter control services and the performance management approach to contract management envisioned by the Operational Review, will take some time to design, draft and issue. Additionally, as the City wants to be able to attract a large number of respondents, a significant amount of time must be given for potential respondents to respond and then for the successful respondent(s) to be able to make any capital / equipment purchases that may be required in order to provide the necessary services.

The Public Works Division believes that the comprehensive requirements (and performance measurement framework) can be defined by the end of 2014 and then brought to Council for review in early 2015. A Request for Tender could then be issued with a successful respondent

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 27, 2014

Item 4, CW(WS) Report No. 25 – Page 5

selected by mid to late 2015. The successful respondent will likely require a year to acquire any additional specialized pieces of equipment (particularly if the respondent is not one of the City's current contractors), and so the earliest feasible start for a new contract would be the winter season 2016/2017.

This proposed timeline requires the City to seek a further extension to the existing contract for Winter Maintenance services for the winter 2015/2016.

Relationship to Vaughan Vision 2020/Strategic Plan

By examining service level needs, expectations, standards and costs for various City programs and services facilitate the achievement of all three Vaughan Vision 2020 goals:

- Service Excellence – demonstrating excellence in service delivery by ensuring we have the most efficient and effective service delivery model that addresses citizen needs
- Organizational Excellence – by examining financial viability, sustainability, relevance and cost effectiveness; as well as promoting a high performing organization by identify program/service efficiency and enhancement opportunities
- Staff Excellence – by ensuring the City has the right people with the right skills and the tools/processes in the right places.

Regional Implications

Not Applicable

Conclusion

As the City grows, the expectations and requirements of its residents and stakeholders continue to evolve and change. Program service levels define how the City strives to meet these expectations and provide insight into the effectiveness, efficiency and economy of the City's service delivery models.

The Operational Review of the City's Winter Control programs (a review that coincided with one of the most challenging winters in the past ten years) provides insight into how the City tries to meet (and exceed) the approved service levels. Some of the operational challenges faced by the City in meeting service levels (and associated cost structures) could be addressed by implementing a comprehensive performance management based contract for Winter Control Programs.

Attachments

1. Operational Review – Winter Control Programs – Final Report

Report prepared by:

Derek Patterson
Director, Innovation and Continuous Improvement

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

COMMITTEE OF THE WHOLE (WORKING SESSION) - MAY 21, 2014

WINTER CONTROL PROGRAMS OPERATIONAL REVIEW

Recommendation

The Commissioner of Engineering and Public Works, the Commissioner of Strategic and Corporate Services, the Director of Public Works, and the Director of Innovation and Continuous Improvement recommend:

1. That the presentation on the Operational Review – Winter Control Programs be received;
2. That the Commissioner of Engineering & Public Works, or designate, be authorized to negotiate with the City's service providers to extend the contracts for Winter Road Maintenance for an additional one year (for winter 2015/2016) with a commensurate increase in allowable equipment age, maintaining any price increases and other terms and conditions within the limits defined in the current contract; and,
3. That staff be directed to develop a detailed scope for a comprehensive Request for Tender for Winter Maintenance Services using recommendations outlined in the attached Operational Review and present this scope for Council review in early 2015, prior to issuing a new multi-year tender for a comprehensive Winter Maintenance Services contract.

Contribution to Sustainability

A key pillar of sustainability is financial viability. This has been noted in many reports, most specifically the recent financial master plan for the City of Vaughan. The organization will face many financial challenges in the coming years, while balancing the continued delivery of excellence in its programs and services. In 2012, the City completed a program review which examined its 200 plus programs/services. Further, the City recognized the significance of long term sustainability given the growth and change within the municipality and the administration: this resulted in a reorganization of the City and the establishment of the Department of Innovation and Continuous Improvement (ICI). One of ICI's main business functions is to complete operational reviews for the City's 200 plus programs/services as a means of identifying program/services efficiencies, relevance and cost effectiveness while considering service levels/standards and delivery models.

Findings, and associated recommendations, from an Operational Review of the City's Winter Control Programs are contained in the attached report.

Economic Impact

For the winter 2013/2014, the budgeted contract cost for providing Winter Road Maintenance was \$6,471,716. Extending the contract for an additional one year (i.e., for services through the winter 2015/2016) will require a similar budget amount, with an adjustment for changes in the Consumer Price Index (CPI).

It is anticipated that the more comprehensive performance based approach to Winter Control programs proposed in the Operational Review recommendations will provide significant savings for the City.

Communications Plan

A residents' survey was conducted as part of the Operational Review of Winter Control Programs, a detailed analysis of the survey is contained in the attached report and this section will also be made available on the "Have Your Say" section of the City's website. Further communication with

residents will be planned, as specifications for a new comprehensive approach to winter control programs are developed.

Purpose

To update Council on the findings from the Operational Review of the City's Winter Control Programs, and to review opportunities to improve aspects of efficiency, effectiveness and cost management.

Background - Analysis and Options

Vaughan residents receive some of the highest levels of winter maintenance services in the GTA

When compared to other municipalities, the City of Vaughan provides residents with some of the highest levels of service in Winter Control or Maintenance programs. Whether it's reducing ice formation on roads through sanding / salting, removing snow from roads, clearing snow from paths / sidewalks or enabling residents to exit their driveways by partially removing windrows – crews from the City's Public Works and Parks & Forestry Operations departments endeavour to ensure that residents, and others, can travel safely despite the weather.

The City aspires to provide a level of service for all its Winter Programs that will enable residents (and other stakeholders) to travel safely within a certain timeframe of a winter storm ending. At the same time, the City must balance levels of services with the costs of providing those services. A recent comparison of service levels between the City of Vaughan and other GTA municipalities, suggests that the City provides its residents with some of the highest levels of service for winter control programs.

Although the various winter maintenance services are provided by different departments using a variety of resources and / or service providers, they are interlinked

Currently, the City uses a blend of external and internal resources to deliver its winter control programs. The most significant operational and cost components relate to the salting and plowing of the extensive road network, and the majority of these services are delivered by external contractors, under a contract that expires in March 2015.

Winter control programs (i.e., Road Salting, Road Snow Plowing, Snow Removal, Windrow Snow Clearing, Snow Fencing and Path / Sidewalk Plowing) are highly interlinked (e.g., snow plowing roads and sidewalks, and snow plowing roads and removing windrows), so any proposed changes in service level (or service delivery model) in one program could have a ripple impact on another program.

To understand these impacts, to develop a holistic and truly integrated approach to winter control, and to prepare for issuing a new request for services, an operational review of all winter control programs was warranted (including windrow clearing). City staff recommended that an operational review of all Winter Control Programs be conducted in order to highlight potential service delivery models, levels of service, impacts on residents, program costs, risks and mitigation.

Surveys suggest that the overwhelming majority of Vaughan residents believe they are getting good value for their tax dollars when it comes to winter maintenance services

The most recent Ipsos Reid survey conducted for the City¹ demonstrates that residents "believe they receive good value for their tax dollars" with over 81% VERY SATISFIED or SOMEWHAT SATISFIED with the winter control services provided by the City. The survey suggests that residents are comfortable supporting the current service levels. The Ipsos Reid report also

¹ City of Vaughan – Citizen Survey – Ipsos Reid, March 2012

identified Road and Sidewalk Snow Removal programs as areas for maintenance, i.e., services of relatively high importance where satisfaction is good and where the focus is on maintaining current levels of service.

The residents' survey was a self-selected survey utilizing both on-line and hard copy response forms. Residents were made aware of the survey through a Corporate Communications e-mail "blast" to over 8,000 subscribers, information posted on the City's web-site together with information presented at the City's ten community centres. Over 670 responses were collected from respondents in all wards; though hard copy survey forms were available at the community centres, only one returned from these locations.

From this survey, it was apparent that:

- Residents largely feel positively about the winter control services provided by the City and the associate levels of service;
- Residents would not welcome a reduction in service or an increase in taxes to secure a higher level of service; and,
- The City should look at leveraging local radio and TV stations and other tools to provide up-to-date winter storm-related communications.

There are a number of factors impacting the City's ability to deliver "Service Excellence" to residents

Not only does the City aspire to deliver high levels of service to residents with its winter maintenance programs, it actually does so much of the time – though delivering services through the unusually cold 2013/2014 winter has highlighted some challenges. Some of the City's approaches to winter maintenance service delivery impose additional constraints and impact service delivery costs, e.g., road plows and windrow machines operating in tandem requires more routes and equipment, striving to clear sidewalks to bare pavement requires more passes and causes greater wear / tear on equipment, inconsistent by-law enforcement with respect to sidewalk maintenance and car parking requires service providers to perform additional passes.

The following items impact the ability of the City to deliver on its service levels, and should be addressed:

1. The City is currently providing service levels greater than those that have been formally approved by Council, i.e., plowing snow in laneways;
2. Operating practices can constrain the ability to meet all service level objectives cost effectively, e.g., road plow routes are planned to keep plows and windrow machines closely linked;
3. In certain areas snow removal operations have had to be implemented regularly, as there is nowhere for plows to push the snow;
4. The fleet of City-owned sidewalk plows struggles to cope with the wear and tear associated with meeting the requirement to clear snow to bare pavement;
5. The City is constrained by Employment Standards legislation and must limit the number of hours that staff can work consecutively and in a seven day period. As Parks & Forestry Operations staff (sidewalks) and Parks Services staff (hand clearing) have responsibilities beyond winter control, even in winter, crews can sometimes be understaffed particularly when overtime call-outs are required and staff decline the callout and/or overtime;
6. Roads supervisors are supported by foremen and resources seconded from the team of heavy equipment operators, who have each been working (on average) an additional day each week in overtime, impacting their ability to rest and recover, and, in the case of the seconded resources, focus on a key role of managing the City's salt inventory;

7. Barriers, such as parked cars and encroachments, impact the ability of contractors and staff to deliver winter control programs, leading to higher costs or reduced service quality; and,
8. The City collects a great deal of data associated with the delivery of its winter control programs, (e.g., CTS, road winter maintenance logs, equipment GPS, road patrol logs etc.) but in many cases it is difficult to collect this data and mine it for information in order to identify challenges / issues and potential route causes.

Additionally, the ability to manage residents' expectations with respect to winter maintenance service levels is critical to ensuring continued resident satisfaction with the City's service delivery. The City expanded on its tools for communicating information about winter control, which worked well at informing residents about what to expect during the winter, but more needs to be done to be able to tell / show a resident when s/he will have her/his local roads and sidewalks cleared and to clarify residents' responsibilities to ensure a safe and accessible City.

The attached report provides details of the following issues and associated recommendations for addressing them (presented in order of priority). In total, 10 recommendations are provided and the comprehensive justification for the recommendations (and an associated approach) is detailed in Section 8.0 of the report.

Next Steps

In order to address the challenges previously identified, a one year extension to the existing winter road maintenance contracts is required

The majority of the City's Winter Control programs (i.e., those associated with maintaining safe roads) are provided under a contract that was initially negotiated in 2008 and which has subsequently been extended twice under available extension terms. The current contract extension expires at the end of the 2014/2015 winter season, i.e., March 2015.

The City has the opportunity to consolidate all winter control programs into a comprehensive contract for winter control programs, i.e., incorporate winter maintenance of sidewalks and facilities / parking lots, and to implement a performance-based environment, so that service providers are held accountable for delivering the service levels approved by Council.

It is anticipated that such a comprehensive tender for winter control services and the performance management approach to contract management envisioned by the Operational Review, will take some time to design, draft and issue. Additionally, as the City wants to be able to attract a large number of respondents, a significant amount of time must be given for potential respondents to respond and then for the successful respondent(s) to be able to make any capital / equipment purchases that may be required in order to provide the necessary services.

The Public Works Division believes that the comprehensive requirements (and performance measurement framework) can be defined by the end of 2014 and then brought to Council for review in early 2015. A Request for Tender could then be issued with a successful respondent selected by mid to late 2015. The successful respondent will likely require a year to acquire any additional specialized pieces of equipment (particularly if the respondent is not one of the City's current contractors), and so the earliest feasible start for a new contract would be the winter season 2016/2017.

This proposed timeline requires the City to seek a further extension to the existing contract for Winter Maintenance services for the winter 2015/2016.

Relationship to Vaughan Vision 2020/Strategic Plan

By examining service level needs, expectations, standards and costs for various City programs and services facilitate the achievement of all three Vaughan Vision 2020 goals:

- Service Excellence – demonstrating excellence in service delivery by ensuring we have the most efficient and effective service delivery model that addresses citizen needs
- Organizational Excellence – by examining financial viability, sustainability, relevance and cost effectiveness; as well as promoting a high performing organization by identify program/service efficiency and enhancement opportunities
- Staff Excellence – by ensuring the City has the right people with the right skills and the tools/processes in the right places.

Regional Implications

Not Applicable

Conclusion

As the City grows, the expectations and requirements of its residents and stakeholders continue to evolve and change. Program service levels define how the City strives to meet these expectations and provide insight into the effectiveness, efficiency and economy of the City's service delivery models.

The Operational Review of the City's Winter Control programs (a review that coincided with one of the most challenging winters in the past ten years) provides insight into how the City tries to meet (and exceed) the approved service levels. Some of the operational challenges faced by the City in meeting service levels (and associated cost structures) could be addressed by implementing a comprehensive performance management based contract for Winter Control Programs.

Attachments

1. Operational Review – Winter Control Programs – Final Report

Report prepared by:

Derek Patterson
Director, Innovation and Continuous Improvement

Respectfully submitted,

Paul Jankowski
Commissioner, Engineering and Public Works

Joseph Pittari,
Commissioner, Strategic and Corporate Services

Brian Anthony
Director, Public Works

Derek Patterson
Director, Innovation & Continuous Improvement