

Subject: Request for New Engineering Complement**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2021-0146 – Request for New Engineering Complement;
AND THAT Council approve one additional full-time complement in the Engineering Department.**

Background:

As the Town of Pelham continues to grow, a close-to-equivalent growth in town staff is necessary if service levels are to be maintained. Occasionally this need manifests itself more quickly than anticipated. Such is currently occurring in the Town's Engineering Department. Currently, the Town has one Director of Public Works, one Engineering Manager and two Engineering Technologists tasked with developing and reviewing tender documents for all capital and operating projects, providing engineering reviews on all planning matters, and performing the duties of project manager on all construction sites. They are also the main point of contact for all municipal service, site plan, and subdivision inquiries from residents.

As Pelham's infrastructure ages it requires rehabilitation and repair. As such, the capital budget has been steadily increasing over the last several years (please see Appendix A). The 2021 Capital budget approved by Council was \$7.4 million. This includes capital investment in roads, water and wastewater, parkland and facilities, all of which require engineering design, review and/or supervision.

Engineering staff are spending roughly 45% of their time reviewing, commenting, and liaising with consultants on development related matters. Some of the larger developments in East Fonthill required between 3 to 5 reviews before Engineering staff have signed off on the development. The information provided as part of the development submission for review can include Storm Water Management Reports, Functioning Servicing Study, and Sanitary Design criteria that will need to be reference checked against prior development approvals. This development approval then generates individual lot grading and servicing plans that are submitted as part of the Building Permit process that the Engineering department reviews to ensure the grading and servicing is aligned with the Overall Development Approval.

Engineering staff are also required to review Site Plans/Amendments, Condos, Infill Lots, Severances, Part Lot Control, Boundary Adjustments, Zoning Amendments and Easement requirements.

Both the capital budget and development in the Town are continuing to increase without an equivalent increase in staff to complete the work. This is resulting in an overload on existing staff, ultimately leading to a significant and costly increase in turnover. In 2020, staff were unable to meet development timelines leaving the department with no other choice but to turn to outside consultants to complete the work. Outside consultants cost more money than do staff.

As Council will recall, KPMG presented a report to Council earlier this year identifying that two additional engineering staff are required by 2025. Senior administration believes that one of those staff is needed instantly, and that there is enough work to bring on the other at virtually any point in the next two years.

Analysis:

Human Resources undertook a survey of similar sized municipalities to determine the number of staff in their Engineering Departments (keeping in mind that many municipalities have two departments: one that addresses development applications and one that addresses construction and infrastructure repair). Please see Appendix B for a table outlining full time employees and their respective 2021 Capital budget for Pelham, Lincoln, Grimsby, Thorold, Fort Erie, Port Colborne and Niagara-on-the-Lake.

Currently, the Engineering departments of our comparators are as follows; Grimsby has 8 full time employees and a capital budget of \$9.4 million, Thorold has 6 full time employees and a capital budget of \$8 million, Fort Erie has 10 full time employees and a capital budget of \$8.85 million, Port Colborne has 8 full time employees and a capital budget of \$5.5 million, Lincoln has 8 full time employees and a capital budget of \$9.5 million, and Niagara-on-the-Lake has 7 full time employees and a capital budget of \$10.4 million. On average, our comparators have one full time employee for every \$1,115,924 of capital dollars spent. Pelham has one full time employee for every \$1,850,000 of capital dollars spent.

As demonstrated, Pelham is lagging far behind its comparators' staffing levels which is directly contributing to high turnover and increased service times in this department. Senior leadership strongly recommends the Town add one additional Engineering Technologist this calendar year to assist with carrying out all engineering functions of the engineering department, but to primarily focus on

development related projects. This will relieve pressure on the other Technologists managing capital works projects. Unfortunately, this cannot wait for the usual staff increase proposal that forms a part of the Town's annual budget process.

Financial Considerations:

The Town is still in negotiations with the Canadian Union of Public Employees with respect to wages for unionized staff. This new position will fall under the Town's collective agreement and will therefore be subject to the new wage structure which should be in place by October of this year. Based on their current salary, an estimate of the annual salary range of this new position will be \$60,000 to \$78,000, depending upon experience level. The total employment cost including benefits is approximately \$90,000 per year.

Should Council approve the new position in 2021, the three months' salary and benefits cost is \$22,500, less \$12,000 savings in engineering costs, for a net of \$10,500 that can be funded from the Human Resource Capacity Building Reserve. For the 2022 budget, staff has reviewed existing budgets and there will be funds available to cover this position from budget line item savings in Public Works budgets; increase in revenue from the growth in development fees in the Planning Department and an allocation to the Water and Wastewater budgets. Essentially, this position can be financed in the future from items that do not include the levy.

Alternatives Reviewed:

Council could decide to leave the existing level of staffing in the Engineering department as is. However, this would leave the department without sufficient resources to complete work accurately and within expected deadlines. There are numerous potentially negative ramifications if such occurs, including potential loss of municipal control over development applications if appeals are made to the OLT.

In the event that Council decides to reject the proposal presented by staff, the department will require additional capital resources in order to complete engineering related reviews and project management duties externally using outside consultants. Based on previous experience, it is estimated that using third party consultants to complete in-house engineering work is approximately four times the cost of using internal resources, including pension and benefits. Staff will require guidance on how much to spend in this regard and/or what items to prioritize.

Strategic Plan Relationship: Strong Organization

The Town's Engineering Department is a key cog in both internal operations and services provided to the community. The addition of a staff resource will greatly enhance the service capacity and further reduce stress upon existing staff. The Town is in serious danger of starting to miss deadlines that will have multiple negative consequences. This can be avoided by strengthening institutional capacity.

Consultation:

The Director of Public Works, the Director Corporate Services and Treasurer and Human Resources Coordinator were consulted during the preparation of this report.

Other Pertinent Reports/Attachments:

Appendix A – Capital Budget Table

Appendix B – Full Time Engineering Staff Comparison

Prepared and Submitted by:

Brianna Langohr, CHRL

Human Resources/Health and Safety Coordinator