

**Crowe Valley Conservation Authority
Service Delivery Review
Draft Interim Report
13 December 2016**

Agenda Item: 10

Background

At the 22 September 2016 Crowe Valley Conservation Authority Board meeting, the following motion was passed.

FA Motion G 68/16

Moved By: Catherine Redden

Seconded By: Ron Gerow

To direct staff to survey neighboring Conservation Authorities on delivery service reviews, to begin answering the 10 questions provided by Catherine Redden to provide information to the Board and to schedule a special Board meeting on 20 October 2016 to discuss future planning for CVCA.

As per the Board discussion, the intent of this motion is to initiate the process to identify a baseline of services to be provided by this organization, the level of expectations for all of the stakeholders (municipalities, public and the provincial government) and if the delivery of the services and programs can be accomplished at a lower cost moving forward. In addition, the review is to establish whether additional assistance is required not only to deliver services, but provide the services at or above an acceptable level.

The Board insisted the necessary resources and steps be taken to produce an action plan for the future of the CVCA and needs to be clear and resolute in its direction.

Action Steps to Date

As per Motion G 68/16, staff have initiated the following steps:

1. Surveyed neighbouring conservation authorities
2. Answered the 10 questions

Action Step #1 - An informal survey of neighbouring conservation authorities General Managers was conducted to determine if 1) service delivery reviews have been completed by their organizations, 2) cost, 3) timeline and 4) whether it was completed internally or by a consultant.

In addition to the neighbouring conservation authorities, four other authorities were included, expanding the list to nine. Some of the information is still pending.

Conservation Authority	Completed Reviews	Cost	Timeline	Internal or Consultant
Otonabee	Yes – Governance and Operational	n/a	9 months	Consultant
Lower Trent	Yes – Restructuring	Approx. \$2-3,000 Plus 3 months staff time	12 months	Internal
Kawartha	Yes – included in Municipal Review	n/a		Consultant
Ganaraska	No			
Quinte	Response Pending			
Long Point	No			Will discuss further if requested
South Nation	Nothing formal			D. O’Grady will call to discuss ideas
Kettle Creek	Yes – “efficiency study”	n/a	12 – 14 months	Internal – staff from 3 cas from each department
Grand River	Yes – limited to one department	\$20,000	n/a	Consultant
Nottawasaga	Yes -	Info Pending	Info Pending	Consultant

Action Step #2 - CVCA Board Member, Cathy Redden provided staff with a template of 10 questions from their municipal review to begin building a base of information to move forward in a service delivery review process for the Authority. The following is provided for the Board’s information.

An evaluation process in which a specific municipal service is systematically reviewed to determine the most appropriate way to provide it.

Traditionally, managing spending meant across the board cuts to all service, “cherry picking” which service to cut, deferring capital projects, increasing user fees or dipping into reserves.

The service delivery review process focusses on setting priorities – making choices and, where possible, reducing the cost of delivery while maintaining or improving services and service levels.

Achieving this result requires a more rigorous process that involves asking the following ten questions:

1. *Do we really need to continue to be in this business/service?*
2. *What do citizens expect of the service and what outcomes does council want for the service?*
3. *How does current performance compare to expected performance?*
4. *Do the activities logically lead to the expected outcomes?*
5. *How is demand for the service being managed?*
6. *What are the full costs and benefits of the service?*
7. *How can benefits and outputs of the service be increased?*
8. *How can the number and cost of inputs be decreased?*
9. *What are the alternative ways of delivering the service?*
10. *How can a service change best be implemented and communicated?*

In answering these questions, you should engage citizens and other stakeholders (such as municipal staff and unions) to ensure that the choices you make are informed by their goals and values. Your choices should also be consistent with and informed by the municipality's official plan and its business or strategic plan.

Preamble

Staff have attempted to provide objective broad answers to most of the questions to act as a *springboard for discussion* at the 13th of December meeting. Further details, more information and analysis will be flushed out during the service delivery review and will be highly dependent on 1) the approach taken (consultant review vs. internal, or combination thereof), 2) financial constraints, 3) time allotment and 4) stakeholders input.

As well, many of the questions are subjective in nature and some of the answers provided may require further investigation. Therefore, inclusion of stakeholders to answer these questions may give a balanced perspective and/or observations made by a consultant may also be an invaluable asset for the Board to consider. In addition, some of the questions may need further clarification or define a narrower scope for the CVCA situation.

10 Questions and Corresponding Answers

1. Do we really need to continue to be in this business/service?

The simple and straightforward answer is yes. Once a conservation authority has been established as per the *Conservation Authorities Act*, there are provincially supported programs and services a conservation authority must carry out to support the provincial directive.

There are primarily four essential services and programs which define the CVCA mandate. In addition to these four areas, there are additional services which are directly related to the core mandate.

The first primary role of the CVCA has long been established by the provincial government. It has identified 1) the operation of flood control structures and 2) the flood forecasting and warning system

as key components to protect the public and reduce the expense of flood damages in Ontario. The province contributes through a grant process to assist conservation authorities in the delivery of this key component.

During non-flooding scenarios, the CVCA's watershed system of dams is operated seasonally, which is also for the benefit of the public and the municipalities in the watershed. Maintaining a summer water level on the controlled lakes in the watershed allows for maximum recreational opportunities for the public residing on those lakes. Maintaining these levels also help to ensure a reliable lake level, which is then more attractive to cottage and home buyers. This provides a significant tax base for the municipalities in the watershed. In addition, this gives the local tourist based economy a substantial boost, as many local businesses and residents rely on renovations and new builds around the lakes.

Secondly, the CVCA's water management service includes the implementation of Ontario Regulation 159/06. This prevention component of flood management helps to ensure people's lives and property are not put at risk during a flood event. In addition, by protecting all watercourses in the watershed, especially wetlands, the CVCA is preserving overall water storage capacity of the area. Wetlands, during flood events act as reservoirs/sponges to absorb excess water and then slowly release it during dry summer conditions, helping to maintain flows and lake levels. As well, the preservation of wetlands and the protection of all watercourses ensures natural habitat are preserved, which also contributes directly and indirectly to the tourist based economy of the watershed. This natural habitat also helps to build resiliency as the watershed copes with climate change.

Although the Regulation program is not directly funded by the Ministry of Natural Resources, provisions in the Act allow for fees to be charged to the public to offset CVCA expenses.

The third primary reason why the CVCA must continue to be in this business is due to the fact the CVCA is part of the Trent Conservation Coalition Source Protection Region. The TCC SPR has been identified in the *Clean Water Act* and there are legal obligations the CVCA must uphold to be part of the Region. As part of the Authority's responsibilities, it must assist with future reporting requirements to the Ministry of Environment and Climate Change.

Finally, land holdings are a valuable asset the CVCA holds for the public trust. Preserving natural habitat for the use, enjoyment and education of the public meets the objectives of Section 20 of the *CA Act*.

In addition, there are a number of additional reasons to be in the conservation "business" and they include community relations, business agreements with Consolidated Hydro, water quality monitoring, benthic monitoring, education and outreach and the Crowe Valley Conservation Foundation.

The CVCA is a partnership between the 10 municipalities and therefore is an extended arm of the municipalities. This is vital to coordinate water management decisions, communicate to the public and ultimately pool scarce municipal dollars to share the services provided by the CVCA.

2. What do citizens expect of the service and what outcomes does council (the Board) want for the service?

Public expectations have increased over the years, probably due to many financial, social and environmental factors beyond the control of the CVCA. As well, the public's lack of understanding of the CVCA's role has inadvertently raised standards.

For example, the public has always questioned the control of water levels, especially in the summer recreational season. Historically, staff have noted on virtually any given water controlled lake in the watershed, a poll could be conducted and the results are going to be 50% will want it higher and 50% will want it lower. Traditionally, staff would think "we must be getting it about right". However, staff have noted, since the use of the internet, the public has greater access to information and is now not just questioning the level, but why is it at the level it is, why aren't adjustments being made, why is the level dropping, what are we going to do to fix the problem, etc., etc. This is a higher social expectation brought on with the advent of technology.

The public expects the operation of the system of dams to be conducted in a timely manner and not affect their personal property or activities on their lake.

Another increased expectation is due to increased public awareness of what conservation authorities offer in the area where people are originally from in the province. A conservation authority in the Greater Golden Horseshoe has significantly more financial resources to offer a wide variety of services and programs not even imaginable at the CVCA. The CVCA's \$600,000 budget pales in comparison to a \$25,000,000 budget in Halton. Yet, there are times when cottage owners from this area expect the CVCA to offer similar programs and services.

The public also expects that our rivers, lakes, streams and wetlands are properly safeguarded, managed and restored. As well, the public wishes to have an opportunity to enjoy, learn from and use our conservation areas.

Fortunately, the CVCA has been able to change public expectations for the delivery of the regulations program through diligent efforts of the regulations staff, in particular Sharlene Richardson. The public can be demanding and there are a small percentage of people that have demonstrated their desire to have a very quick response time to regulations applications submitted to the CVCA. Fortunately, those complaints and issues are now few and far between in comparison to a period prior to Sharlene's arrival.

Notification of timelines on the website may help to solidify the reasonable turnaround times offered by CVCA staff. However, this could be in jeopardy should mounting development pressures translate into more applications. Should this occur, the CVCA will need to increase the regulations staffing complement to maintain the three week turnaround average of the past two years. If this is not an outcome the Board wishes to maintain, then longer wait times are in the offing.

The second part of this question should be answered by the Board.

3. How does current performance compare to expected performance?

Since the initial questions arose about the CVCA's abilities, performance, financial considerations and infrastructure concerns in late 2011 and early 2012, CVCA staff have made great strides in improving performance to meet public and municipal expectations.

Many examples could be listed such as including items such as an upgraded server system, revisions made to the accounting/reporting system, dam safety upgrades, ongoing improvements to health and safety protocols, new training opportunities (and methods to aid related expenses), and better communication through social media and the revised newsletter. Perhaps the best and most noticeable improvement has been the CVCA's regulations program.

With new staff and a better system for processing applications, the CVCA has been able to improve turnaround timelines for permits and improve customer satisfaction. There has been a noticeable drop in complaints about wait times. More public comments have been positive about interactions with staff, especially with pre-consultation opportunities.

Although service has improved, CVCA staff are continuously looking forward to increase efficiencies at the lowest possible cost. For example, recently, the CVCA has been able to acquire the services of the GIS Technician from the Lower Trent Region CA for a few hours to guide and assist a volunteer to update our permit tracking process and mapping capabilities. This will provide a system for all staff to electronically track applications using a cloud based system and utilize current GIS mapping to better assist the public.

Watershed management is another important example of measuring current performance to expected performance. The performance rating of this service is highly dependent on the audience and the level of knowledge of that particular audience. Essentially, knowledge of the entire watershed system's dynamics, the dam infrastructure, weather conditions (which has a number of variables) and how all of these factors interact is important to assess the expected performance. A resident of the watershed, with little to no knowledge of these conditions and facts may still expect the CVCA to take care of their situation to a level which is unattainable. Conversely, CVCA Board members with a much greater understanding of the watershed will be better equipped to judge the performance.

4. Do the activities logically lead to the expected outcomes?

The expected outcomes for the services provided by the CVCA are narrow in scope. The CVCA is expected to minimize flooding, warn people of flooding, approve applications for development, provide passive recreational activities and communicate essential information in a timely manner.

For the water management outcomes, in many instances they will be affected by a number of variables beyond CVCA control (essentially weather related). Therefore, the activities the CVCA undertakes to produce the expected outcomes are also varied in a short time frame. Dam operations (stop log removal or replacement) can and do vary considerably, but the overall seasonal time frame and the general activities is consistent from year to year. So, for example, there is always spring flooding, but how many stop logs are removed from the dams is highly dependent on the weather variables and conditions leading up to and during the spring flood.

These activities are logical and for the majority of the time, the expected outcome to minimize the effects of flooding is achieved.

For regulations activities, the expected outcome is to protect people's lives and property from the effects of flooding hazards and to protect the watercourses in the watershed. Regulating development in the hazard zone is the only way to achieve the expected outcome. For the majority of applications, permission is granted to proceed with the proponent's plans or at the very least, a modified version of the original submission. During the course of a year's worth of applications, only a very small percentage are denied by the CVCA and this has been the case every year since the implementation of the regulations program. Therefore, it can be concluded the expected outcomes for the regulations program is successful in every facet, because even the applications which are denied can be deemed a success since the decisions are preventing loss of life or property damage.

5. How is demand for the service being managed?

Demands placed on the CVCA services and programs are ever increasing. Applications for permits have climbed steadily in the past two years, placing constant pressure on the program to adjust and seek out solutions. Water management operations are faced with the demands of a public who expect water levels to be constantly adjusted to "perfection" to optimize recreational pursuits and to minimize damage to property from seasonal flood waters. As well, external conditions such as climate change will impose additional stresses on making water management decisions and potentially on the dam infrastructure.

Additional resources may be required to accommodate the increased workload for the regulations program. Staff resources have been reallocated to date to maintain as close as possible to the turnaround times for issuing permits. However, staff and management believe the department has reached maximum capacity and only a further allocation of part of a full time equivalent position will be able to alleviate the additional pressure. This could easily be accomplished with reorganizing current staff duties since the SWP program is nearing completion of major tasks and then filling any void with a lower paying part time position.

Regarding water management, the CVCA may be required to investigate the impacts of climate change on the watershed. This could possibly be done in conjunction with one or more neighbouring conservation authorities with similar issues. Ignoring the impacts of climate change will not give this watershed an opportunity to build resiliency and adapt plans as necessary. For example, should drought conditions become more frequent or intense in this watershed in the future, then, investigating the possibility of setting higher summer water levels becomes a distinct possibility.

CVCA staff, like many municipal staff, wear many hats. Staff are cross trained and backfill for each other in order to continue to operate as smoothly and efficiently as possible. Granted, even with this system in place, there are inevitable staff shortages. Fortunately, staff have been able to minimize this impact as much as possible by judiciously choosing vacations and time away from the office.

6. What are the full costs and benefits of the service?

Determining the full costs of the CVCA's program primarily includes the review of the financial tracking of the services and programs. However, other social and environmental costs need to be considered in addition to the economic component. CVCA's services and programs will have an indirect impact, which will be more difficult to track and then "translate" into a value which can be measured. For example, dam operations in the spring are taken to mitigate flooding. However, depending on the ice conditions on the controlled lakes, flood waters may shift the ice cover and cause damage to docks, boathouses and shorelines.

Benefits of the service provided by the CVCA are primarily focused on the following: 1) flood warning, 2) flood protection, 3) prevention of risk to life and property, 4) providing data and support for the Source Water Protection program, 5) monitoring surface and groundwater, benthic monitoring 6) maintaining recreational water levels, 7) low water response, 8) recreational trails, natural swimming areas, cottage rental and 9) community services (such as providing information sessions for specific groups – Wollaston Lake Camp, local Real Estate organizations and the Havelock-Belmont-Methuen trade show. A few examples are provided to illustrate the benefits.

Generally, the social benefits of items 1 to 3 are straightforward. These services are for the public's benefit to warn, reduce harm or eliminate risk, which is the intent of the province to reduce social disruption and the financial burden of emergencies.

The benefit of the Source Water Program support services enables municipalities to rely on the scientific data and expertise of their local conservation authority which has been collected and developed over the past number of years.

Monitoring surface and groundwater is a key component in understanding the conditions of the watershed and will play an invaluable role as climate change continues to have a greater impact on our region. In addition, further development moving into the area from the GTA will eventually add to the pressures placed on the watershed simply through water usage. Monitoring will help to determine if changes will be necessary to the watershed management activities.

Maintaining recreational water levels is a direct benefit for the watershed residents for their use and enjoyment. It is also an indirect benefit for the reputation of the area and the member municipalities in the watershed. Well maintained water levels that remain as stable as possible over the recreational period will translate into a positive reputation and will help to draw new cottagers to the area and increase the municipal tax base through construction of new cottages and renovations.

Monitoring low water and declaring low water status levels is beneficial for the public and the municipalities in order to manage water supply to get through drought conditions with as little impact as possible. Information is key for the program and the CVCA monitors and collects data in order to assist the Low Water Response Team in its deliberations and decisions which will ultimately affect the public.

The benefit of land ownership and the CVCA acting as stewards is considerable for the public and the environment. By having the opportunity for the public to explore and enjoy natural habitat, features and flora and fauna on our conservation areas, the CVCA is helping to promote the health of people, preserve the environment and create educational opportunities (formal and informal).

Although the CVCA has not been able to devote significant resources to a communications or educational program, there have been opportunities to aid other organizations with their programs and projects. The benefit is significant for the CVCA since it places the CVCA in the “public eye”, fulfilling the public perception that conservation authorities are knowledgeable about the environment and helps to lead by example to protect the environment.

7. How can benefits and outputs of the service be increased?

The CVCA has made a number of attempts in the past and continues to explore opportunities to expand the level of service and programs for the benefit of the municipalities and the public. A good example would be the cooperation of surrounding conservation authorities to assist the CVCA when a shortfall has been identified. Reaching out to request assistance has always been met with a positive response. Engineering assistance, when required has come from two different neighbouring authorities. Help with “stream of dreams” or “yellow fish road” programs has been successful. When the CVCA was considering improvements on the dam, assistance from another authority was given freely. Many times during the course of the year, staff are also able to draw on the expertise of their colleagues throughout the province.

Increasing a volunteer base would also assist to ensure certain projects are completed and at a reasonable expense or even for very little financial commitment from the CVCA. For example, trail development at the McGeachie Conservation Area this year has been a coordinated effort of staff, volunteers, Norwood High School and a grant funding the project.

Of course, increasing the staff complement where workload pressures are significant, it would increase the benefits the CVCA would be able to offer. Reorganizing workloads may be of some assistance as well. Perhaps the most cost effective would be staff sharing with another conservation authority who is also experiencing the same increases in workload or requires additional expertise at their office. A good example would be the sharing of a GIS Technician. The CVCA currently does not have any staff devoted to GIS work and the same is true for the Otonabee Conservation Authority.

Searching for additional revenue would also increase the CVCA’s ability to contract or source out the required assistance. Therefore, increasing the activity of the Crowe Valley Conservation Foundation and seeking additional funding through grants may provide the funding to enable certain projects or programs to move forward. Efforts are being made, however it requires staff time which unfortunately is often interrupted by regular day to day duties.

Other revenue opportunities may exist and may be small in comparison to the overall budget, such as considering charging fees for Property Inquiries or charging to use our Yurt. However, seeking a number of smaller revenue sources may prove better than looking for “a home run”.

8. How can the number and cost of inputs be decreased?

Partnerships have been key and will continue to be as the CVCA moves forward. These partnerships can be simply a strong volunteer base, extending the municipal partnership, building relationships with cottage associations and creating a positive relationship with the private sector.

For example, perhaps expanding the assistance from our member municipalities would reduce expenses. Trent Hills has taken on the cost of operating the Crowe Bridge Conservation Area, thereby reducing the CVCA's expenses by many thousands of dollars. Limerick Township has assisted with plowing snow, HBM has donated office furniture and Highlands East has hired CVCA staff to take on Risk Management Official duties.

9. What are the alternative ways of delivering the service?

The answer to this question is difficult and requires further clarification from the Board. Is this to be answered considering the entire CVCA operation or specifically for certain programs and services?

If the question is intended to focus on the organization rather than its parts, then perhaps expanding the Trent Conservation Coalition from a Source Water Protection entity to a single conservation authority for the Trent River watershed is the ultimate long term answer. However, significant analysis would be required to confirm whether a larger entity would lead to any cost savings and deliver the services at the current standard for the Crowe Valley Conservation Authority.

Other alternatives of delivering the service could fall onto the shoulders of the municipalities if approval from the Minister of Natural Resources could be obtained.

10. How can a service change best be implemented and communicated?

Any service change, whether it be for individual departments or for the entire organization, it would probably be best conducted by implementing a process to invite all stakeholders to the table. By doing so, the CVCA could create a venue for the stakeholders to provide input and raise questions and concerns. Once this process has been undertaken and changes agreed upon, then a broader marketing and communication effort through the website and social media would need to be completed.

Recommendations:

1. Staff review the incoming reports and material from the surveyed conservation authorities as a source of information to assist with the compilation of the CVCA's Service Delivery Report.
2. The CVCA Board adopt a Terms of Reference for the process moving forward.
3. Sufficient funding be obtained from outside the current budget to hire a consultant to work with staff to reduce the overall cost of the SDR.
4. Sufficient funding be provided for the resources necessary to complete the review.
5. Staff be included in the process to assist the consultant in any manner deemed necessary.