



Council Report

Report Number:	BLDG2022-001
Meeting Date:	December 13, 2022
Title:	Reciprocal Building Services Agreement
Description:	A Reciprocal Agreement with the Township of Cavan-Monaghan for Building Review and Inspection Services
Author and Title:	Susanne Murchison, Chief Building Official

Recommendations:

That Report BLDG2022-001, **Reciprocal Building Services Agreement**, be received;

That the City Solicitor and Chief Building Official be authorized the finalize the Agreement with the Township of Cavan-Monaghan; and

That the Agreement, substantially in the form as outlined in Appendix A to Report BLDG2022-001, be forwarded to the Mayor and Clerk for execution.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

The Building & Septic Division has been struggling for more than 15 months with recruitment. As a result of multiple medical leaves, retirements, and vacancies, the Division had been operating with seven vacant staff positions for several months and a minimum of three vacancies for more than a year. 2022 has been unprecedented with respect to development and building permit activity, seeing the highest volumes and highest construction values in our 22-year history. Needless to say, existing staff are over-worked and lack a work-life balance. Our customers are also suffering because our permit issuance timeframes have gone from our former average 2-week issuance to 4-6 weeks, and even longer, in summer and fall of 2022.

The following changes have been implemented to address the recruitment/staffing issues:

- Our staff compliment was increased in 2021/2022 by one additional Building & Zoning Clerk, to shift workload to the administrative side of permit intake, relieving some of the pressure of the remaining inspection staff;
- Two vacant Building Inspector positions were converted to additional Building & Zoning Clerk positions in 2022 to take as much of the administrative front end process off the Building Inspection team, allowing them to focus almost solely on inspection tasks until additional qualified inspectors are recruited/trained up. The goal with this change is to ultimately groom these Clerks for Building Inspector roles over time; and
- Existing staff have been working extensive amounts of over-time to accommodate the heavy permit volumes; however, this pace is not sustainable.

In order to alleviate these pressures, the following options have been investigated:

- Plans review and inspection services could be temporarily outsourced to a third party consulting firm; and
- The City could enter into a reciprocal agreement with a neighbouring municipality to provide plans review and/or inspection services to each other in times of staffing shortages or high development volumes as currently being experienced.

This report addresses the second option for a reciprocal agreement with an abutting municipality.

Rationale:

The Chief Building Official for the Township of Cavan-Monaghan reached out to offer assistance in the late summer/early fall of 2022. Through discussions, we investigated the option of entering into a reciprocal service agreement to provide aid to one another when activity levels permitted. Throughout the last several weeks, the agreement has been drafted using samples from other municipalities and vetted through the respective solicitors for each municipality. The draft agreement, attached as Appendix A to this report, is substantially in the form of the final agreement that staff and the City Solicitor endorse.

This arrangement will provide needed inspection and review resources, while proactive recruitment for vacant staff positions continues.

Other Alternatives Considered:

The option of contracting out Building review and inspection services is not preferred for reasons of firm availability and excessive costs. With the high construction activity across Ontario, many of these private firms are themselves stretched and the City would likely need to increase Building Permit fees to cover escalating service costs costs.

The only other option available would be to drastically reduce service levels to the customers resulting in increased response times for permit issuance and inspection even further. Neither of these options are recommended.

Alignment to Strategic Priorities

This report aligns in some respect with all four strategic priorities within the 2020-2023 Kawartha Lakes Strategic Plan:

1. **Healthy Environment:** running an efficient and effective permitting division ensures protection of the environment by reducing the temptation to build illegally.
2. **An Exceptional Quality of Life:** maintaining the forward momentum of development and construction allowing for our community to grow and aligning with recent acknowledgements that CKL is a top place to live.
3. **A Vibrant and Growing Economy:** maintaining the forward momentum of development and construction to promote economic growth.

4. Good Government: taking any and all options available to continue to provide a service level expected by our ratepayers, developers and the legislation governing the processes.

Financial/Operation Impacts:

The use of the reciprocal agreement option should only occur when staffing vacancies are present, and therefore the building division – salaries and wages budget will off-set the expenses. When CKL provides the services to Cavan-Monaghan, the impact is a positive revenue stream.

The City Solicitor has been consulted throughout the preparation of the draft agreement.

Consultations:

City Solicitor
Township of Cavan-Monaghan

Attachments:

Appendix A – Draft Agreement



Draft Reciprocal
Building Services Ag

Department Head email: rholy@kawarthalakes.ca

Department Head: Richard Holy, Director of Development Services