TOWN OF CRESTON
REGULAR COMMITTEE OF THE WHOLE MEETING AGENDA

Tuesday, November 21, 2023

4:00 P.M.

Council Chambers, 238-10th Avenue North, Creston, BC

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1. CALL TO ORDER

2. TRADITIONAL TERRITORY ACKNOWLEDGEMENT

3. ADOPTION OF AGENDA (and additional items if necessary)

RECOMMENDATION
THAT the Agenda for the Regular Committee of the Whole meeting of November 21, 2023, be adopted.

4. DELEGATIONS

   a. Ulrike Sliworsky and Eileen Gidman, regarding signage on Devon Street Trail

5. BUSINESS

   a. Ulrike Sliworsky and Eileen Gidman, regarding signage on Devon Street Trail

RECOMMENDATION
THAT the Committee RECEIVES the delegation from Ulrike Sliworsky and Eileen Gidman regarding signage on Devon Street Trail.

   b. Presentation from the Manager of Engineering regarding 2024 Proposed Capital Replacement Budget

RECOMMENDATION
THAT the Committee of the Whole RECEIVES the presentation from the Manager of Engineering regarding the 2024 Proposed Capital Replacement Budget.

   c. Council Direction Request from the Manager of Engineering regarding Collis Street Sewage Lift Station

RECOMMENDATION
THAT Council RECIEVES FOR INFORMATION the report from the Manger of Engineering regarding the Collis Lift Station Assessment; AND FURTHER, THAT Council DIRECTS Staff to prepare a budget in 2024 to investigate and review options for increasing the capacity of the Station.

d. Presentation from the Director of Finance and Corporate Services regarding amendments to the Fees and Charges Bylaw

RECOMMENDATION
THAT the Committee of the Whole RECEIVES the presentation from the Director of Finance and Corporate Services regarding amendments to the Fees and Charges Bylaw.

e. Council Direction Request from the Manager of Community Planning and Development regarding the Board of Variance Bylaw No. 1563 Amendement

RECOMMENDATION
THAT Council DIRECT Staff to present an amendment to Board of Variance Bylaw No. 1563 to reduce the minimum number of required meetings from twice each calendar year to once each calendar year, for consideration at an upcoming Regular Council Meeting.

f. Council Direction Request from the Manager of Community Planning and Development regarding Development Variance Application 23/01 - 145 Devon Street

RECOMMENDATION
The Committee of the Whole recommends Council consider the following motion: “THAT Council DENIES Development Variance Permit Application 23/01 for 145 Devon Street.”

g. Council Direction Request from the Manager of Community Planning and Development regarding proposed Tree Program and Bylaw

RECOMMENDATION
“THAT Council DIRECTS Staff to develop a Tree Planting Program and Tree Protection Bylaw for consideration at an upcoming Regular Committee of the Whole.”

h. Council Direction Request from the Manager of Community Planning and Development regarding Treemendous Communities Grant

RECOMMENDATION
THAT Council AUTHORIZES the submission of an application for funding to the Treemendous Communities Grant to Tree Canada to purchase trees, tools, and planting materials; AND FURTHER, THAT Council DIRECTS Staff to provide overall grant management upon the successful award of the grant.

i. Council Direction Request from the Chief Administrative Officer regarding a Creston Valley Regional Airport Master Plan

RECOMMENDATION
The Committee of the Whole recommends to Council the following motion: “THAT Council DIRECT Staff to move the Creston Valley Regional Airport Master Plan to the 2024 budget process; AND FURTHER, THAT Council AUTHORIZES Staff to apply for a grant to the BC Air Access Grant Program for completing an airport master plan.

j. Council Direction Request from the Chief Administrative Officer regarding Procurement and Contract Management Program

RECOMMENDATION
THAT Council DIRECT Staff to prepare a budget proposal for a Procurement and Contract Management Program for consideration in the 2024-2028 Financial Planning process.

k. Council Direction Request from the Chief Administrative Officer regarding Workflow Automation

RECOMMENDATION
THAT Council RECIEVES FOR INFORMATION the report on workflow automation by the Chief Administrative Officer AND THAT Council DIRECT Staff to submit a budget request for Council's consideration during the 2024-2028 Financial Planning process.

l. Leah Kleinhans, Manager, Creston Valley-Kootenay Lake Economic Action Partnership requesting a letter of support ETSI-BC RTE Fund

6. QUESTION PERIOD

7. RECESS AND MOVE TO CLOSED MEETING

Pursuant to Sub-Section 90(1)(c) labour relations of the *Community Charter.*

RECOMMENDATION
THAT the Regular Committee of the Whole Meeting of DATE, BE RECESSED at TIME and by the authority of the *Community Charter,* Council move to a Closed Committee of the Whole Meeting with this meeting being closed from the public and/or news media pursuant Sub-Section 90(1)(c) labor relations.

8. RECONVENE TO REGULAR COMMITTEE OF THE WHOLE MEETING

9. REPORT FROM CLOSED COMMITTEE OF THE WHOLE MEETING

10. ADJOURNMENT

RECOMMENDATION
THAT the Regular Committee of the Whole Meeting of November 21, BE ADJOURNED at TIME.

Devon Trail Bird Sightings

Contact: Ulrike Sliworsky, Creston Valley Bird Festival Coordinator

info@crestonvalleybirds.ca

[redacted]

Artist: Eileen Gidman ([redacted])

Cost: 24" x 18" Aluminum sign from Rooks Design

¼" thick is approx. $140 plus $90 set-up

Ulrike and Eileen are both residents on Scott Street near the Devon Trail. Over the years, they have enjoyed watching birds along the trail and would like to share their sightings with other trail-users. Some interesting birds seen that can be included on the sign are:

Ring-necked Pheasants
Gray Catbirds
Lazuli Buntings
Spotted Towhee
Black-headed Grosbeak
Yellow Warbler
Nashville Warbler
Chipping Sparrow
House Sparrow
Song Sparrow
American Goldfinch
House Finch
Cedar Waxwing
Red-breasted Nuthatch
Black-capped Chickadee
Red-eyed Vireo
Calliope Hummingbird
Downy Woodpecker
Blue Jay
Eurasian Collared Dove
American Robin
American Crow

EGidman

Kirsten Dunbar

Subject: FW: Devon Trail Bird Trail

CAUTION This email originated from outside the organization. Please proceed only if you trust the sender.

Good morning Kirsten

My name is Ulrike Sliworsky and I am the Coordinator of the Creston Valley Bird Festival. My neighbor is Eileen Gidman who is a local artist. We both live on Scott Street near the Devon trail. Over the years, we have enjoyed bird watching along the trail and we would like to share our sightings with other trail-users by designing a sign that will list the possible birds that could be found. Eileen is donating her time to design this sign and the Rotary Club has unofficially agreed to finance it. We would just need the Town of Creston's permission to add the sign to an existing post at the trailhead (see attachment). Would we need to present this proposal at a council meeting or could it be approved without attending?

Thank you for your time and consideration,

Ulrike and Eileen

Birds:
Lazuli Bunting
Spotted Towhee
Ring necked pheasant

Artist: Eileen Gidman

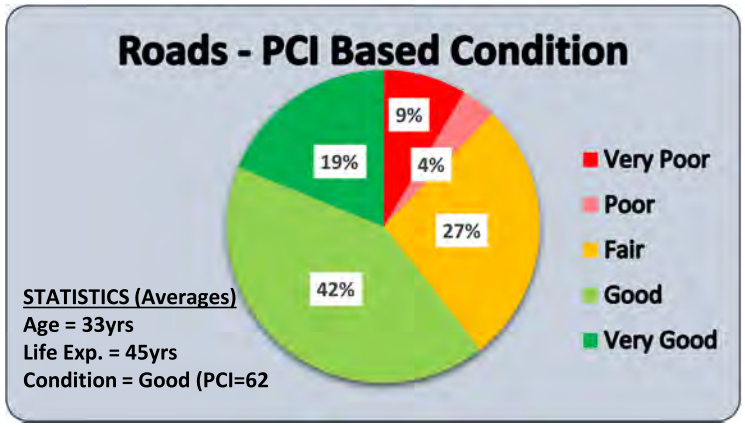
2024 Budget

Asset Management
Roads/ Water/ Sewer and Storm Network
Capital Funding Levels

Funding Level
Road Assets

Achieve Level of Service (LOS) PCI = 80 (Good)

Condition	% of Network	Length (m)	Network Avg. Width (m)	Treatment cost /m2	Total Avg. Treatment Cost	Life of treatment	Annual Cost
Very Poor	9%	4,391	8.5	$ 120.00	$ 4,479,207.60	45	$ 99,538
Poor	4%	1,835	8.5	$ 80.00	$ 1,247,963.20	33	$ 38,399
Fair	27%	13,855	8.5	$ 40.00	$ 4,710,669.40	20	$ 235,533
Good *	42%	21,275	8.5	$ 10.00	$ 1,808,416.65	12.5	$ 144,673.33
Very Good *	19%	9,581	8.5	$ 1.00	$ 81,437.40	5	$ 16,287.48
* Treatment Activities generally fall under Operations & Maintenance							$ 373,470



Current Funding

5 yr. Average Capital Budget	$	240,000
Proposed Annual Capital Budget	$	373,470
Proposed ADDITION to CAPITAL	$	133,470
Annual Operating Road Maintenance Budget	$	126,534
Proposed Annual Operating Budget	$	160,961
Proposed ADDITION to OPERATING	$	34,427

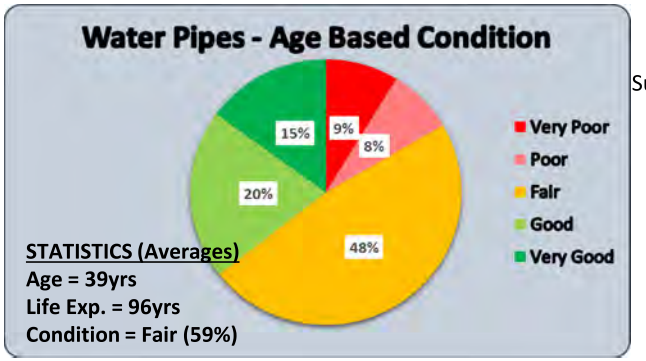
Funding Level
Water Assets

Achieve Level of Service (LOS) PCI = 80 (Good)

Condition	% of Network	Length (m)	Network Avg. Diameter (mm)	Treatment cost /mm.m	Total Avg. Treatment Cost	Life of treatment	Annual Cost
Very Poor	9%	5,529	182	$ 8.75	$ 8,805,493.89	100	$ 88,055
Poor	8%	5,019	182	$ 3.00**	$ 2,740,641.54	80	$ 34,258
Fair	48%	30,318	182	$ 3.00**	$ 16,553,362.36	80	$ 206,917
Good *	21%	13,108	182	$ 0.03	$ 71,569.93	3	$ 23,857
Very Good *	15%	9,507	182	$ 0.03	$ 43,258.02	1	$ 43,258
							$ 329,230

* Treatment Activities generally fall under Operations & Maintenance

** Costs do not reflect service replacment between main and property line.



Current Funding

5 yr. Average Capital Budget	$ 160,000
Supported funding (under current Utility Rates)	$ 320,000

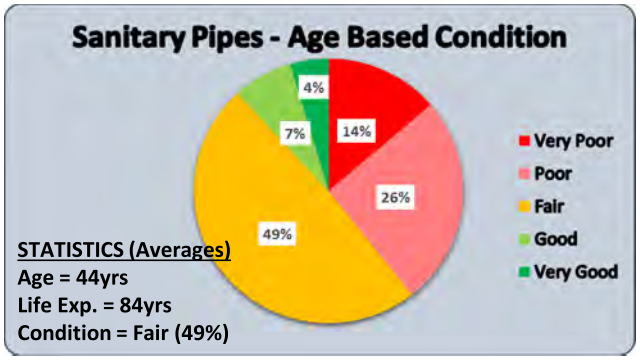
Funding Level
Sanitary Assets

Achieve Level of Service (LOS) PCI = 80 (Good)

Condition	% of Network	Length (m)	Network Avg. Diameter (mm)	Treatment cost /mm.m	Total Avg. Treatment Cost	Life of treatment	Annual Cost
Very Poor	14%	7,838	230	$ 8.50	$ 15,323,200.63	100	$ 153,232
Poor	26%	14,643	230	$ 2.05	$ 6,904,353.79	80	$ 86,304
Fair	49%	27,881	230	$ 2.05	$ 13,145,673.56	80	$ 164,321
Good *	7%	4,125	230	$ 0.15	$ 142,320.90	3	$ 47,440
Very Good *	5%	2,611	230	$ 0.03	$ 15,015.34	1	$ 15,015
							$ 403,857

* Treatment Activities generally fall under Operations & Maintenance

** Costs do not reflect service replacment between main and property line.



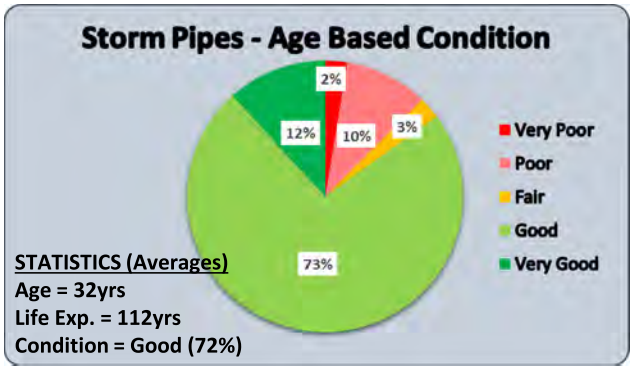
Current Funding

5 yr Average Capital Budget	$	229,000
Suported funding (under current Utility Rates)	$	279,000
Proposed ADDITION	$	124,857

Funding Level
Storm Assets

Achieve Level of Service (LOS) PCI = 80 (Good)

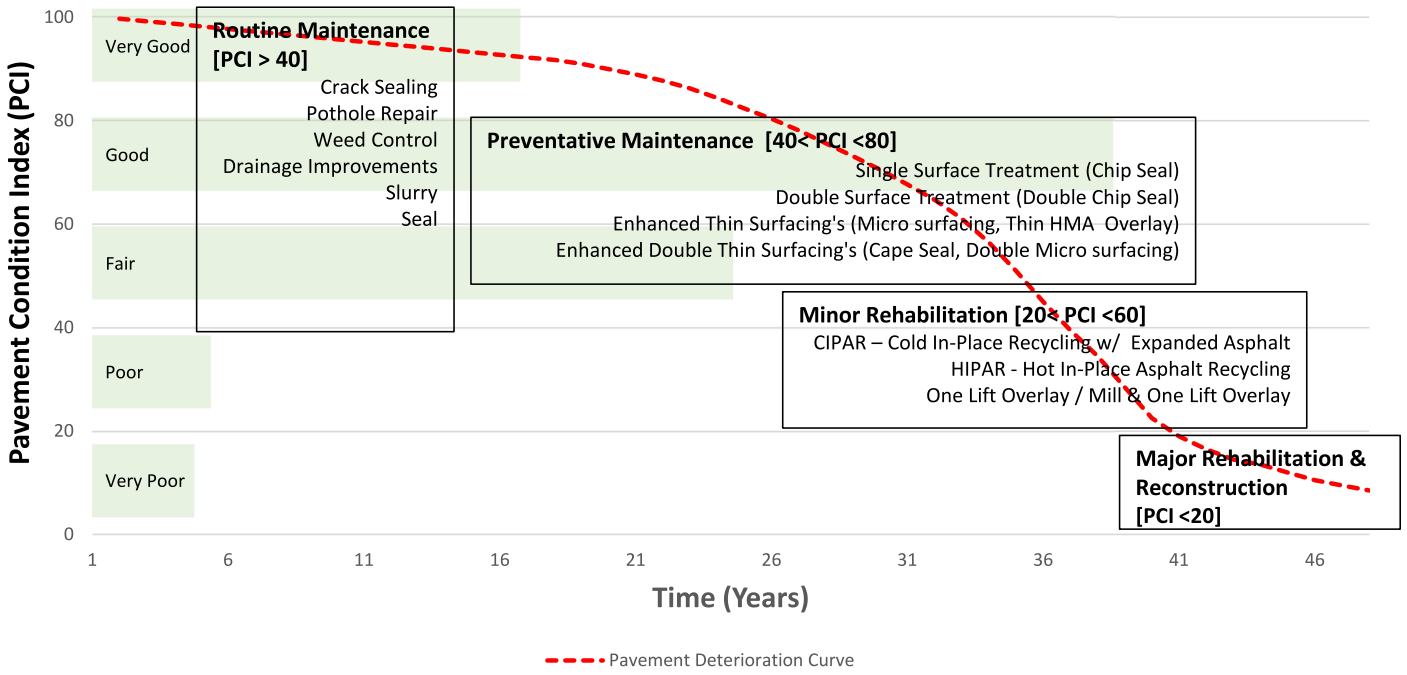
Condition	% of Network	Length (m)	Network Avg. Diameter (mm)	Treatment cost /mm.m	Total Avg Treatment Cost	Life of treatment	Annual Cost
Very Poor	2.7%	786	290	$ 8.00	1,823,339.83	100	$ 18,233.40
Poor	10.5%	3,032	290	$ 2.05	1,802,428.21	80	$ 22,530.35
Fair	2.8%	806	290	$ 2.05	479,248.92	80	$ 5,990.61
Good	78.1%	22,603	290	$ 0.03	196,641.96	3	$ 65,547.32
Very Good	12.4%	3,598	290	$ 0.03	26,083.91	1	$ 26,083.91
							$ 46,754.36



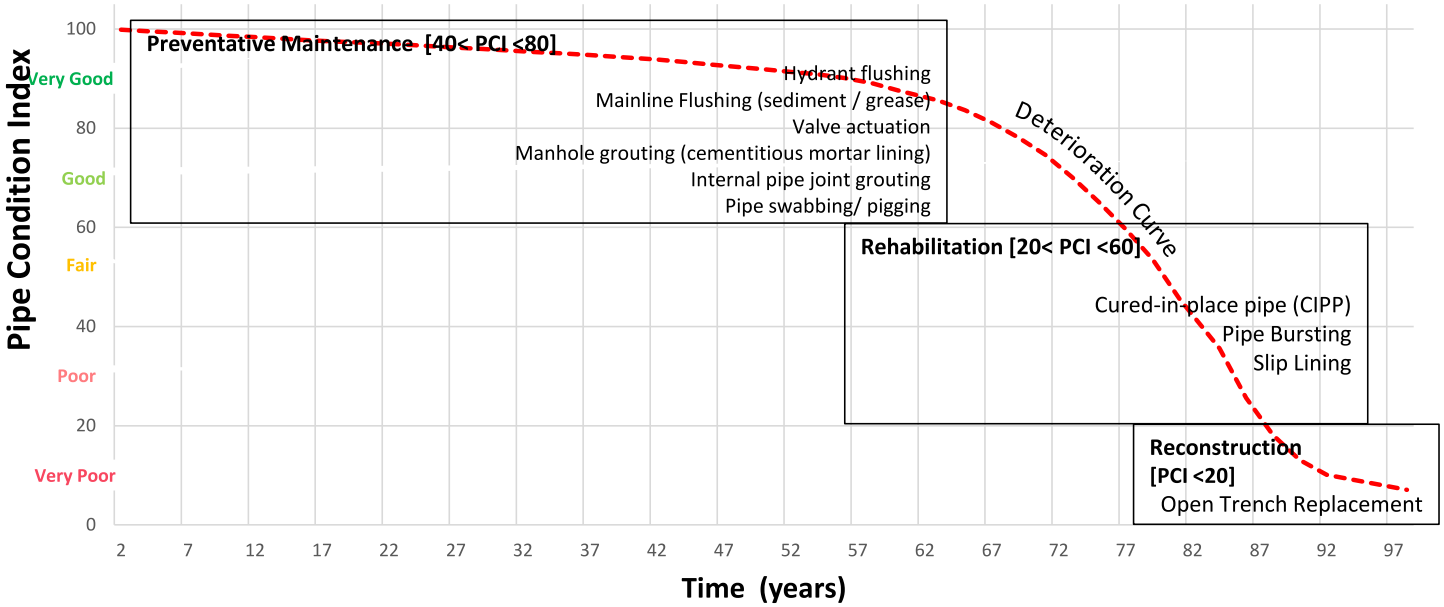
Current Funding

5 yr. Average Capital Budget $ 50,000.00

Creston Road Network Treatment Strategy



Creston Underground Pipe Network Treatment Strategy



COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

CRESTON VALLEY
TOWN of CRESTON

ACTION DATE: November 21, 2023

SUBJECT: Collis Street Sewage Lift Station Assessment

SUGGESTED FOLLOW-UP ACTION: THAT Council RECIEVES FOR INFORMATION the report from the Manger of Engineering regarding the Collis Lift Station Assessment; AND FURTHER, THAT Council DIRECTS Staff to prepare a budget in 2024 to investigate and review options for increasing the capacity of the Station.

CAO COMMENTS: No additional comment.

BACKGROUND

Staff Briefing Note: **Attached** ☐ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: The Collis Street Sewage Lift Station has been in operation since approx. 1995 and services the Alice Siding Area of Creston. The Lift Station was originally intended as a temporary measure until a gravity bypass sewer could be installed to replace the Station. The 2011 Sanitary Master Plan recommended a bypass sewer in order to allow additional development. During the 2017 Official Community Plan, the timing of the lift station replacement was considered and Land Use Policies were recommended to postpone the sewer trunk extension (Part V, Section H, Par. 4.5, pg. 41). These recommended policies lead, in part, to the establishment of a Residential Growth Containment Area (RGCA).

RELEVANT OBSERVATIONS: A Lift Station Assessment complete in 2023 by Associated Engineering indicates that current sewer flows exceed the capacity of the existing Lift Station.

STRATEGIC QUESTIONS: Economic Health, Livability and Service Excellence

ESSENTIAL QUESTION: Does Council wish Staff to complete further investigation and review options for increasing the capacity of the Station?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: As the north end of Creston has the greatest amount of developable land in Creston, adequate infrastructure planning will ensure that sanitary sewer collection options are in place and available when needed.

DESIRED BENEFITS OF KEY RESULT: Investigation to review options for increasing the capacity of the Lift Station will allow for the best possible decisions regarding the operation, timing, budgeting and construction of sewer assets.

REQUISITES: A Lift Station Assessment has already been completed to determine remaining capacity.

UNINTENDED OUTCOMES: Future development will be limited due to sewer networks not being able to achieve their intended goals. Or, the level of service to existing customers will decrease and property damage may occur as a result of sewer backups if future connections are permitted without upgrades.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	THAT the Council Direction Request from the Manger of Engineering regarding the Collis Lift Station Assessment BE RECEIVE; AND FURTHER, THAT Council DIRECTS Staff to prepare a budget in 2024 to investigate and review options for increasing the capacity of the Station.
2.	That Council Direct Staff to maintain the status quo.
3.	Other Options Council may wish to pursue.

Submitted by: _____
Colin Farynowski, Manager of Engineering

Reviewed by: CAO _____
Michael Moore, CAO

Associated Engineering | GLOBAL PERSPECTIVE. LOCAL FOCUS.

TECHNICAL MEMORANDUM

Town of Creston

Collis Lift Station Assessment

OCTOBER 2023

carbon neutral since 2009

CANADA BEST MANAGED COMPANIES Platinum member

C:\Users\ohmank\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\LO61KVQA\2023_10_13_rpt_collis_ls_assessment_final (CF's Comments)_TH_KO.docx

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1 INTRODUCTION

The Town of Creston (the Town) engaged Associated Engineering (Associated) to undertake a capacity and condition assessment of the Collis Lift Station (LS).

1.1 Background

The Collis LS has been in service since approximately 1995 and currently services the Town's north end. The Town has been approached regarding a potential development that would add about 100 homes to the catchment area. The objective of this assessment is to determine whether the station has the capacity to service the additional homes and is in good enough condition to provide reliable service.

1.2 Scope of Work

The scope of this assessment includes the following:

- A review of background data, including record drawings, catchment areas, and flow monitoring for the month of April 2023
- A desktop capacity and hydraulic assessment to determine expected inflow rates to the station as well as a review of the pump rate of the existing pumps
- A site visit to perform a visual condition assessment and pump tests to confirm pumping capacity
- The generation of this technical memorandum to detail the assessment and its findings

2 SITE AND LOCATION

The Collis LS is located just west of the Crowsnest Highway (Hwy 3 / Northwest Boulevard) on the north side of Collis Street, as shown in Figure 2-1.

Figure 2-1 Location of Collis LS

The site consists of a fibre-reinforced plastic (FRP) tank below ground with an adjacent electrical kiosk above ground, as shown in Figure 2-2.

Figure 2-2 Collis LS Site

The LS includes:

- Two 10 hp Flygt pumps c/w lifting rails
  - Pump 1 model: CP 3127.180 HT 483
  - Pump 2 model: N3127.060 HT 488
- Coated steel piping
- Check valves on each discharge line
- Plug type isolation valves on each discharge line with stem extensions for above grade operation
- Aluminum ladder and intermediate platform
- Ultrasonic level transmitter in a stilling well
- Level floats for secondary pump control
- Blower heater located in the electrical panel and ducted into the tank

Figure 2-3 Collis LS Internals

3 CONDITION ASSESSMENT

3.1 Evaluation Criteria

Associated evaluated the physical condition of each asset based on the rating level and descriptions listed in Table 3-1.

Table 3-1 Condition Assessment Ratings

Rating Level	Rating Description	Action / Priority
Very Good (1)	Like new condition	Regular reviews/inspections
Good (2)	Performs adequately with only minor visible deficiencies	Regular reviews/inspections
Fair (3)	Performs adequately with visible deficiencies	Monitor for changes during regular reviews/inspections and plan for repairs in the long term.
Poor (4)	Deficiencies are affecting performance	Rehabilitation required in the short term to maintain operation.
Very Poor (5)	Major degradation or component failure	Rehabilitation required immediately due to the risk of failure.

3.2 Pump Evaluation

As part of the site assessment the pumps were removed for a visual inspection, see Figures 3-1 and 3-2 for photos. The nameplates on the pumps matched the curves provided by the Town and were confirmed by Xylem. The curves are included in Appendix A.

Pump 1 is original (around 1995) and despite its age it appears to be in fair condition. Some rust is visible on the housing and some wear can be seen on the impeller. Pump 2 was installed in August 2022 and still appears to be in very good condition.

Figure 3-1 Pump 1

Figure 3-2 Pump 2

Figure 3-3 Pump 1 Impeller

Figure 3-4 Pump 2 Impeller

As power consumption can be a good indicator of pump condition, the Town provided an electrician at the site assessment to measure the current and voltage of each pump while running. With those two measurements the motor input power could be calculated and compared to the power curve provided by Xylem. A calculated power within 10% of the expected power from the datasheet is considered to be acceptable. The average voltage and current measured for each pump, the calculated power, the datasheet power, and the percent difference are shown in Table 3-2.

Table 3-2 Pump Power Review Data

Parameter	Pump 1	Pump 2
Average Observed Flow (see Section 4.4)	15.6 L/s	15.6 L/s
Average Measured Voltage	612.3 V	613.3 V
Average Measured Current	7.5 A	7.0 A
Power Factor from Xylem datasheet	0.88	0.88
Calculated Power	**7.0 kW**	**6.5 kW**
Power from Xylem datasheet curve at the observed flow	**6.7 kW**	**6.1 kW**
Percent Difference	*4.7%*	*7.1%*

As seen in the table, both pumps were observed to be operating within 10% of the expected power, which infers the motors are performing as expected.

Considering the visual and power assessments, Associated assigned the following condition scores:
Pump 1: 3 – Fair
Pump 2: 1 – Very Good

3.3 Piping Evaluation

The internals of the LS, including the piping and the valves, were observed visually from grade, and can be seen in Figure 3-5. No major deficiencies were observed in the piping; there appears to be some minor deterioration of the coating. The plug valves have minor surface rusting and operations staff were unable to exercise the valves during the site visit as the valves had seized up. The valves are stuck in the open position, not affecting current operating performance, but the lines cannot be safely isolated if work needs to be done in the future. The check valves could not be seen from above and were not assessed.

Figure 3-5 Piping and Valves

Based on the visual inspection, Associated assigned the following condition scores:
Piping: 2 - Good
Valves: 5 – Very Poor

3.4 Electrical System Condition

The electrical cabinet, seen in Figure 3-6, appeared to be well sealed and the panels inside were free of rust or other signs of degradation. The level reading by the ultrasonic appeared to be reliable and the pump control was operating as expected. The blower, located in the cabinet, was moving air through the LS tank as air could be felt exiting the LS vent.

Figure 3-6 Electrical and Controls Cabinet

Based on the visual inspection, Associated assigned the following condition scores:
Electrical Panels: 2 – Good
Controls: 2 – Good
Blower: 2 - Good

3.5 Overall Structure Condition

The FRP tank appeared to be in good condition with only minor scratches in the exterior coating of the tank. The aluminum ladder itself appeared to be in good condition; however, it appeared to only have one of the retractable safety hand grabs specified in the drawings. The platform appeared to be in good condition apart from the solids buildup on it. Figure 3-7 shows the tank, ladder, and platform.

Figure 3-7 Lift Station Structural Components

Based on the visual inspection, Associated assigned the following condition scores:
FRP Tank: 2 – Good
Ladder: 3 – Fair
Platform: 2 - Good

4 CAPACITY ASSESSMENT

4.1 Desktop Study

As only one month of flow data was available for the LS, Associated approximated the average and max day dry weather flows as well as the peak wet weather flows by performing a desktop study considering all the connections in the catchment area of the LS. The catchment, shown in Figure 4-1, includes most commercial and residential properties south of Crusher Road, west of Arrow Mountain, north of Devon Street, and East of the railroad tracks. The Town provided a list of all the connections in the catchment, including the type of connection, address, and number of connections, totaling 344 connections.

Figure 4-1 Catchment for the Collis LS – Indicated in Green

The desktop study used a combination of potential sewage flows from the British Columbia Sewerage System Standard Practice Manual (BC Standards) and the Alberta Standards and Guidelines for Municipal Waterworks, Wastewater, and Storm Drainage Systems (AB Standards). The BC Standards state that the flow rates are minimums and that more conservative values can be used. Consequently, Alberta Standards were used when these were more conservative than the BC ones. The types of connections were taken from the list provided by the Town and matched with the equivalent type from the standards. Table 4-1 shows the values used for each connection type in the desktop study. Neither standard included waste flows from car washes so industry standards were used.

Table 4-1 Sewage Generated Volumes Used in Desktop Study

Type of Connection	Average Flow (L/d/unit)	Unit
Apartments	675	bedroom
Banquet Room	160	seat
Bar	113	seat
Campgrounds & RV Parks	180	space
Car Wash	952	bay
Church	23	seat
Commercial	75	employee
Manufactured Home Park	1350	space
Misc. Industrial	75	employee
Motel c/w Kitchen	450	resident
Motel Sleeping Units	400	single bed
Residential	675	bedroom
Restaurant	160	seat
Restaurant Minimum	160	seat

The values in the table above were used to generate the expected average dry weather flow. The Master Municipal Construction Documents (MMCD) provide guidance on the expected peaking factor that can be used to predict the peak dry weather flow from the average dry weather flow. Using the MMCD peaking factor formula yields a factor of 3.2. It's worth noting that Associated's 2023 Infiltration and Inflow Study (I&I Study) found peaking factors ranging from 1.7 (SAN-03 monitor location) to 4.2 (SAN-05 monitor location) in other catchments within the Town. The monitoring locations are shown in Appendix B.

Finally, the BC Standard recommends accounting for 0.12 L/s/ha to cover groundwater infiltration and system inflows (I&I). The AB standards also recommends adding 0.4 L/s for each manhole located in roadway as trap flows or other low areas. Recent findings in the I&I Study indicate that 12 manholes are in low areas and are likely to be contributing to trap flows. These flows were then added to the peak dry weather flow to determine the peak wet

weather flow. It's also worth noting that the I&I Study found average I&I rates per hectare to be between 0.06 L/s/ha (SAN-01 monitor location) and 0.52 L/s/ha (SAN-05 monitoring location).

Table 4-2 summarizes the results of the desktop study.

Table 4-2 Desktop Study Results

Condition	Value
Average Dry Weather Flow	5.8 L/s
Peaking Factor	*3.2*
Peak Dry Weather Flow	18.7 L/s
I&I	13.3 L/s
Peak Wet Weather Flow	**32.0 L/s**

4.2 Flow Monitoring

The Town also provided flow monitoring data for the month of April 2023, collected by SFE Global. The flow meter was placed on the inlet to the Collis LS and is identified in the I&I Study as SAN-09. Flow (L/s) and rainfall (mm) values were recorded every 5 minutes. Figure 4-2 shows the trends for the month and Table 4-3 summarizes the results of the flow monitoring for the Collis LS catchment and compares them to the results of the desktop study.

Figure 4-2 April 2023 Flow Monitoring Data

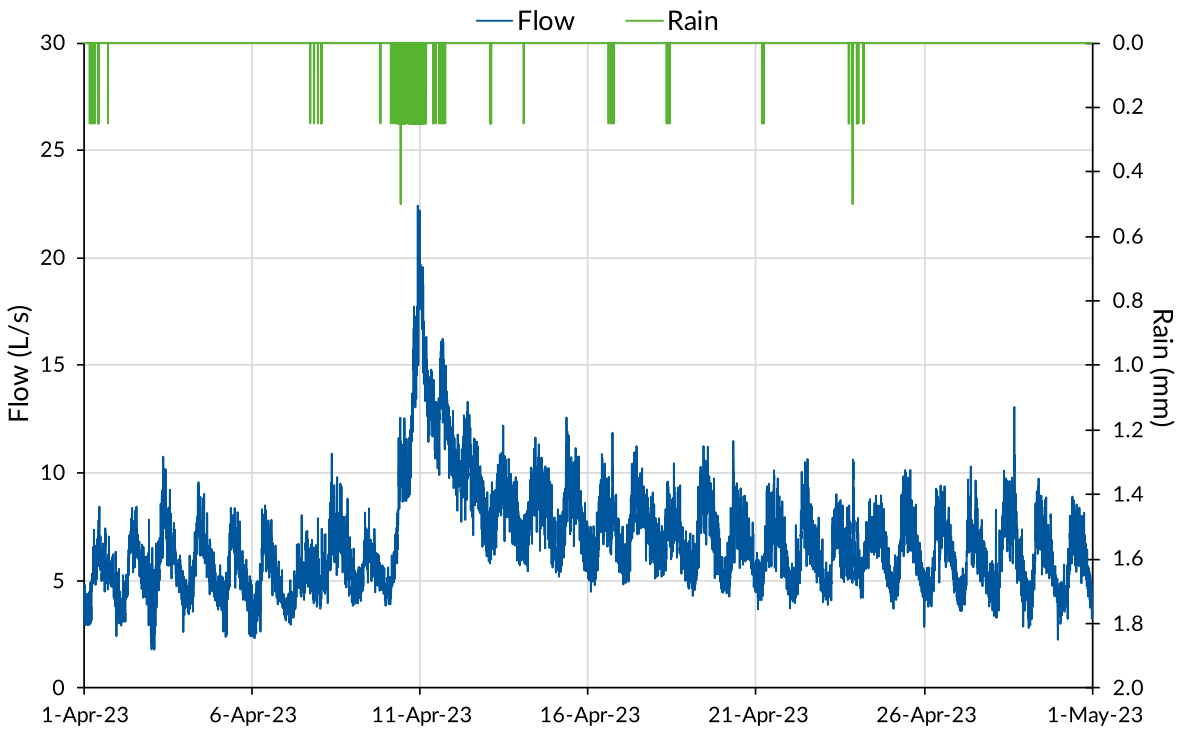


Table 4-3 Collis LS Catchment Flow Monitoring Results

Condition	April 2023 Data	Desktop Study
Average Dry Weather Flow	6.4 L/s	5.8 L/s
Peaking Factor	*2.1*	*3.2*
Peak Dry Weather Flow	13.3 L/s	18.7 L/s
I&I	9.1 L/s	13.3 L/s
Peak Wet Weather Flow	**22.4 L/s**	**32.0 L/s**

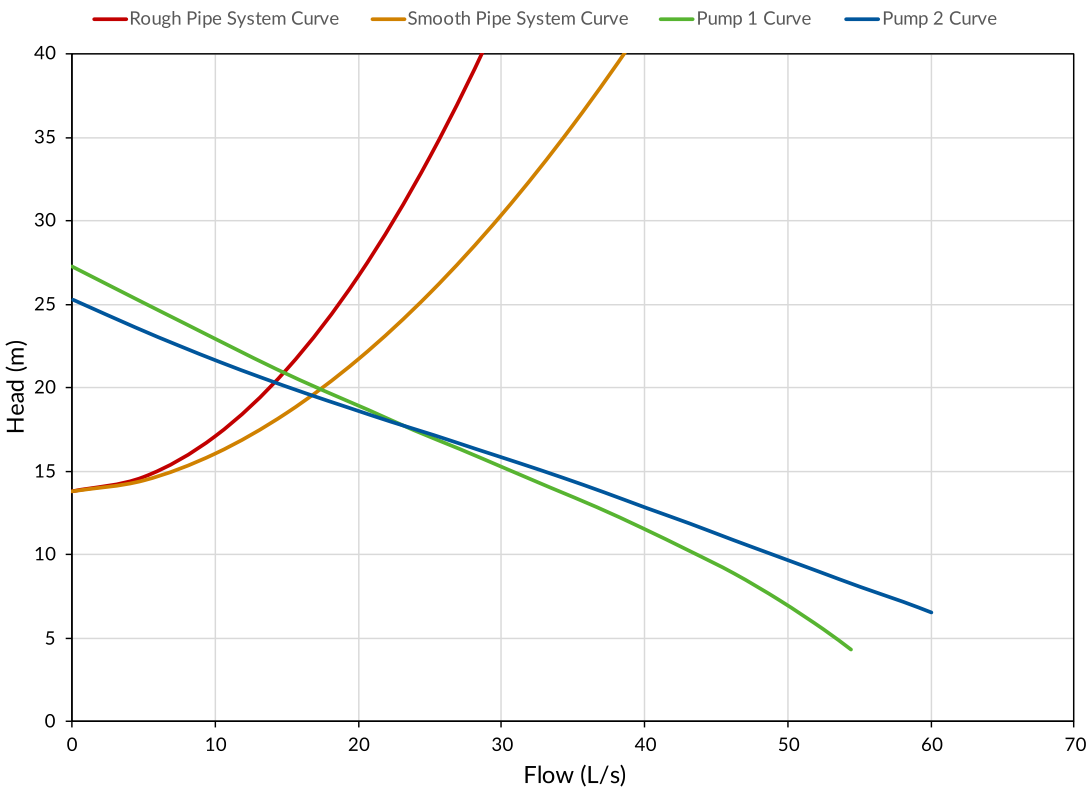
When compared to the month of flow data observed at the Collis LS, the desktop study peaking factor and I&I estimates are conservative; however, when compared to the current results of the I&I Study, they are less than the worst cases observed and should not be considered as overly conservative.

4.3 Hydraulic Assessment

Using the record drawings provided to Associated, a hydraulic model was built of the LS and the forcemain to determine the system head curve, considering the major and minor losses as well as the static lift. The record drawings indicate that the forcemain is 150 mm HDPE but do not indicate the pressure rating, which Associated assumed to be 60 psi (approximately 1.5 times the shutoff head of the pumps). Figure 4-2 shows the maximum and minimum system

curves plotted against the pump curves of the existing pumps. The range in system curves accounts for unknowns in the roughness of the pipe, which can vary depending on the amount of buildup and/or wear. A pump will operate at the intersection of the pump curve and the system curve. As can be seen in the figure, the pump station is expected to operate between 14 and 17 L/s.

Figure 4-3 Modelled System and Pump Curves



4.4 Draw Down Test Data

During the site visit, Associated observed three pump cycles to confirm the capacity of the pumps, noting the start and stop levels and the time between start and stop. Associated also noted the amount of time it took the water level to rise again between cycles to determine the inflow to the station at the time of testing. The pump rate is the sum of the rate of volume change while a pump is running (net rate of change in the wet well) and the rate of volume change due to inflow when a pump is running (inflow is assumed constant across pump off and on periods). Note that the pumps were operated manually for the tests. The results of the draw down tests are in Table 4-4. The average pumping rate observed was 15.6 L/s, within the expected range of the Hydraulic Assessment.

Table 4-4 Draw Down Test Results

Parameter	Cycle 1		Cycle 2		Cycle 3	
	Inflow	Pumping	Inflow	Pumping	Inflow	Pumping
Pump Running	None	Pump 1	None	Pump 2	None	Pump 1

Parameter	Cycle 1		Cycle 2		Cycle 3	
	Inflow	Pumping	Inflow	Pumping	Inflow	Pumping
Start Level (m)	0.46	0.93	0.43	0.89	0.42	0.90
Stop Level (m)	0.83	0.41	0.93	0.40	0.62	0.40
Time (s)	304	169	476	144	171	157
Rate of Volume Change (L/s)	4.3	11.0	3.7	12.1	4.2	11.3
Pump Flow Rate (L/s)	**15.3**		**15.9**		**15.5**	

5 SUMMARY AND RECOMMENDATIONS

5.1 Condition Summary

Overall, the LS is in good condition (see Figure 5-1); however, Associated recommends replacing the plug valves immediately to provide the ability to isolate the station. After replacement, the plug valves should be regularly exercised (fully open to fully closed to fully open) approximately every six months.

Table 5-1 Condition Summary

Component	Condition
Pump 1	3- Fair
Pump 2	1 – Very Good
Piping	2 – Good
Valves	5 – Very Poor
Electrical Panels	2 – Good
Controls	2 – Good
Blower	2 – Good
FRP Tank	2 – Good
Ladder	3 – Fair
Platform	2 – Good

5.2 Capacity Summary

The pumping capacity of the station appears to be between 15 and 16 L/s with one pump running. Due to the steepness of the system curve, both pumps running together would only produce flows of around 17 to 18 L/s. Based on the April flow data the peak dry weather flow is approaching the single pump capacity of the station (13.3 L/s) and based on the desktop study the peak dry weather flow exceeds the capacity of the station (18.7 L/s).

From discussions with operators on-site, the April peak dry weather flow is more likely to be accurate as the operators indicated that under normal conditions the station can keep up. However, both the April flow data and the desktop study indicate the station does not currently have the capacity to keep up with peak wet weather flows (22.4 L/s and 32.0 L/s respectively). The operators indicated that recently the station did back up during a storm event when power to the station was lost and there was an overland sewage flooding incident. This is also evident within the station itself as solids buildup can be seen on the platform and on the walls of the station at least a meter above the platform, well above the normal operating level of the station. Associated recommends adding backup power to the station.

100 homes would add approximately 3 L/s average day dry weather flow (10 L/s peak day dry weather flow) and assuming the development is medium density an additional 0.2 L/s of I&I.

5.3 Recommendations

The intent of this study is to determine if an additional 100 homes can be added to the catchment. As the LS currently cannot keep up with peak wet weather flows, Associated recommends that the Town upgrade the LS regardless if the development goes ahead. To be conservative, Associated recommends upgrading the station based on the desktop study numbers and the additional 100 homes. As per Table 5-2, the upgraded LS capacity should be at least 42 L/s.

Table 5-2 Ultimate LS Capacity Summary

Condition	Desktop Study	100 Homes	Upgraded LS Capacity
Average Dry Weather Flow	5.8 L/s	3.1 L/s	9.0 L/s
Peaking Factor	*3.2*	*3.2*	*3.2*
Peak Dry Weather Flow	18.7 L/s	10.0 L/s	28.7 L/s
I&I	13.3 L/s	0.2 L/s	13.5 L/s
Peak Wet Weather Flow	**32.0 L/s**	**10.2 L/s**	**42.2 L/s**

At 42 L/s the existing forcemain would see velocities up to 2.6 m/s, which slightly exceeds the maximum recommended velocity in a sewage forcemain (2.4 m/s). The pressure rating of the forcemain is also unknown. A preliminary replacement pump selection from Xylem requires a 67 hp pump to achieve these flows, which may not be possible with the existing electrical service to the site or the spatial constraints within the LS. If the forcemain were replaced with 250 mm DR 11 HDPE then a 20 hp pump could provide the flow at 1.1 m/s, which is the recommended velocity for sewage forcemains.

Associated recommends further investigation to review options for increasing the capacity of the station, including:

- Increasing the size of the impellers (Pump 1 could see up to 3% more flow and Pump 2 could see up to 9% more flow)
- Increasing the forcemain size or investigating the pressure rating of the existing forcemain
- Adding a second station for the new development
- Installing a new station that can fit larger pumps, if required
- Investigating the electrical capacity of the site
- Adding backup power (i.e., standby generator)

CERTIFICATION PAGE

This report presents our findings regarding the Town of Creston Collis Lift Station Assessment.

Respectfully submitted,

Prepared by:

Tanner Hudson, E.I.T.
Process Mechanical Engineer-In-Training

Reviewed by:

Joe White, P.Eng.
2023-Oct-16
Technical Specialist, Pumping Systems

Project Manager:

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
K. H. V. OHMAN
46700

Klas Ohman, Ph.D., P.Eng. 2023-10-13
Discipline Lead: Environmental; Engineering

Engineers and Geoscientists BC
Permit Number 1000163

APPENDIX A - PUMP CURVES

FLYGT

Performance Curve

Pump 1

Product	Type
CP3127.180	HT

Date	Project	Curve No	Issue
2023-04-26		63-483-00-3755	3

	1/1-Load	3/4-Load	1/2-Load
Power Factor	0.88	0.86	0.79
Efficiency	84.0 %	85.0 %	84.5 %
Motor Data	---	---	---

Rated Power ...	10 (7.46 kW)	hp
Starting Current ...	55	A
Rated Current ...	9.7	A
Rated Speed ...	1735	rpm
Tot. Mom. of Inertia ...	0.12	kgm2
No. of Blades	1	

Impeller Diameter: 228 mm

Motor #	Stator	Rev
21-12-4AL	52D	10

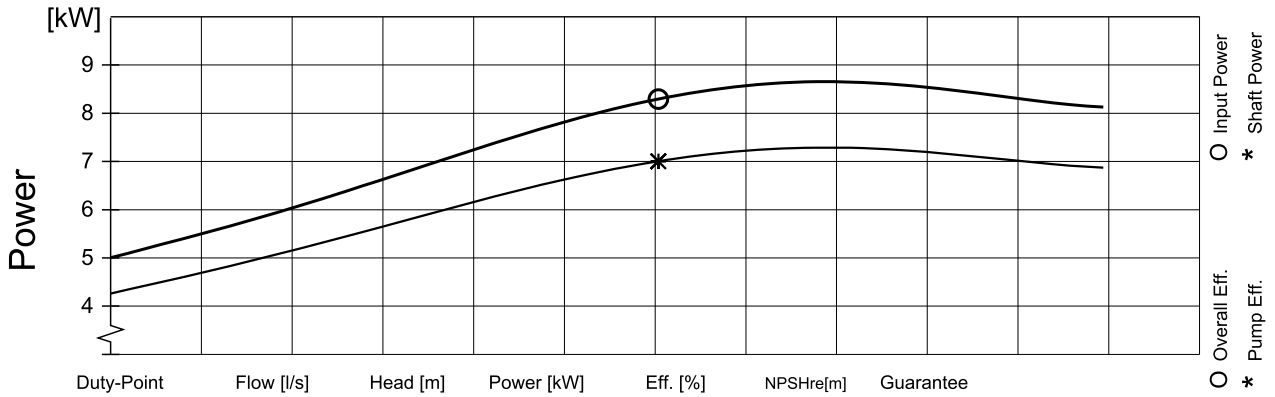
Freq.	Phases	Voltage	Poles
60 Hz	3	600 V	4

Geartype	Ratio
---	---

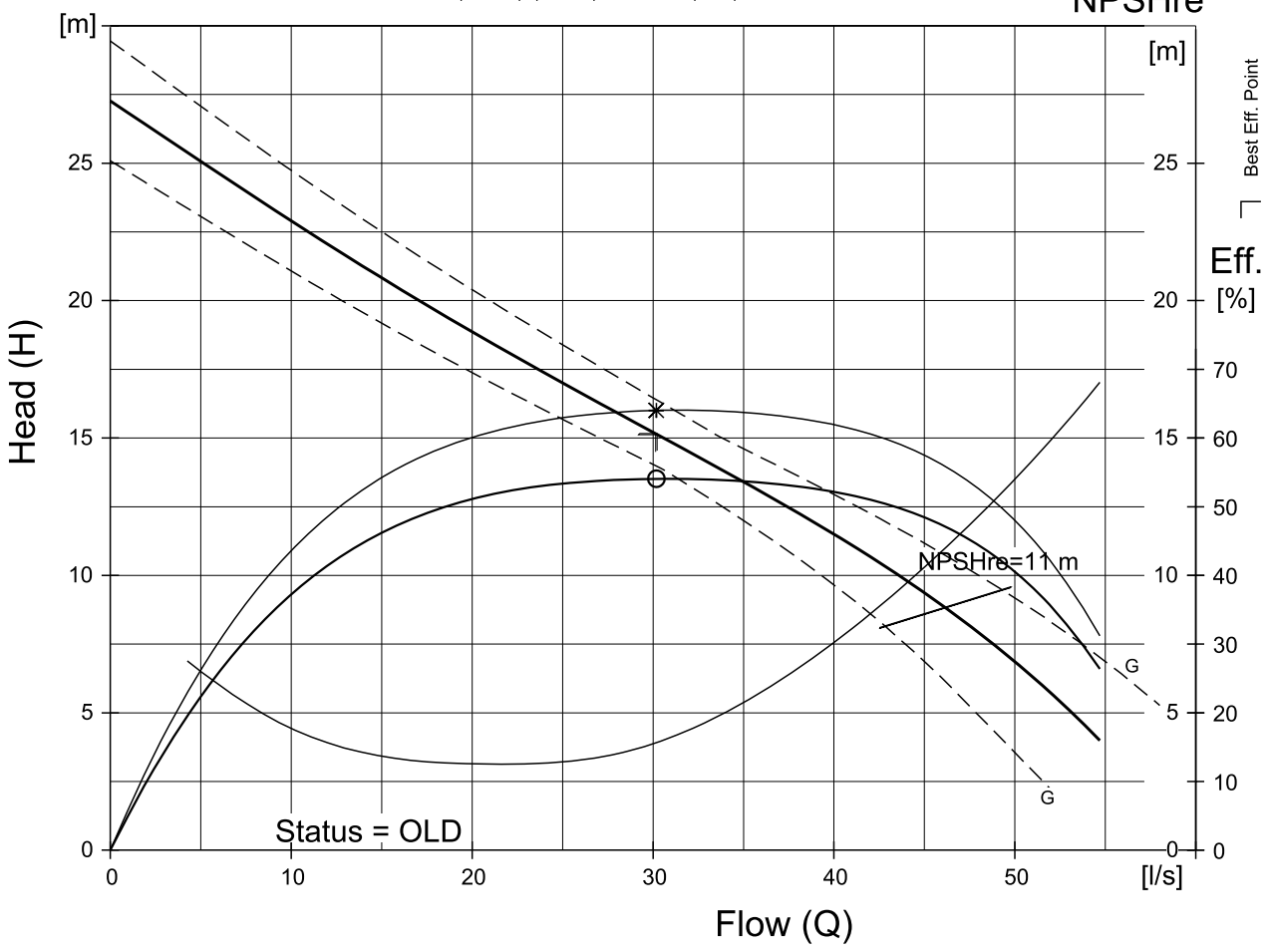
Comments: NEVA CLOG

Inlet/Outlet: -/100 mm

Imp. Throughlet: 76 mm



Duty-Point	Flow [l/s]	Head [m]	Power [kW]	Eff. [%]	NPSHre[m]	Guarantee
B.E.P.	30.2	15.1	(<8.30) (<7.01)*	54.1 (64.0)*	4.0	ISO/HI <10kW /e X



NPSHre = NPSH3% + min. operational margin

CURVES SHOW PERFORMANCE WITH CLEAR COLD WATER

GUARANTEE BETWEEN LIMITS (G) ACC. TO TEST-CODE:	ISO/HI <10kW /e X

unix AUTHOR: KCORMIE SACU (rev:8.0)

FLYGT

Performance Curve

Pump 2

Product	Type
NP3127.180	HT

Date	Project	Curve No	Issue
2023-04-26		63-488-00-3755	1

	1/1-Load	3/4-Load	1/2-Load
Power Factor	0.88	0.86	0.79
Efficiency	84.0 %	85.0 %	84.5 %
Motor Data	---	---	---

Rated Power ...	10 (7.46 kW)	hp
Starting Current ...	55	A
Rated Current ...	9.7	A
Rated Speed ...	1735	rpm
Tot. Mom. of Inertia ...	0.054	kgm2
No. of Blades	2	

Impeller Diameter: 215 mm

Motor #	Stator	Rev
21-12-4AL	52D	10

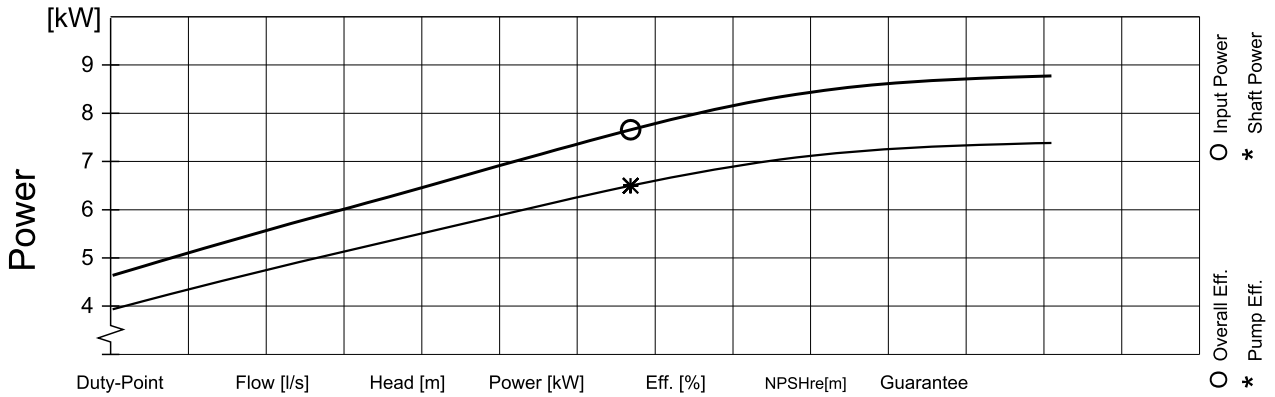
Freq.	Phases	Voltage	Poles
60 Hz	3	600 V	4

Geartype	Ratio
---	---

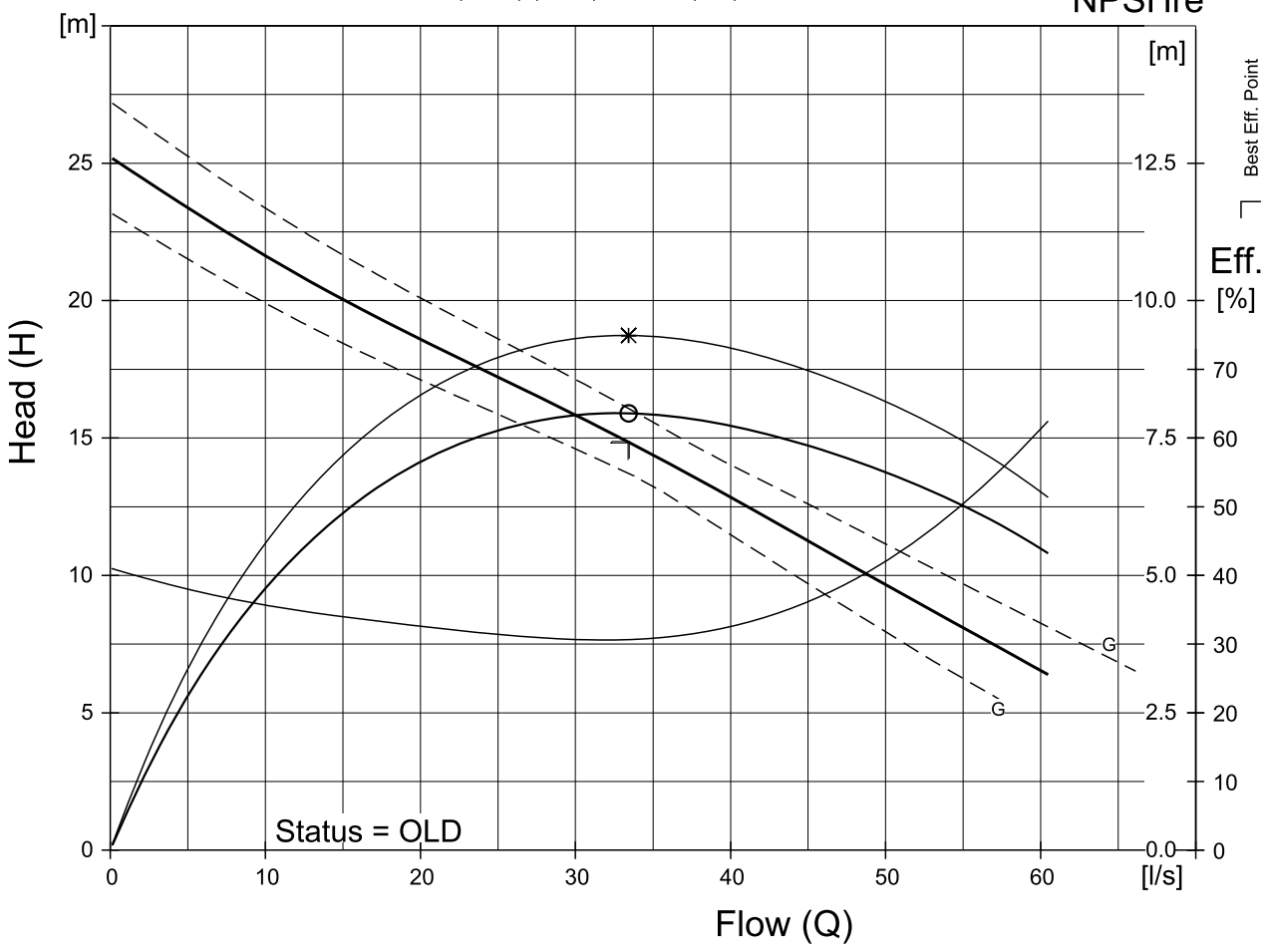
Comments

Inlet/Outlet: -/100 mm

Imp. Throughlet: ---



Duty-Point	Flow [l/s]	Head [m]	Power [kW]	Eff. [%]	NPSHre[m]	Guarantee
B.E.P.	33.4	14.8	(<7.66) (<6.50) *	63.6 (74.9) *	3.9	ISO/HI <10kW /e X



NPSHre = NPSH3% + min. operational margin

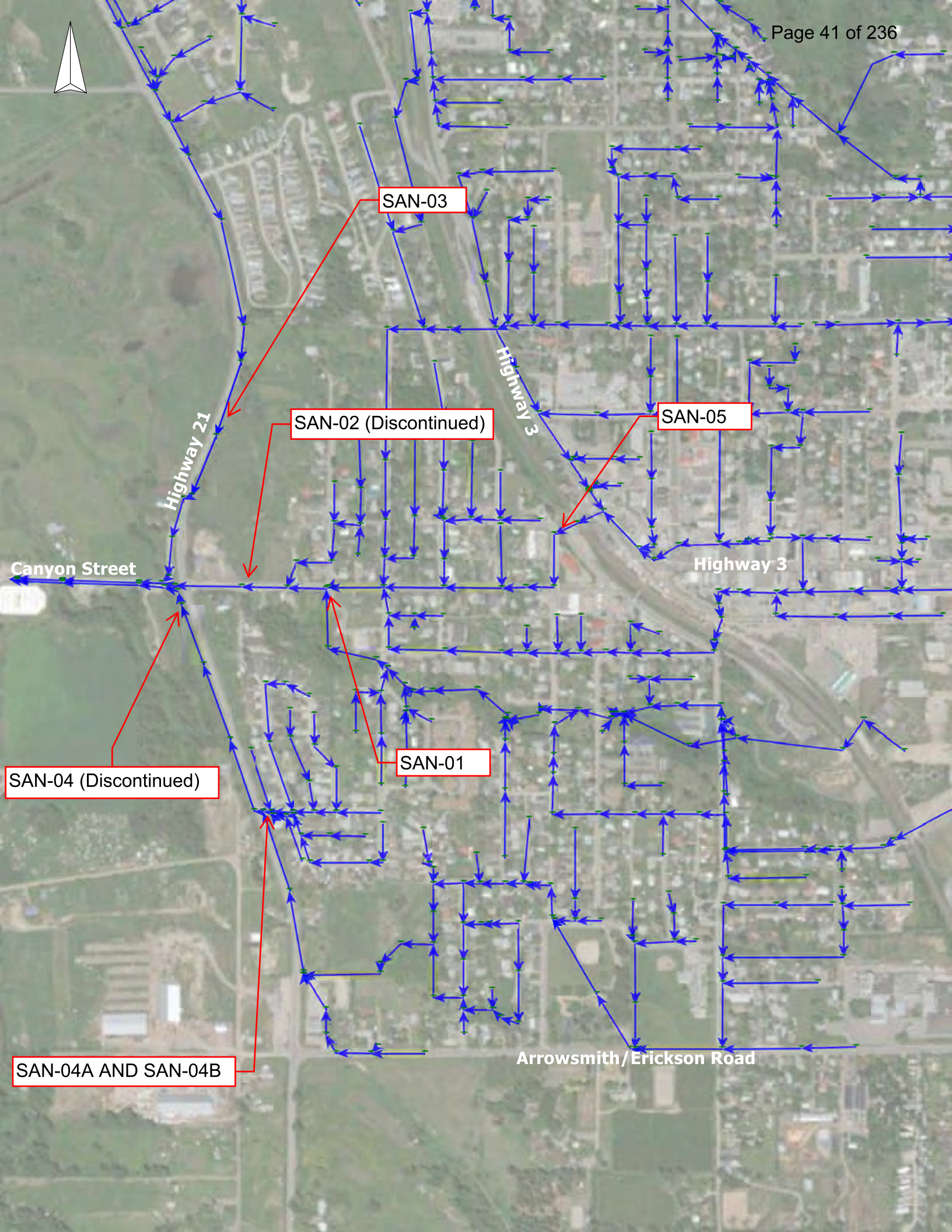
CURVES SHOW PERFORMANCE WITH CLEAR COLD WATER

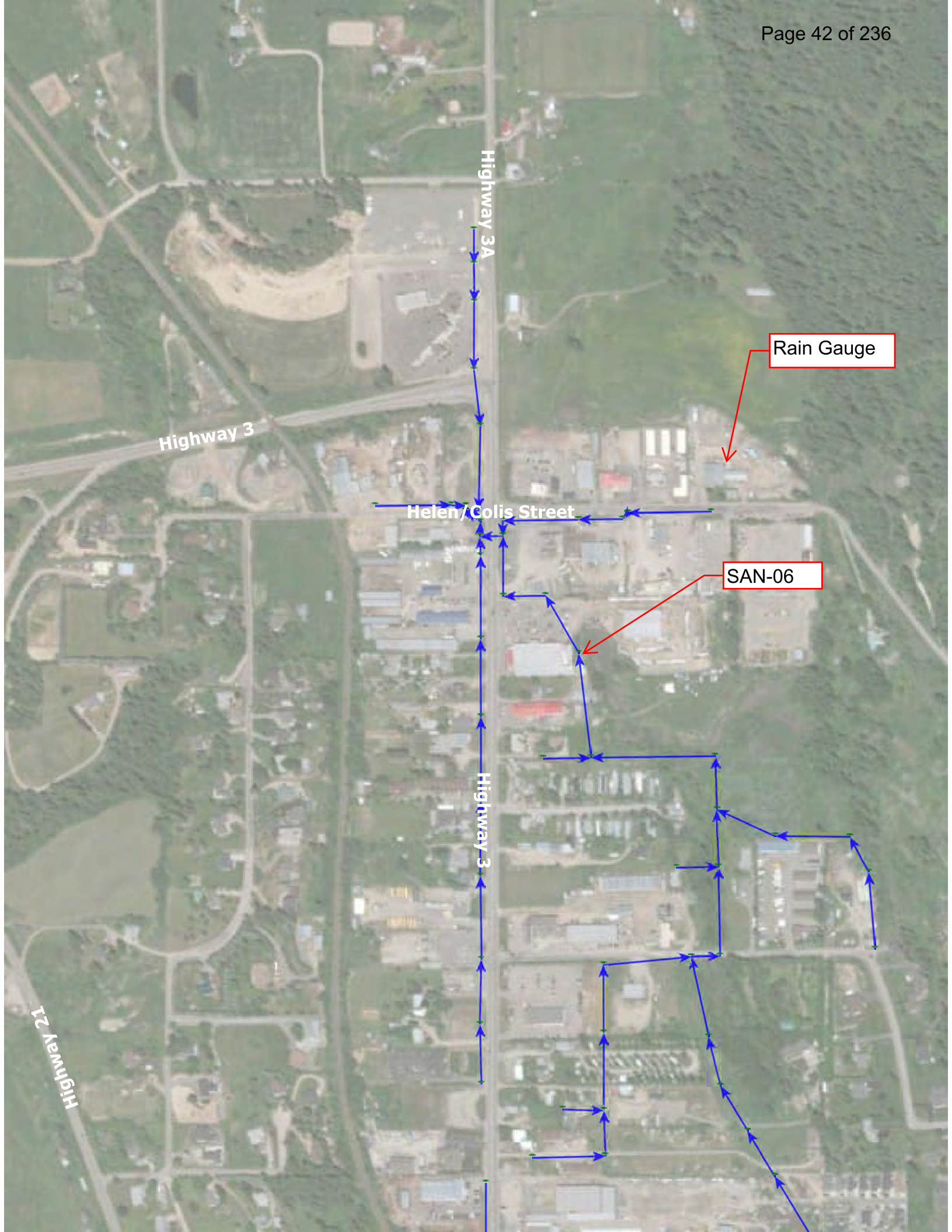
GUARANTEE BETWEEN LIMITS (G) ACC. TO TEST-CODE:	ISO/HI <10kW /e X

unix AUTHOR: KCORMIE SACU (rev:8.0)

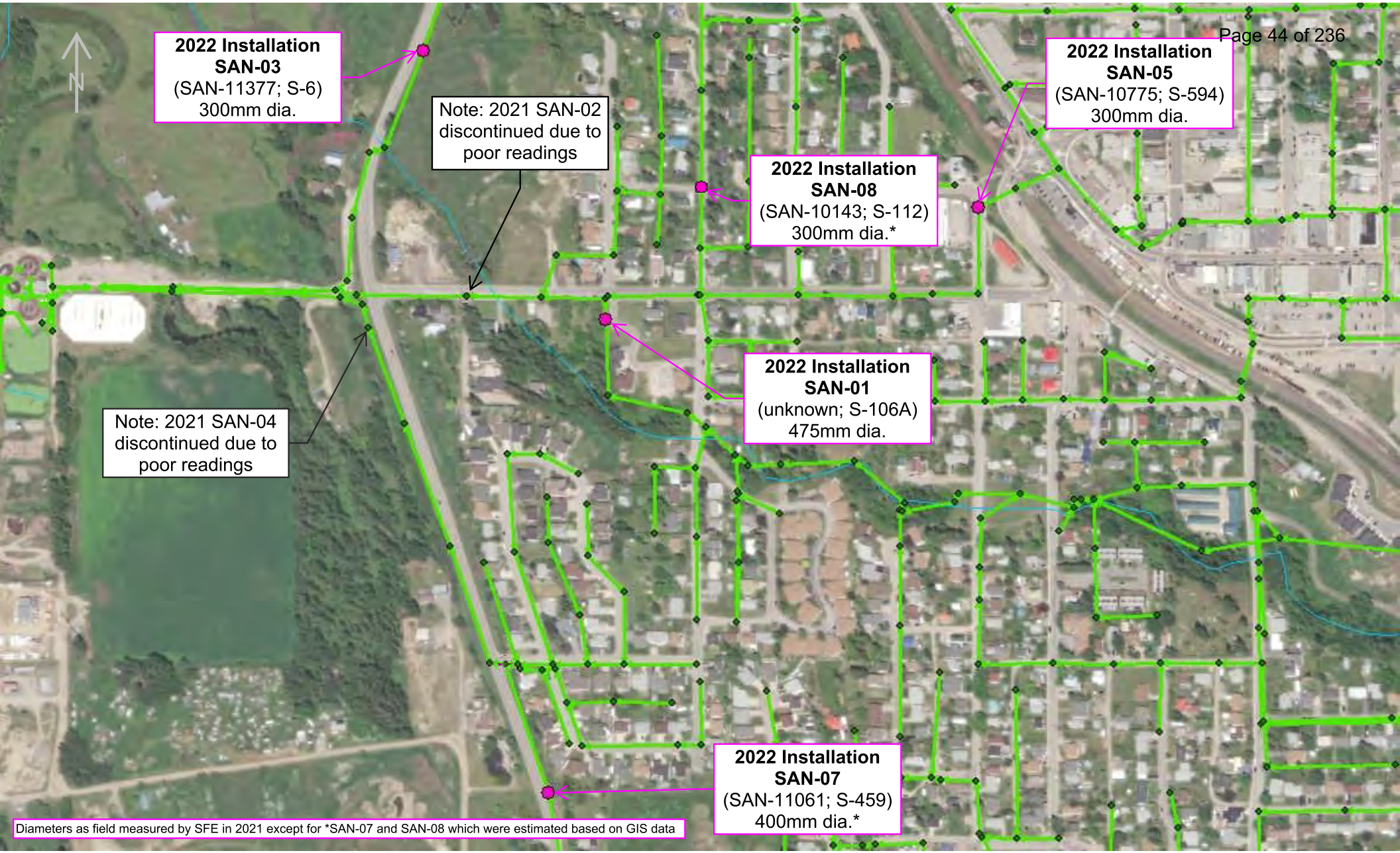
APPENDIX B – RAIN GAUGE AND FLOW MONITOR LOCATIONS

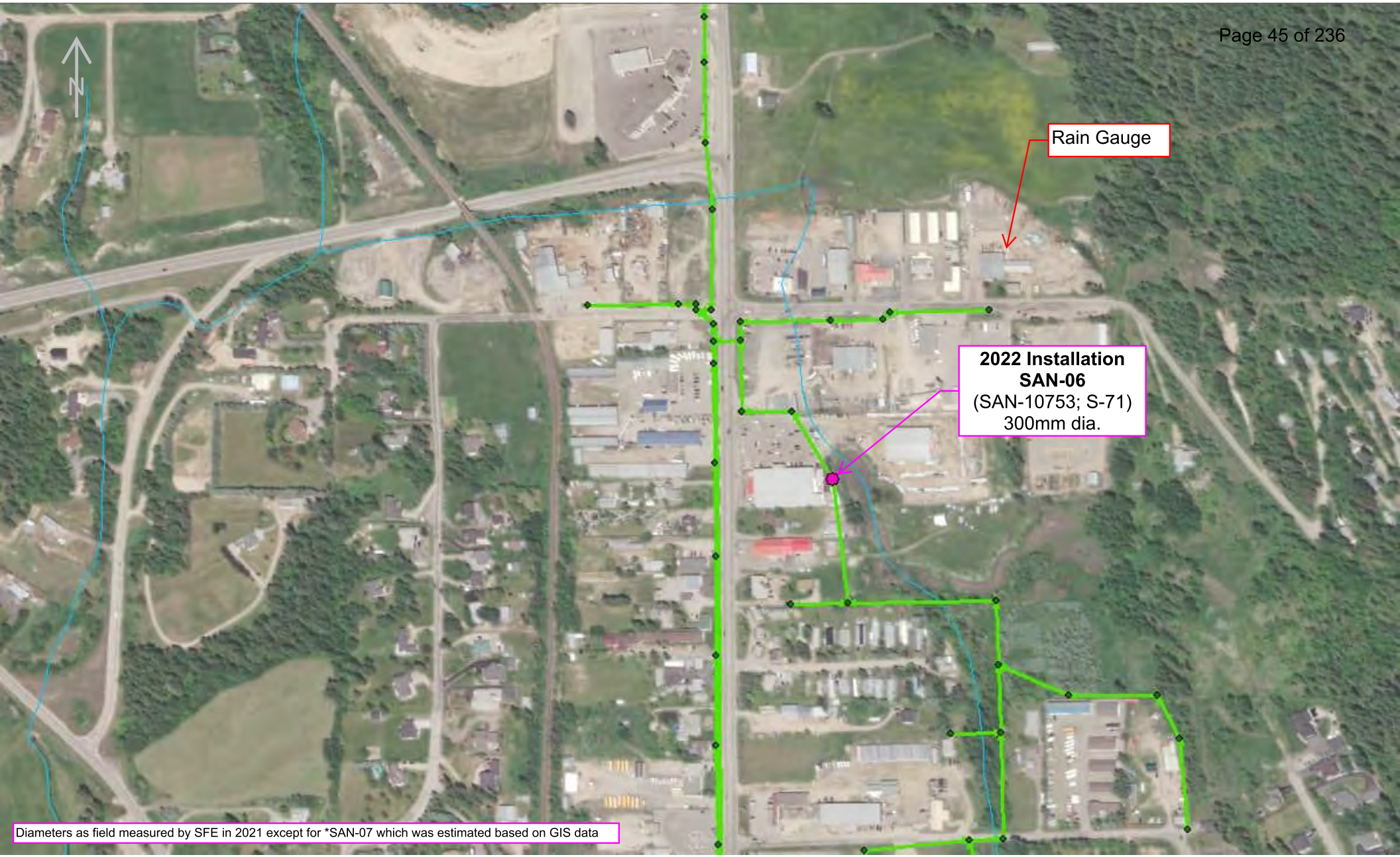
2021 RAIN GAUGE AND FLOW MONITOR LOCATIONS


SAN-03
SAN-02 (Discontinued)
SAN-05
SAN-01
SAN-04 (Discontinued)
SAN-04A AND SAN-04B
Highway 21
Highway 3
Highway 3
Canyon Street
Arrowsmith/Erickson Road


Highway 3A
Rain Gauge
Highway 3
Helen/Colis Street
SAN-06
Highway 3
Highway 21

2022 RAIN GAUGE AND FLOW MONITOR LOCATIONS


N
2022 Installation
SAN-03
(SAN-11377; S-6)
300mm dia.
Note: 2021 SAN-02
discontinued due to
poor readings
2022 Installation
SAN-05
(SAN-10775; S-594)
300mm dia.
2022 Installation
SAN-08
(SAN-10143; S-112)
300mm dia.*
2022 Installation
SAN-01
(unknown; S-106A)
475mm dia.
Note: 2021 SAN-04
discontinued due to
poor readings
2022 Installation
SAN-07
(SAN-11061; S-459)
400mm dia.*
Diameters as field measured by SFE in 2021 except for *SAN-07 and SAN-08 which were estimated based on GIS data


N
Rain Gauge
2022 Installation
SAN-06
(SAN-10753; S-71)
300mm dia.
Diameters as field measured by SFE in 2021 except for *SAN-07 which was estimated based on GIS data

Nov. 21, 2023 COTW Presentation

Fees and Charges Bylaw Update

Corporate Services, Community Planning & Development Services, and Building and Bylaw Services

CRESTON VALLEY

TOWN of CRESTON

Fees and Charges Bylaw Update

Agenda

- Schedule 1 – General Administrative – Corporate Services
- Schedule 2 – Dog & Cat Licensing Fees – Building & Bylaw Services
- Schedule 3 – Building Permit Fees – Building & Bylaw Services
- Schedule 4 – Business License Fees – Corporate Services
- Schedule 5 – Finance and Taxes – Corporate Services
- Schedule 7 – Land Use Applications and Fees – Community Planning & Development
- Schedule 8 – Traffic and Parking – Development Services
- Schedule 9 – Cemetery Fees – Corporate Services
- Schedule 10 – Solid Waste Fees – Infrastructure Services

Fees and Charges Bylaw Update
Schedule 1 – General Administrative

The fee for criminal record checks has not been increased since 2012. Criminal record checks for volunteer positions are exempt.

	Existing	New	Change	%
Criminal Record Check or Fingerprinting	$ 35.00	$ 40.00	$ 5.00	14%

Fees and Charges Bylaw Update
Schedule 1 – General Administrative

The fee for a Historical Property File Search has been updated to better represent administrative costs.

	Existing	New	Change	%
Historical Property File Search – Search of Town files to provide information regarding zoning, building and/or fire inspections and if any Board of Variance, Development Variance Permits or Development Permits exist on the property.	$100.00	$150.00	$50.00	50%

Fees and Charges Bylaw Update
Schedule 2 – Animal Control

Proposing First year Dog and Cat License Fee free with tag for any animal adopted through PAWS

- **This would help us with our records management with respect to where the animal has gone and also encourage licensing of the animal.**
- **This would also help PAWS with their registration and hand over process.**

Fees & Charges Bylaw Update
Schedule 3 – Building Services

Building department

CRESTON VALLEY

TOWN of CRESTON

Overview

- ✓ Current Building Stats
- ✓ Section 194 of Community Charter
- ✓ Current Fee Structure & Construction Values
- ✓ Comparison to other Municipalities
- ✓ Proposed Increases & Additions
- ✓ Building without a permit prevention

Building Services Revenue & Expense

Revenue (projected)

2023 - $51,600

Expense (projected)

2023 - $107,413

* 5 year average: $125,000

* 12 year average: $62,000

Financial Sustainability

Section 194 of Community Charter

1. *A council may, by bylaw, impose a fee payable in respect of*
   a) *all or part of a service of the municipality,*
   b) *the use of municipal property, or*
   c) *the exercise of authority to regulate, prohibit or impose requirements.*

Common Law Excerpts

(*Eurig Estate (Re)*, 1998 CanLII 801 (SCC)).

- *"a nexus must exist between the quantum charged and the cost of the service provided in order for a levy to be considered constitutionally valid."*
- *"In determining whether that nexus exists, courts will not insist that fees correspond precisely to the cost of the relevant service. As long as a reasonable connection is shown…"*

Current Building Permit Fee Calculation Process:

I. Building Permit Application: 1,400 sq.ft. bungalow with a declared Total Construction Value of $100,000

II. Calculate Construction Value based on $/SF values found in our Fees & Charges Bylaw:

- 1400 sq.ft. @ $125/sq.ft. = $175,000

III. The Building Permit fee is calculated 1% of the higher of the two values:

- $175,000 > $100,000
- $175,000 x 0.01 = $1750
- Count plumbing fixtures and multiply by $10
- Total all sums for Permit Fee

Singular Base Fees						
Item Description	**Our Current Fee**	**RDCK Fee**	**Nelson Fee**	**Kelowna Fee**	**Differential from Avg.**	**Suggested Fee**
Building Base Fee	$ 100.00	$ 100.00	$ 150.00	$ 175.00	$ 41.67	$ 175.00
Plumbing Base Fee	$ 50.00	$ 50.00	$ 100.00	$ 175.00	$ 58.33	$ 100.00
Failed Re-inspection	$ 50.00	$ 50.00	$ 60.00	$ 150.00	$ 36.67	$ 75.00
Inspection outside of normal business hours	$ 50.00	$ 50.00	$ 140.00	$ 60.00	$ 33.33	$ 140.00
Occupancy Load Calculation	$ 100.00	$ 100.00	$ 350.00	$ 150.00	$ 100.00	$ 250.00
Professional Reliance Rebate	10% (300 max)	5% (no max)	unknown	5% (no max)		5% (no max)

Residential Construction Values						
Item Description	**Our Current Fee**	**Altas Vncvr (low)**	**Altas Vncvr (high)**	**Kelowna Fee**	**Differential from Avg.**	
Main/Upper/Lower Floor	$ 175.00	$ 185.00	$ 315.00	$ 250.00	$ 133.33	$ 250.00
Unfinished Basement	none	n/a	n/a	$ 100.00	$ 100.00	50% ($125)
Finished Basement	$ 50.00	n/a	n/a	$ 150.00	$ 100.00	50% ($125)
Suite Conversion	$ 50.00	n/a	n/a	$ 100.00	$ 50.00	50% ($125)
Renovation Pre 1998 Homes	$ 50.00	n/a	n/a	Unknown	n/a	40% ($100)
Renovation Post 1998 Homes	$ 50.00	n/a	n/a	$ 100.00		50% ($125)

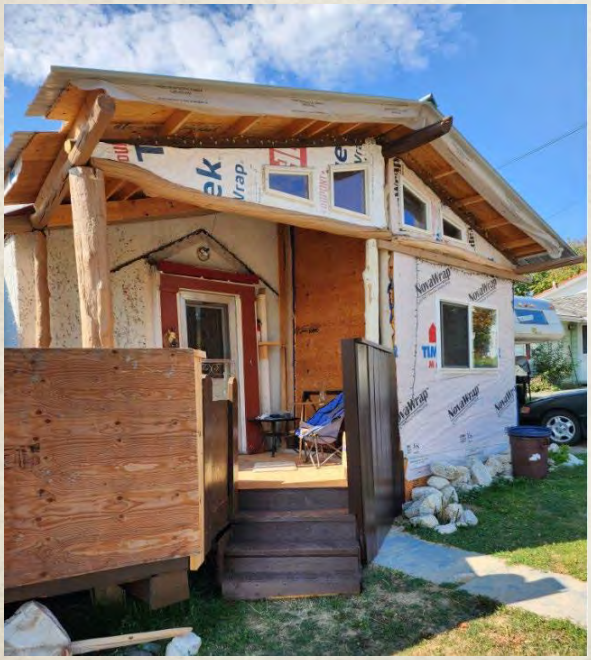
Specific Construction Values						
Item Description	**Our Current Fee**	**RDCK Fee**	**Nelson Fee**	**Kelowna Fee**	**Differential from Avg.**	**Suggested Fee**
Deck with Roof	$ 30.00	$ 25.00	Unknown	$ 100.00	$ 21.67	$ 100.00
Deck Without Roof	$ 25.00	$ 20.00	Unknown	$ 50.00	$ 6.67	$ 50.00
Garage	$ 50.00	$ 115.00	Unknown	$ 125.00	$ 46.67	$ 100.00

Commercial or Industrial Construction Values						
Item Description	**Our Current Fee**	**Altas Vncvr (low)**	**Altas Vncvr (high)**	**Kelowna Fee**	**Suggested Increase**	
Building Shell +Fit out (Restaurant)	$ 140.00	$ 115.00	$ 185.00	Contract Price	$ 150.00	or Contract
Building Shell + Fit out (Office)	$ 140.00	$ 235.00	$ 330.00	Contract Price	$ 175.00	or Contract
Building Shell + Fit out (Retail)	$ 130.00	$ 230.00	$ 300.00	Contract Price	$ 175.00	or Contract
Building Shell + Fit out (Industrial)	$ 100.00	$ 115.00	$ 185.00	Contract Price	$ 150.00	or Contract

2023 CONSTRUCTION VALUE COMPARISSON

Building Permit #	Applicant Declared Value	Based on Current TOC Values	Based on Proposed TOC Values	Fee Revenue (Current TOC Values)	Fees Revenue (Proposed TOC Values)
3989	$ 120,000	$ 118,650	$ 169,500	$ 1,200	$ 1,695
3990	$ 120,000	$ 113,400	$ 162,000	$ 1,200	$ 1,620
3997	$ 180,000	$ 182,000	$ 364,000	$ 1,800	$ 3,640
4003	$ 116,000	$ 116,250	$ 232,500	$ 1,163	$ 2,325
4011	$ 350,000	$ 306,125	$ 612,250	$ 3,500	$ 6,123
4014	$ 300,000	$ 337,500	$ 539,400	$ 3,375	$ 5,394
4018	$ 500,000	$ 431,000	$ 857,950	$ 5,000	$ 8,580
4023	$ 50,000	$ 37,500	$ 75,000	$ 500	$ 750
TOTALS	$ 1,736,000	$ 1,642,425	$ 3,012,600	$ 17,738	$ 30,126
				TOTAL DIFFERENTIAL	**$ 12,389**

Preventing Construction without a Permit



PROPOSED ADDITIONAL CLAUSE TO OUR FEES & CHARGES SCHEDULE:

Any construction for which a permit is required by Town of Creston Building Bylaw commencing before a permit has been issued by the Building Official, will double the value of construction in calculation of the building permit fee.

Fees and Charges Bylaw Update
Schedule 4 – Business Licence Fees

General increase of approximately 16% for all categories plus $20.00.

Revision from late penalty to early payment discount. Late penalty was $20 and this has been added to fees such that on-time payment results in $20 deducted.

Potential New Categories

Commercial – Large Retail	Existing	New	Change	%
Includes, any retail business whose commercial area is 464.5 sq. meters or 5000 sq. feet in size and greater than 20 employees.	$145.00	$275.00	$ 130.00	90%

Fees and Charges Bylaw Update
Schedule 4 – Business Licence Fees

Potential New Categories

Travelling Sales, Companies Doing Deliveries, Taxi Services, Realtors,	**Existing**	**New**	**Change**	**%**
Additional fee for businesses providing services throughout municipal boundaries	$0	$75.00	$ 75.00	

The new fee is to recognize the use of the Town's infrastructure necessary for the businesses provided services throughout the Town.

Fees and Charges Bylaw Update
Schedule 4 – Business Licence Fees

Potential New Categories

Short Term Rental	Existing	New	Change	%
Includes the rental of a dwelling unit, or portion thereof, to short-term paying guests for periods not exceeding thirty days.	-	$520	-	-

New class of business licence specifically for short term rentals. Proposed fee is comparable to Cannabis Retail, and recognizes increased administration for this class.

Fees and Charges Bylaw Update
Schedule 4 – Business Licence Fees

Temporary – Carnival, Amusement – changed to align with other municipalities from a one fee to a daily fee using the same rate of $300.

Added Outdoor Concerts more 200 people in attendance to the category as well. By requiring a business licence it will give the Town ability to rule as to the suitability the event if there are safety issues, etc.

Fees and Charges Bylaw Update
Schedule 5 – Finance and Taxes

Tax Certificate – On-line provider has again increased their fee with consultation with the Town to $79 on top of the Town's Charge. Suggest that the Town increase the fee earned from the on-line service as well as direct requests from the Town.

Tax Certificate (other than owner)	Existing	New	Change	%
On-line (additional service charges from on-line providers apply)	$20.00	$45.00	$ 20.00	100%
Direct Requests to Town	$55.00	$65.00	$ 30.00	67%

Fees and Charges Bylaw Update
Schedule 5 – Finance and Taxes

Increase for title searches. These are provided by the Town querying and paying the Land Titles Office and selling the report. This is not the business of the Town and the rate is set to not encourage the activity. The report is also available on-line directly from the Land Titles Office.

	Existing	New	Change	%
Title Search (with P.I.D.)	$45.00	$50.00	$ 5.00	11%

Fees and Charges Bylaw Update
Schedule 6 – Fire and Rescue

New category added for fire inspections that are required in relation to the Business Licence Bylaw. Added due to addition of short term rental regulations.

	Existing	New	Change	%
Fire inspection as required by the Business Licence Bylaw No. 1979, 2017, Part 6.1(e), as amended from time to time.	-	$500.00	-	-

Fees and Charges Bylaw Update
Schedule 7A – Land Use Applications & Fees

General increase of approximately 16% to account for inflation of the past several years.

Removal of Colour Zoning Map (24” x 36”) as Town Hall does not have ability to print poster sizes in-house. We provide PDF copies at no charge.

Fees and Charges Bylaw Update
Schedule 7B – Traffic & Parking

General increase of approximately 16% to account for inflation of the past several years.

Addition of Electric Vehicle Charging.

	Existing	New	Change	%
Electric Vehicle Charging	-	$2.45/ hour (up to 4 hours) $5.00/ hour (after 4 hours)	-	-

Fees and Charges Bylaw Update
Schedule 7C – Sign Permits

General increase of approximately 16% to account for inflation of the past several years.

Remove individual classes of signs as they are all captured under "Sign Permit", except Third Party Directional Sign.

Fees and Charges Bylaw Update
Schedule 9 – Cemetery Fees

General increase of approximately 16% to account for inflation of the past several years. Burial fees are not covering costs to extent that they have in the past and it is the Cemetery Select Committee desire to see the revenue increase to reduce the amount of subsidization of the service.

With the installation of the new Columbaria at Forest Lawn Cemetery, the fee structure has been revised because the bottom row which is usually the least desirable but with the new Columbaria, the bottom is larger and it also protrudes out and is more noticeable than previous columbaria.

Fees and Charges Bylaw Update
Schedule 10 – Solid Waste Fees

Solid waste fees need to be adjusted slightly for changes in dump fees and other budgetary adjustments.

Solid Waste Fees	Existing	New	Change	%
Commercial 2024	$107.00	$109.00	$ 2.00	2%
Residential 2024	$129.00	$132.00	$ 3.00	2%
Secondary Suite 2024	$75.00	$77.00	$ 2.00	3%

The new 2024 residential rate represents a 3.9% increase over the 2023 rate.

2023 Budget Presentation
General Government & Corporate Services

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: 2023-11-21

SUBJECT: Board of Variance Bylaw No. 1563 Amendment

SUGGESTED FOLLOW-UP ACTION: THAT the Committee of the Whole recommends the following motion to Council: THAT Council DIRECT Staff to present an amendment to Board of Variance Bylaw No. 1563 to reduce the minimum number of required meetings from twice each calendar year to once each calendar year, for consideration at an upcoming Regular Council Meeting.

CAO COMMENTS: No additional comment.

BACKGROUND

Staff Briefing Note: **Attached** ☐ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: Board of Variance Bylaw No. 1563, Section 4. (d) states: "In each Calendar year, the Board must meet twice." Following discussion with the Board of Variance, Staff recommend that the requirement be changed to once per calendar year.

RELEVANT OBSERVATIONS: One meeting per year is sufficient to keep the Board of Variance informed on any relevant changes to town bylaws and plans. If Board of Variance applications are made, the Board will be convened regardless of whether a meeting has already been held in a given calendar year.

STRATEGIC QUESTIONS: Not applicable

ESSENTIAL QUESTION: Does Council agree that one meeting per calendar year is sufficient to keep Board updated?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: Reduction of required Board of Variance meetings from twice to once per year.

DESIRED BENEFITS OF KEY RESULT: Reduced Staff and Board time required to meet bylaw requirements each year.

REQUISITES: Bylaw amendment adopted by Council.

UNINTENDED OUTCOMES: None anticipated.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council DIRECT staff to present amendment bylaw for Council consideration at upcoming Council meeting.
2.	Council DIRECT staff to continue convening Board of Variance twice per year. (Status quo).
3.	Other, as per Council direction.

Submitted by: _____ **Joel Comer, MCPD**

Reviewed by: CAO _____ **Michael Moore, CAO**

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: November 21, 2023

SUBJECT: Development Variance Application 23/01 – 145 Devon Street.

SUGGESTED FOLLOW-UP ACTION: THAT the Committee of the Whole RECOMMEND the following motion to Council "THAT Council DENIES Development Variance Permit Application 23/01 for 145 Devon Street."

CAO COMMENTS: No additional comment.

BACKGROUND **Staff Briefing Note:** **Attached** ☒ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: Brad and Corine Johns (the owners) request that Council consider varying Zoning Bylaw No. 1958, 2022, Part Seven: Establishment of Zones, 7.2 Residential – Low Density (R1) Zone, 7.2.5 Maximum Height, 7.2.5.2 Accessory buildings and Structures, from 5.0m to 6.419m to allow for additional personal living space above a detached garage. The site is undeveloped. See Appendix A for the Development Variance Permit (DVP) Application and site plans.

RELEVANT OBSERVATIONS: The proposed development would allow the accessory building height to exceed the proposed primary building height and permitted accessory building height.

STRATEGIC FOCUS: Service Excellence: Governance

ESSENTIAL QUESTION: Does Council want Staff to proceed to the public notice stage of the DVP process contrary to the Town of Creston's long term planning objectives?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: Council consideration of DVP 23/01.

DESIRED BENEFITS OF KEY RESULT: Development in alignment with the Town of Creston's long term planning objectives.

REQUISITES: None.

UNINTENDED OUTCOMES: Development inconsistent with long term planning objectives.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council deny Development Variance Permit 23/01;
2.	Council direct Staff to proceed with public notice for Development Variance Permit 23/01; or,
3.	Other, as per Council discussion.

Submitted by: Joel Comer, MCPD

Reviewed by: CAO Michael Moore, CAO

STAFF BRIEFING NOTE

Town of Creston

DATE: 11/21/2023

TO:	Michael Moore, Chief Administrative Officer
CC:	Natasha Ewashen, Municipal Services Coordinator and Planner
FROM:	Joel Comer, Manager of Community Planning and Development
DEPARTMENT:	Community Planning and Development
SUBJECT:	Development Variance Permit 23/01 – 145 Devon Street
APPENDIX:	☒ ATTACHED ☐ OTHER DOCUMENT ☐ NOT APPLICABLE

PURPOSE / ISSUE:

Brad and Corine Johns (the owners) applied for a Development Variance Permit to vary Zoning Bylaw No. 1989, 2022, Part Seven: Establishment of Zones, 7.2 Residential – Low Density (R1) Zone, 7.2.5 Maximum Height, 7.2.5.2 Accessory buildings and Structures, from "*5.0m"* to "*6.419m*" to allow for additional personal living space above a detached garage, on the property legally described as Lot 2, District Lot 9554, Kootenay District, Plan NEP78185 (PID:026-300-826).

Staff recommend that Council deny the application based on the following:

- the proposed height of the accessory building would be greater than the primary building, making it more prominent than the primary building.
    - the proposed height would be visibly inconsistent with neighbourhood character and other R1 Zone properties that have been developed in conformance with Town bylaws.
- there is no existing development on the lot
    - it appears that the building plans could be adjusted to meet current zoning regulations and accommodate the desired personal living space without the need for a variance.

BACKGROUND:

Appendix A includes building plans for the proposed accessory building. For reference, Appendix B includes building plans for the primary building. **The requested variance is for the accessory building height.**

145 Devon Street is undeveloped, leaving a blank slate for development. The property is approximately 1169.542 sq. m. The current development plan includes a one-storey primary building (house) and a two-storey accessory building. The accessory building would consist of a two-bay garage on the ground floor, with additional personal living space above.

Table 1: Permitted Maximum Building Height (R1) and Proposed Building Height

Principal buildings		Accessory buildings and structures		Detached accessory dwelling unit – Garden suite		Detached accessory dwelling unit – Carriage suite	
Permitted	Proposed	Permitted	Proposed	Permitted	Proposed	Permitted	Proposed
9.2m	3.966m	5.0m	6.149m	5.0m	N/A	6.1m	N/A
Difference: 5.234		Difference: 1.419		-		-	

STAFF BRIEFING NOTE

Town of Creston

Zoning Bylaw No. 1958 – Definition
Accessory Building: *means a permanent or temporary, non-residential Building or Structure customarily associated with and* ***subordinate to the Principal building****, Structure or use located on the same Lot upon which it is located.*

As proposed, the accessory building would be 2.183 m taller than a primary building, which is inconsistent with R1 Zone regulations and the intent of an accessory building. As there is no existing development on the property, it appears that a DVP is unnecessary and that plans can be adjusted to meet current zoning regulations while maintaining the desired personal living space in another configuration.

Figure 1: 2022 Orthophoto with 0.5m contours

STAFF BRIEFING NOTE

Town of Creston

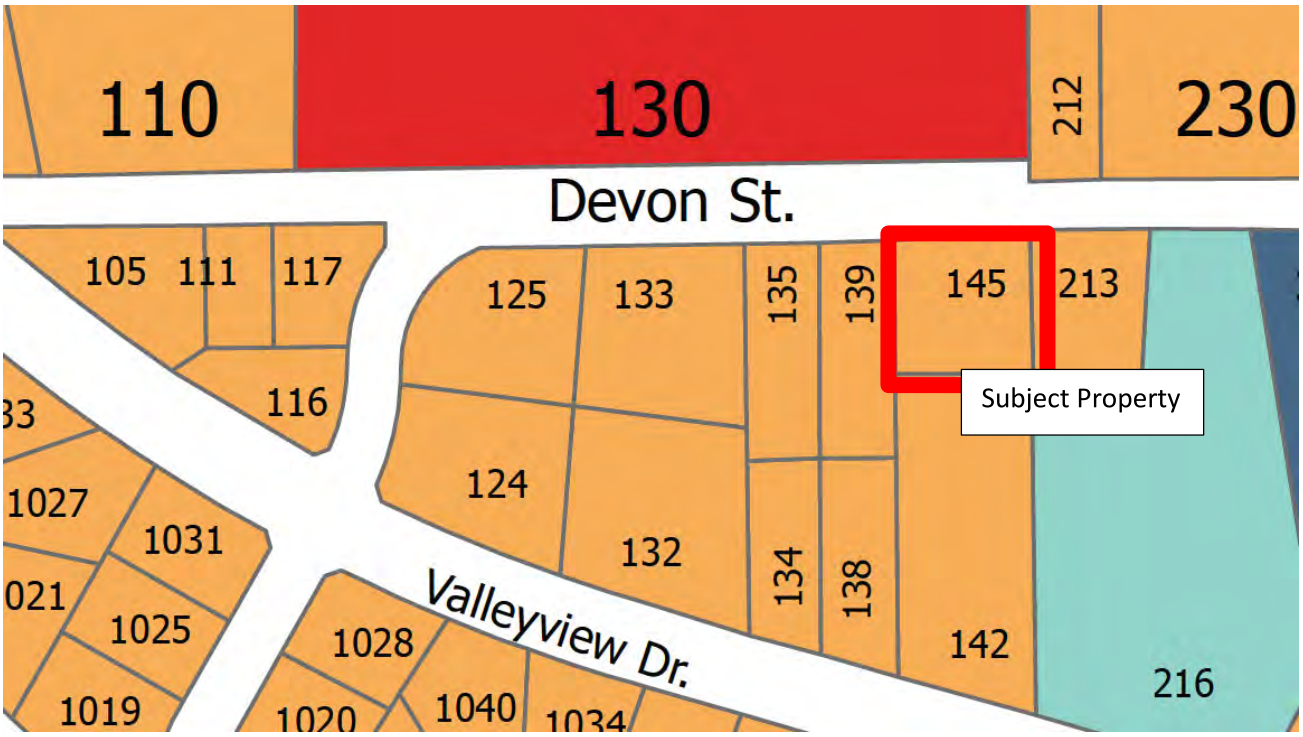


Figure 2: Zoning of Subject Property, Residential – Low Density (R1)

See Appendix C for site photos.

CURRENT SITUATION:

A Development Variance Permit is required in order to proceed with the proposed development.

Should Council choose to proceed with the application, public notice would include owners and occupiers of properties located within 60 metres of the subject property. Following public notice of the application, Staff would present Council with any comments received and a Request for Decision in regards to the proposed variance at an upcoming Regular Council Meeting.

KEY CONSIDERATIONS:

The proposed development is inconsistent with the intent of "Accessory building" and form and character zoning regulations for R1 lots. The property currently is undeveloped. Building plans could likely be adjusted to meet current zoning requirements.

OPTIONS FOR FOLLOW-UP ACTION:

1. Council deny Development Variance Permit 23/01;
2. Council direct Staff to proceed with public notice for Development Variance Permit 23/01; or,
3. Other, as per Council discussion.

Submitted by: Joel Comer, MCPD

Reviewed by: CAO Michael Moore, CAO

Schedule "A-4"
to Bylaw No. 1388
Page 1 of 3

RECEIVED
SEP 28 2023
TOWN OF CRESTON

TOWN OF CRESTON

DEVELOPMENT VARIANCE PERMIT APPLICATION

APPLICATION NO. DVP- 01/23

THE INFORMATION REQUESTED IN THIS FORM IS REQUIRED TO EXPEDITE THE APPLICATION AND ASSIST THE STAFF IN PREPARING A RECOMMENDATION. PERSONAL INFORMATION CONTAINED ON THIS FORM IS COLLECTED UNDER THE **FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT** AND WILL BE USED ONLY FOR THE PURPOSE OF PROCESSING YOUR APPLICATION.

This form is to be completed in full and submitted with all requested information to the Town of Creston, P.O. Box 1339, 238 10th Avenue, North, Creston, BC V0B 1G0 (Phone: 250.428.2214 or Fax: 250.428.9164)

Registered Owner(s):

Registered Owners' Name(s) Bradley Richard Johns & Carine ANNE Johns

Address [redacted] Postal Code [redacted]

Telephone: Business [redacted] Home same Fax X

Applicant:

Applicant's Name Brad Johns

Address same Postal Code _____

Telephone: Business same Home _____ Fax _____

Owner Authorization of Applicant:

As owner(s) of the land described in this application, I/we hereby authorize _____ to act as applicant in regard to this Development Variance Permit Application.

Owners' Signatures: Brad Johns

NOTE:

(1) A copy of a State of Title Certificate, or a copy of a Certificate of Indefeasible Title, dated no more than thirty (30) days prior to submission of the application must accompany the application as a proof of ownership.

(2) An Application Fee as set out in Schedule 'C' (applicable section of which is attached) shall be made payable to the Town of Creston and shall accompany the Application.

(3) Where the applicant is not the sole registered owner of the land described in this application, the authorization clause, noted above, must be completed and signed by the owner(s).

(4) A dimensional Sketch Plan drawn to scale showing the parcel(s) or part of the parcel(s) to be redesignated and the location of existing and proposed buildings, structures, uses, access roads, parking, driveways and any screening, landscaping and fences must accompany this application.

I/We Brad Johns hereby apply for a variance of Section 9.1.5 (7.2.5.2) of the Town of Creston Zoning Bylaw No. 1958, as follows:

The following information is to be provided:

1. Current Legal Description of the Land in Full:
Lot 2 District Lot 9554 Kootenay District Plan NEP78185

2. Location of the Land (Street Address):
145 Devon st

3. Present Zoning of the Land: residential

4. Description of the Existing Use/Development of the Land:
vacant lot

5. Description of the Proposed Use/Development of the Land:
House & garage

6. Do any buildings currently exist on the land?

Yes ____ No ✓

If yes, please provide a set of scaled drawings including site plans, floor plans, facade (if required), indicating building locations, sizes, heights and other information.

7. If applicable, please provide plans for the proposed building(s) or addition including site plans, floor plans, facades, indicating location of all buildings, parking layout, facade, size of building and other information that may be required.

8. **Reasons and comments in support of the application (use separate sheet if necessary)**

Personal living space

9. **Neighbouring Tenants**

The Municipal Act requires that owners and 'tenants in occupation' of the subject parcel and of neighbouring parcels be notified of the application for a community plan amendment. As it is not possible for the Town to be aware of the names and mailing addresses of all tenants, the applicant shall supply, at the time of submission of this application, a full list of all tenants of each parcel any part of which lies within 60 metres (197 feet) of any parcel involved in the permit application not currently owned by the applicant.

For most purposes, "tenant" means one who is qualified to maintain an action for trespass, but it can also mean a person who occupies publicly owned land. Please print the tenants names and their mailing addresses on a separate sheet and attach to this application. It is not necessary to supply names of owners of property currently occupied by someone else, this will be done by the Town.

I/We hereby declare that all statements and information contained in the material submitted in support of this application are to the best of my/our belief true and correct in all respects.

Brad Holm and/or Brad Holm

Applicant's Signature Owner's Signature

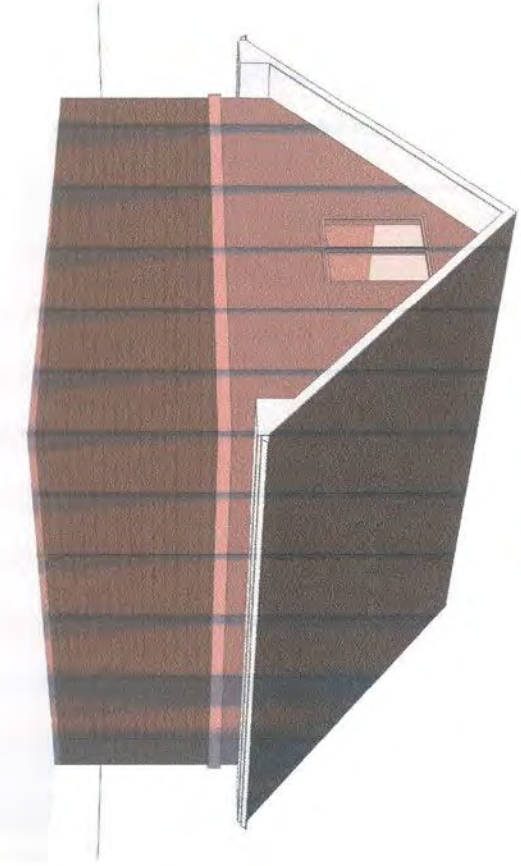
Dated this 25th day of Sept, 20 23.

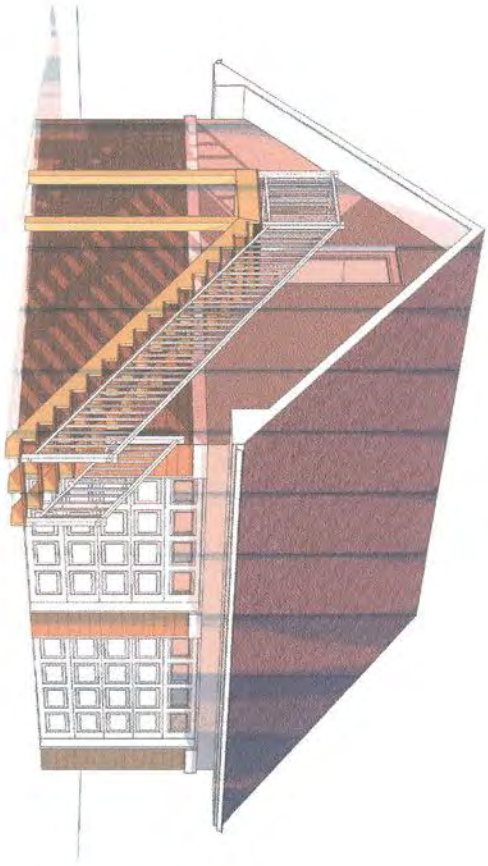
PLEASE ENCLOSE DEVELOPMENT VARIANCE PERMIT APPLICATION FEE AS PER THE CURRENT TOWN OF CRESTON'S FEES AND CHARGES BYLAW.

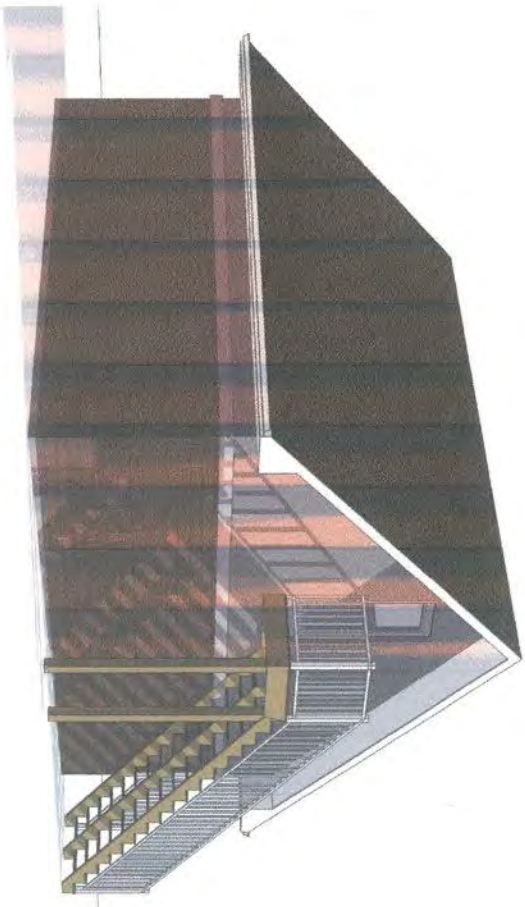
FOR OFFICE USE ONLY

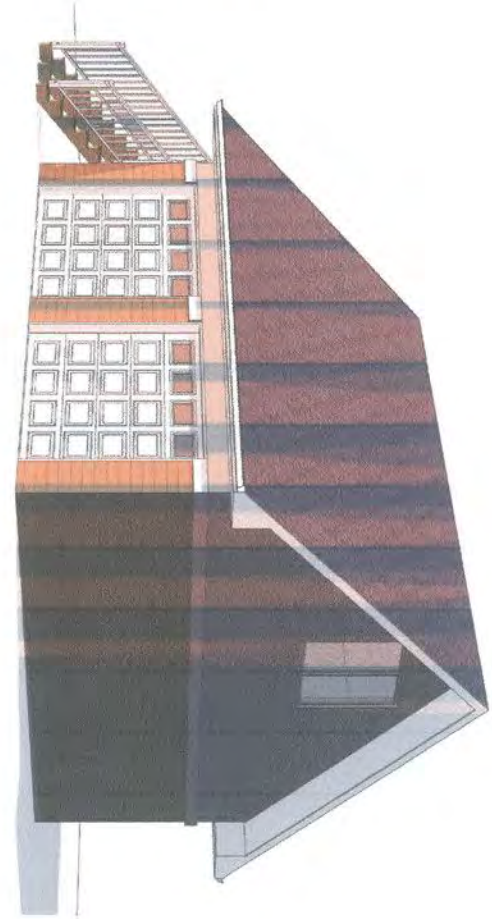
Folio No. 5191.010	Certificate of Title No. 026-300-826

Comments of Technical Planning Committee:









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(306) 529-1794 juke@tangentdrafting.com
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Johns, Brad

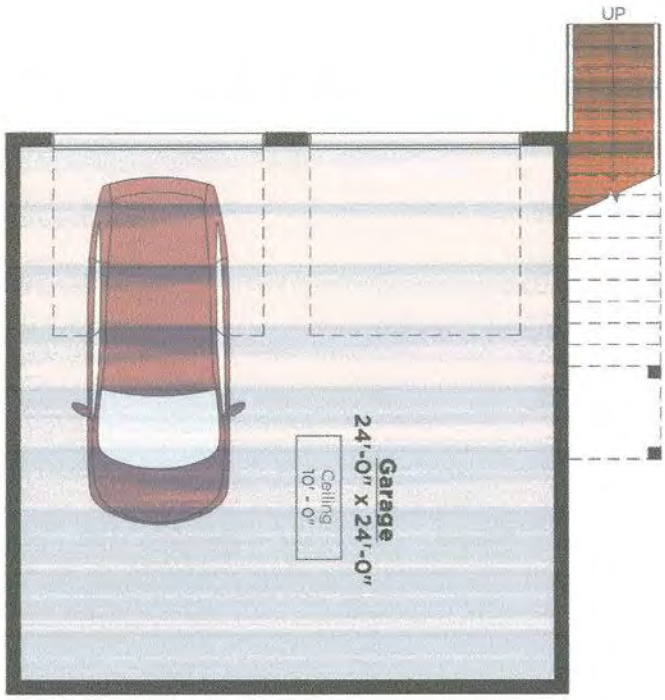
145 Devon Street Creston, BC

Exterior Elevations

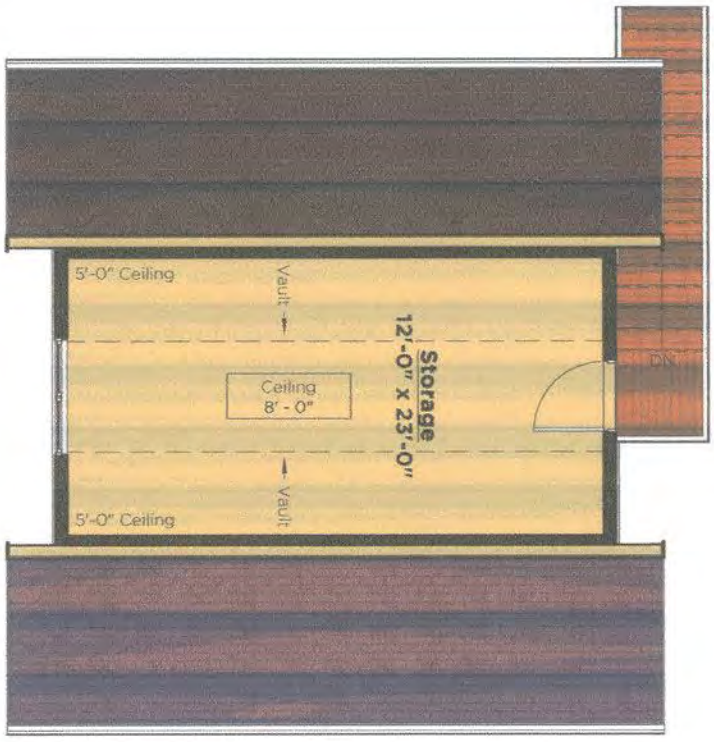
March 31, 2023

P1

1 Preliminary Main Floor Plan
3/16" = 1'-0"



2 Preliminary Second Floor Plan
3/16" = 1'-0"



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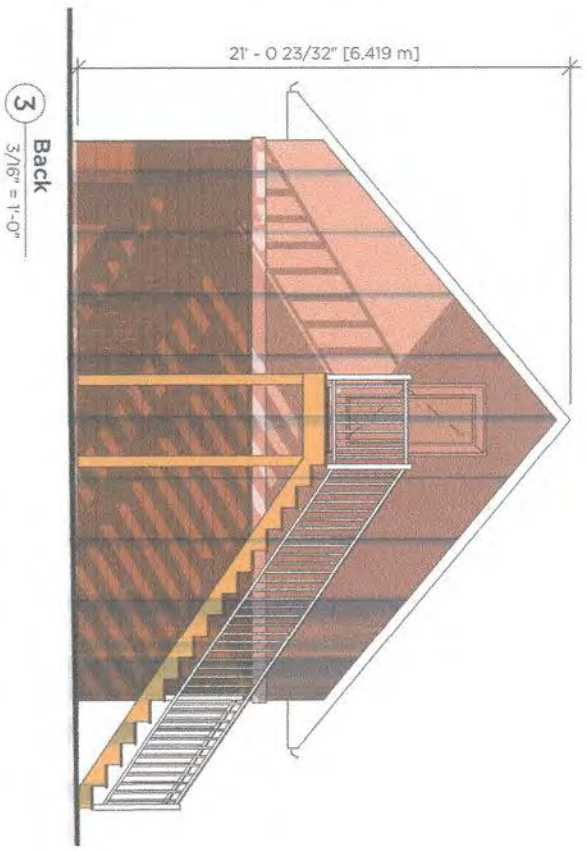
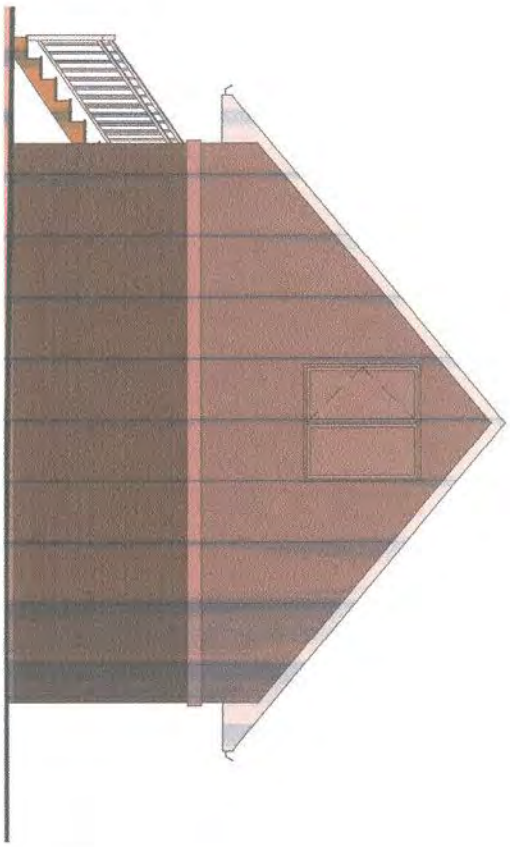
Johns, Brad
145 Devon Street Creston, BC
Floor Plans

March 31, 2023

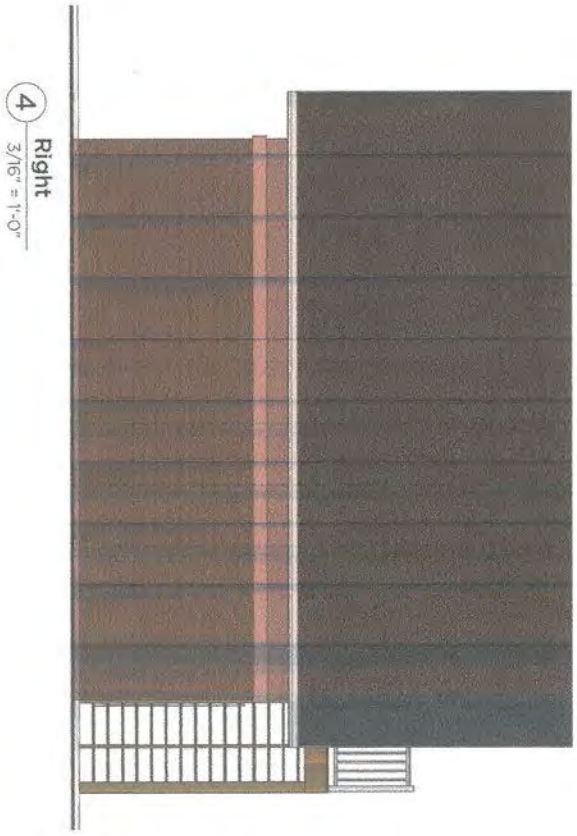
P3



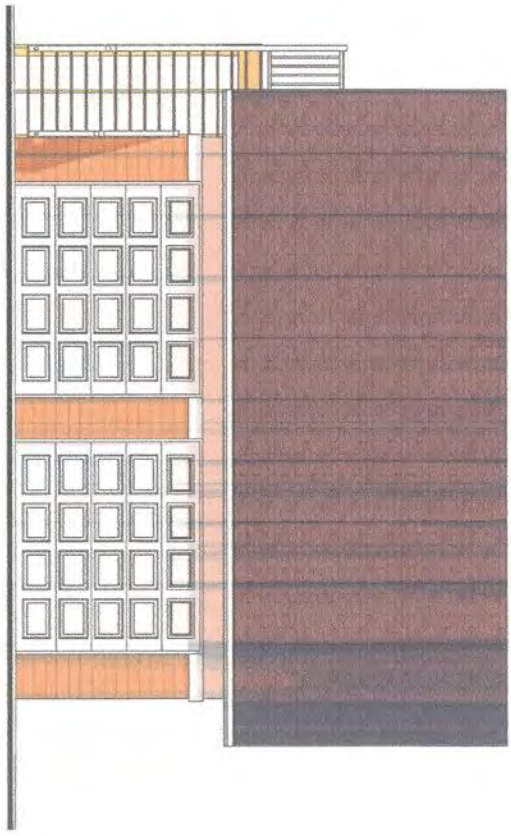
3 Back
3/16" = 1'-0"



1 Front
3/16" = 1'-0"



4 Right
3/16" = 1'-0"



2 Left
3/16" = 1'-0"

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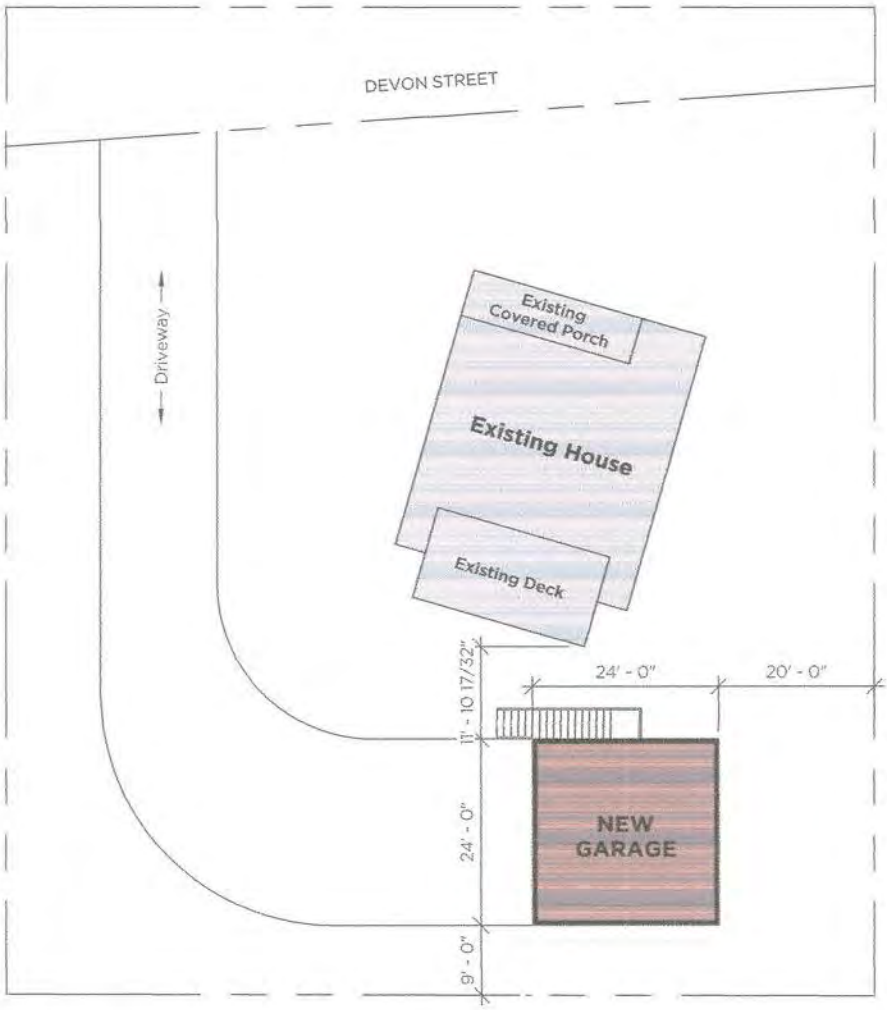
Johns, Brad

145 Devon Street Creston, BC

Exterior Elevations

March 31, 2023

P2



1 **Site Plan**
1/16" = 1'-0"

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Johns, Brad
145 Devon Street Creston, BC
Site Plan

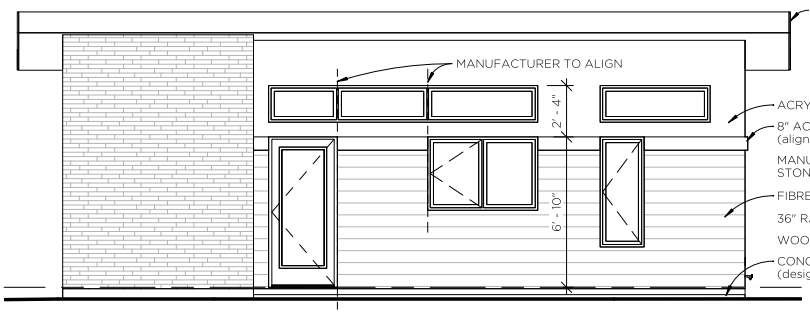
March 31, 2023

General Notes

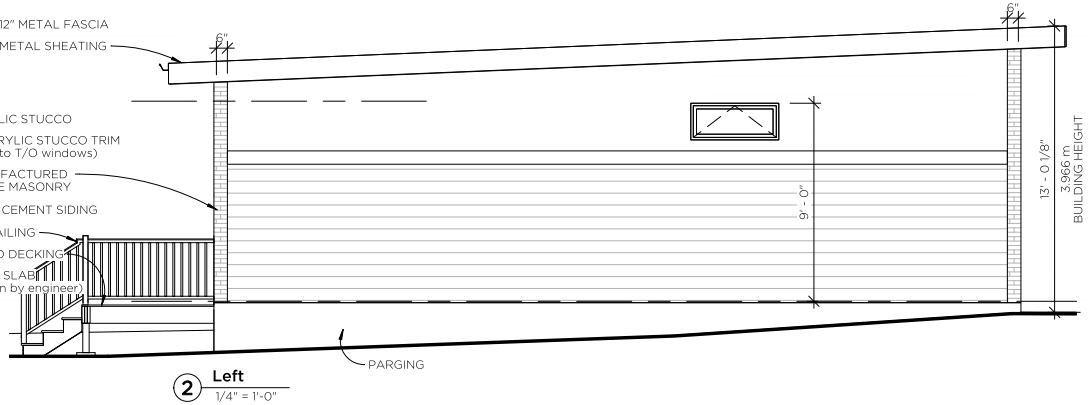
1. Construction to conform to the 2018 British Columbia Building Code.
2. Drawings not to be scaled.

March 15, 2023

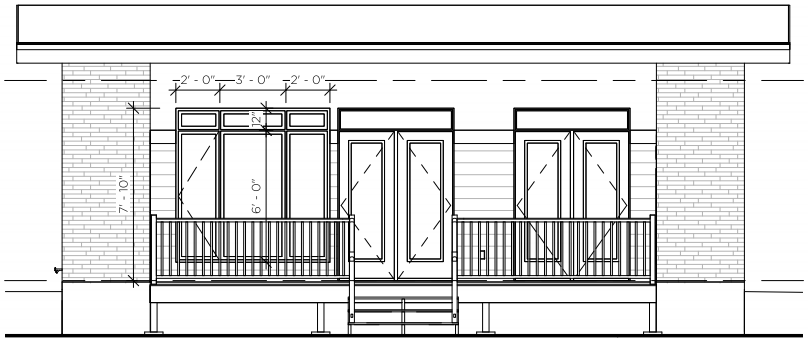
A1



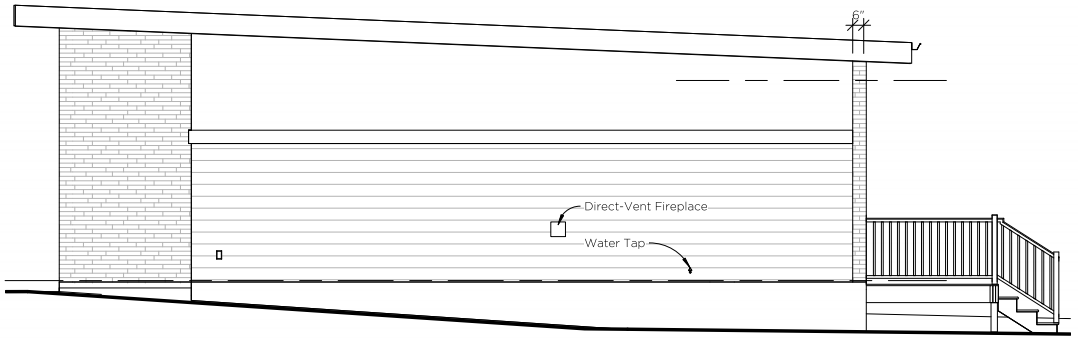
1 **Front**
1/4" = 1'-0"



2 **Left**
1/4" = 1'-0"



3 **Back**
1/4" = 1'-0"



4 **Right**
1/4" = 1'-0"

Johns, Brad + Carine
145 Devon Street, Creston, BC
Exterior Elevations

No. | Description | Date

Disclaimer: All structural, mechanical, electrical and floor/roof truss drawings to be designed by owner or by a certified professional at the customer's responsibility. All building codes, municipal and provincial laws to be adhered to by the customer. Customer to confirm all dimensions and Tangent Design Contract. All drawings are created with true material sizes.

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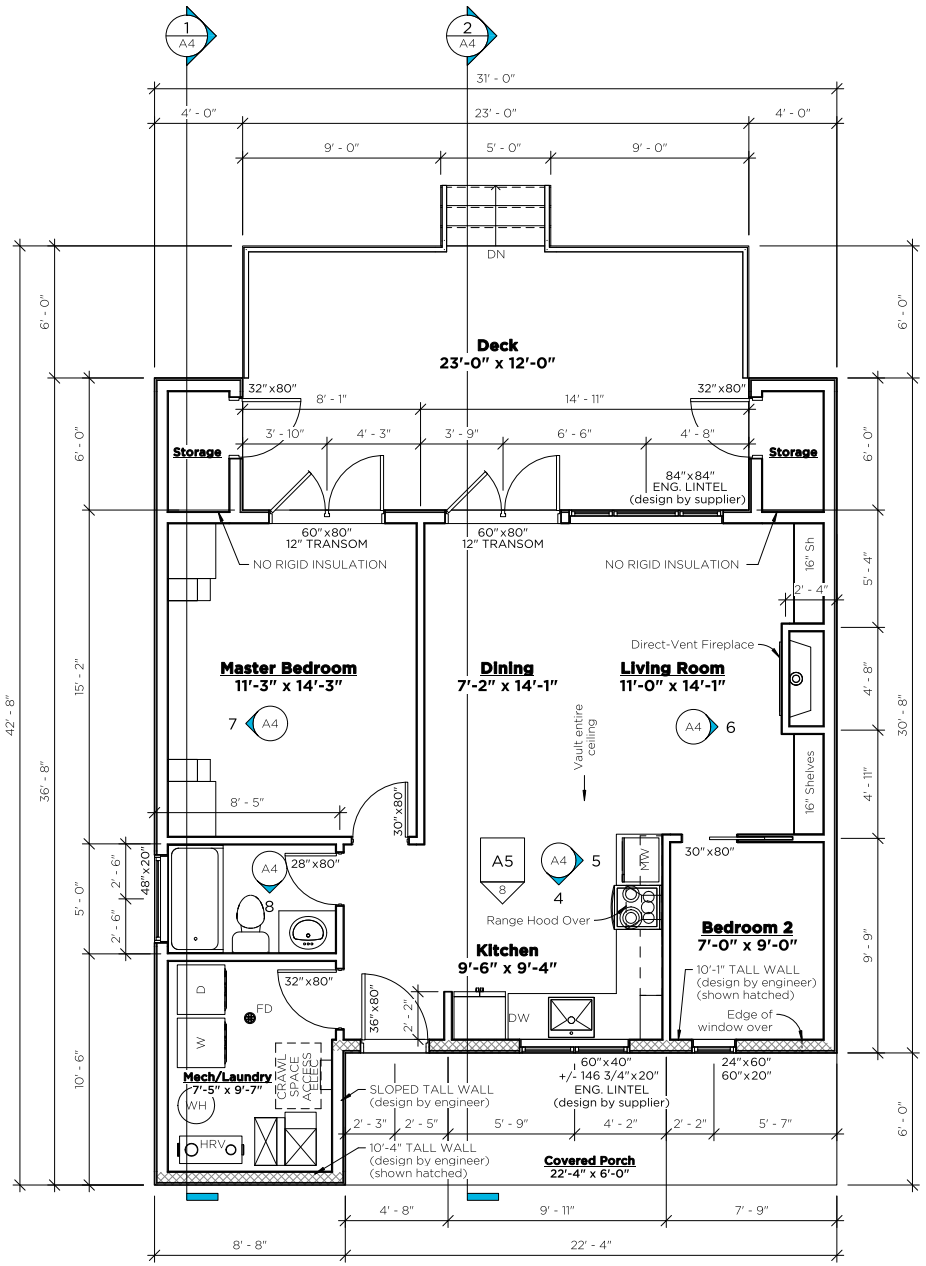
March 15, 2023

A2



1 Main Floor Plan
1/4" = 1'-0"

Floor Plan Notes

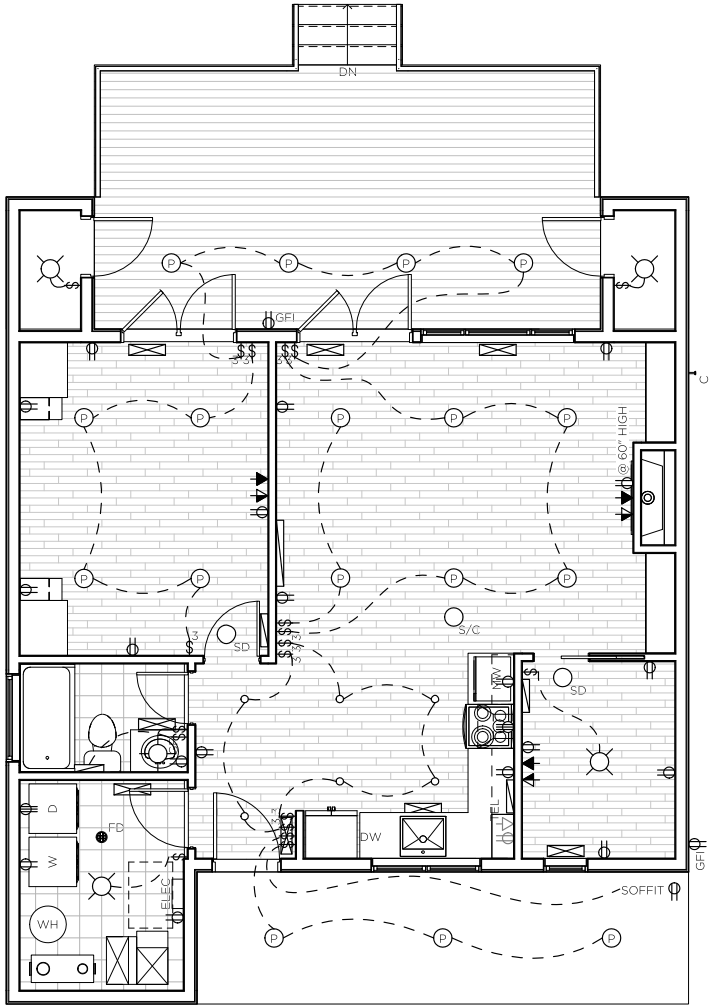
1. All exterior dimensions to face of rigid insulation.
2. All masonry supported on plywood.
3. Window and door suppliers to provide rough opening sizes.
4. Wall openings 6'-0" (72") or less to be c/w 2-2"x10" lintel unless noted otherwise.
5. Column locations to be confirmed with truss manufacturer.
6. All openings to be minimum 6" from perpendicular wall (for trim) or centered unless otherwise noted.

Electrical Notes

1. All smoke alarms to be interconnected within the house.
2. All carbon monoxide alarms to be interconnected within the house.
3. Number of under-cabinet fluorescents as per contractor.

Electrical/Mechanical

- Flush Light, Ceiling Mount
- Pendent/Chandelier Light, Ceiling Mount
- Large Pot Light, Recessed
- Small Pot Light, Recessed
- Large Light, Wall Mount
- Small Light, Wall Mount
- Cabinetry Lighting, Fluorescent
- Large Light, Fluorescent
- Fan, Ceiling Mount
- Single Switch
- Three-Way Switch
- Four-Way Switch
- Dimmer Switch
- Duplex Receptacle
- Duplex Ground Fault Receptacle
- 220V Receptacle
- Internet Receptacle
- Television Receptacle
- Telephone Receptacle
- Smoke Detector
- Smoke & Carbon Monoxide
- Central Vacuum Canister
- Central Vacuum Receptacle
- Thermostat
- Gas Line
- Supply Vent, Floor Mount
- Supply Vent, Ceiling Mount
- Return Vent
- Cold Water Tap
- Hot Water Tap



2 Main Floor Electrical Plan
1/4" = 1'-0"

Johns, Brad + Carine
145 Devon Street, Creston, BC
Main Floor + Electrical Plan

No. Description Date

Disclaimer: All structural, mechanical, electrical and floor/roof truss drawings to be designed by a professional engineer or certified professional at the customer's responsibility. All building codes, municipal bylaws and zoning must be adhered to by the customer. Customer must review all plans thoroughly and sign as Contract. All drawings are created with true material sizes.

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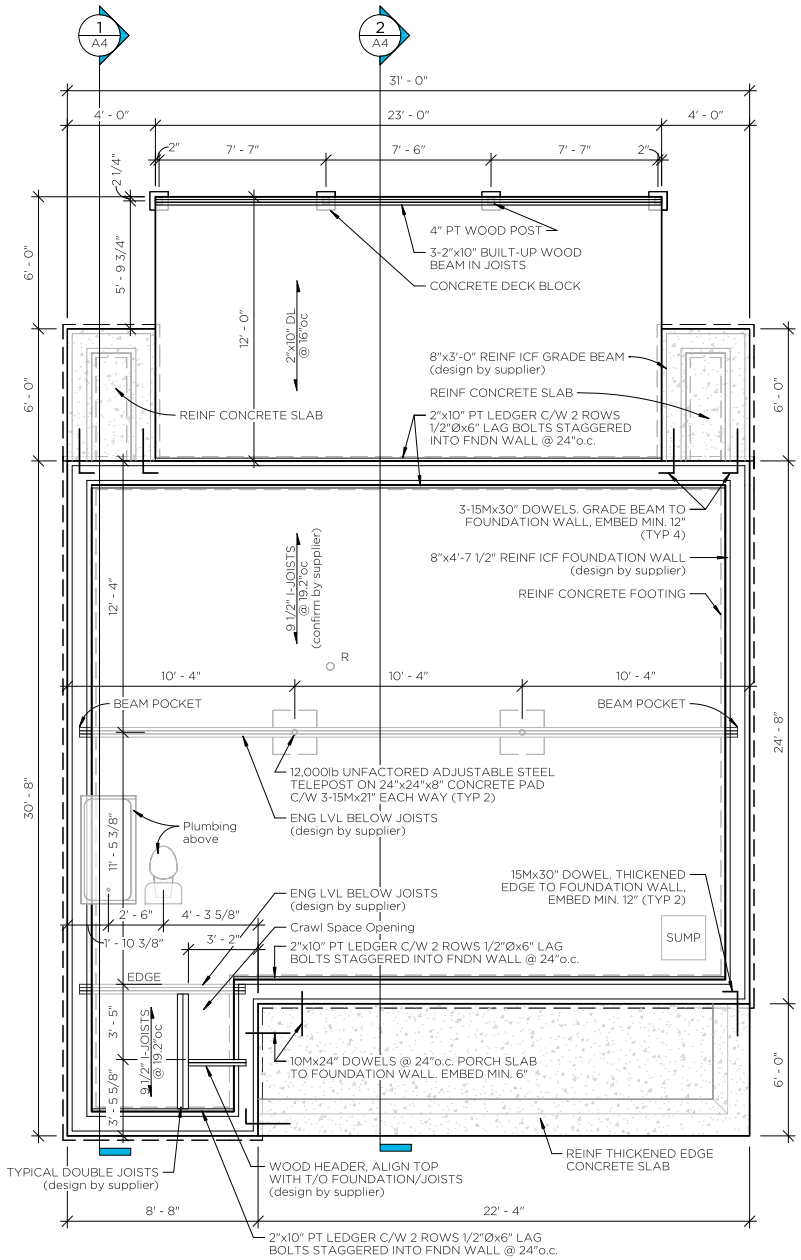
March 15, 2023

A3



1 **Foundation Plan**
1/4" = 1'-0"

Roof Notes

1. All exterior dimensions to face of rigid insulation.
2. Soffit within 1.2 meters of property line to be non-vented.
3. All overhangs 2'-0" unless noted otherwise.

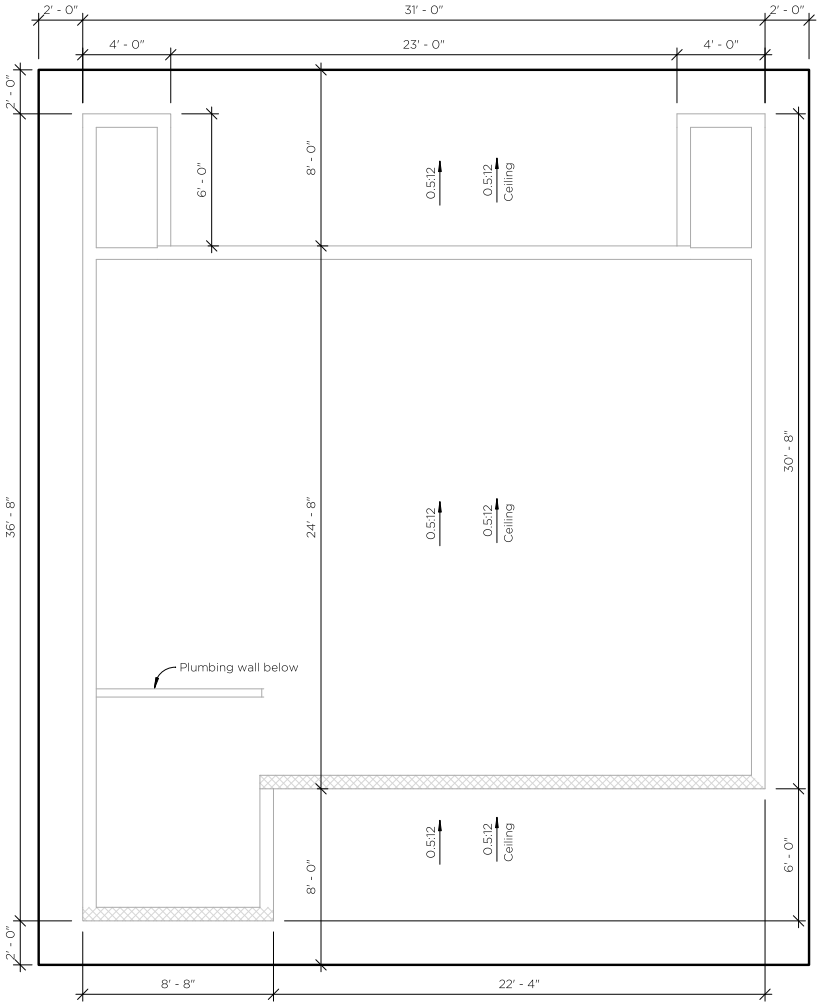
Roof Venting Calculation

816.66 ft² / 150 ft²
= 5.44 ft² Total Required Venting Area

558.66 ft² of vented soffit x 0.0236 ft² of net free vent area = 13.18 ft² / 5.44 ft²
= 242.2% Venting Provided

Basement Notes

1. Mechanical equipment may not be exactly as shown on plan. May be relocated by Mechanical Contractor.
2. Electrical equipment relocation to be confirmed with client.
3. Radon rough-in pipe c/w sealed cap for future depressurization system ran under slab to center of building.
4. All engineered floor and roof trusses to be finalized by a truss engineer.



2 **Roof Framing Plan**
1/4" = 1'-0"

2023-03-23
Permit #1000639

Johns, Brad + Carine
145 Devon Street, Creston, BC
Foundation + Roof Plan

No.	Description	Date

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March 15, 2023

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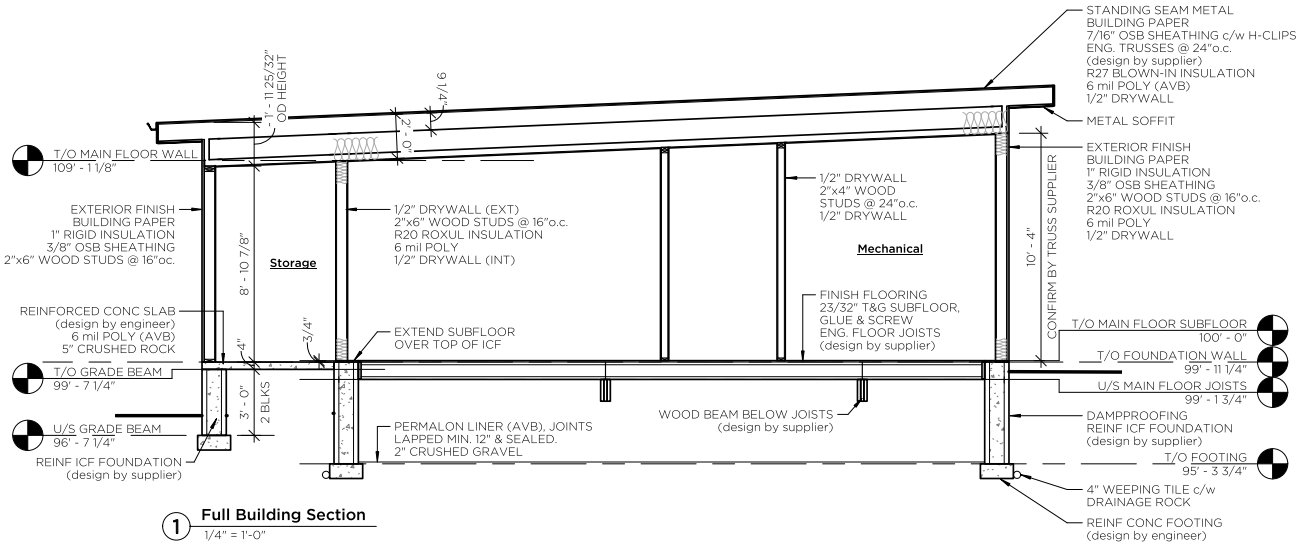
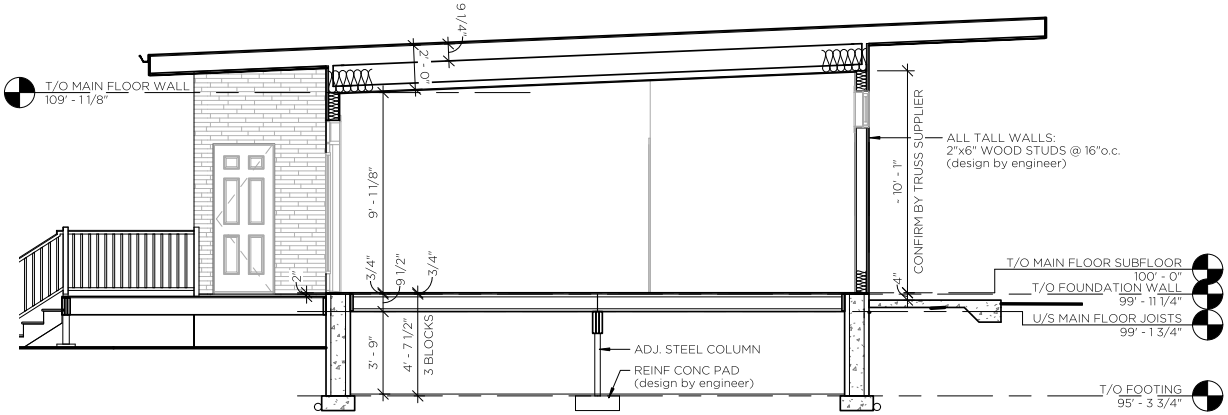
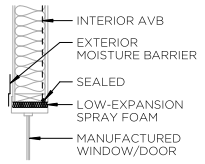


1 **Full Building Section**
1/4" = 1'-0"



2 **Cantilevered Building Section**
1/4" = 1'-0"



3 **Typical Window/Door**
3/4" = 1'-0"

****NOTE:** ANY CHANGES TO BUILDING ASSEMBLY TO BE VERIFIED BY TANGENT DRAFTING + DESIGN. Changes may result in non-compliant calculations.

General Information

Climate Zone: 5
Occupancy Class: Group C, Part 9
Design Option: Prescriptive
Heat-Recovery Ventilator (HRV): Yes

Above-Grade Opaque: Flat Roofs

Minimum Required	*4.67RSI*	*26.52R*
Standing Seam Metal	-	-
Building Paper	-	-
7/16" OSB Sheathing	-	-
Exterior Air Film	0.03	0.17
R15 Loose-Fill Insulation, Cellulose 0.025/mm x 114mm [4.5"] = 2.85	2.85	16.18
2"x4" SPF Wood Bottom Chord @ 24"o.c. c/w R12 Loose-Fill Insulation, Cellulose RSI = 0.0085/mm x 89mm = 0.7565 RSI = 0.025/mm x 89mm = 2.225 100/((11/0.7565)+(89/2.225)) = 1.833	1.83	10.39
Polyethylene	-	-
1/2" Gypsum Board 0.0061/mm x 12.7mm = 0.07747	0.08	0.45
Interior Air Film	0.11	0.62
Total	**4.90**	**27.81**

Above-Grade Opaque: Wall

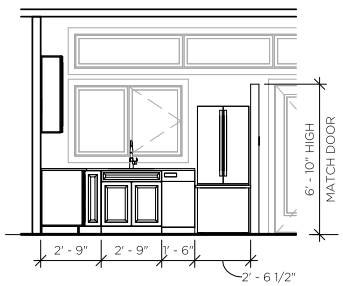
Minimum Required	*2.97RSI*	*16.86R*
Exterior Air Film	0.03	0.17
7/8" Stucco 0.0009/mm x 22.225mm = 0.02	0.02	0.11
Sheathing Paper	-	-
1" Extruded Polystyrene 25mm = 0.88	0.88	5.00
3/8" OSB Sheathing 9.5mm = 0.093	0.09	0.51
2"x6" SPF Wood Studs @ 16"o.c. c/w R20 Batt Insulation RSI = 0.0085/mm x 140mm = 1.19 RSI = 140mm = 3.34 100/((23/1.19)+(77/3.34)) = 2.359	2.36	13.40
1/2" Gypsum Board 0.0061/mm x 12.7mm = 0.07747	0.08	0.45
Interior Air Film	0.12	0.68
Total	**3.58**	**20.32**

Below-Grade Opaque: Foundation Wall

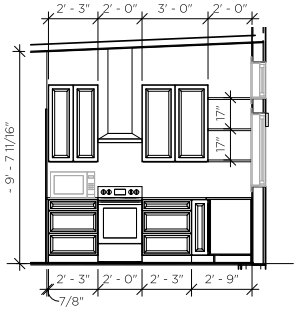
Minimum Required	*2.98RSI*	*19.65R*
Exterior Air Film	0.03	0.17
Dampproofing	-	-
2 5/8" Extruded Polystyrene 0.0336/mm x 67mm = 2.2512	2.25	12.78
8" Concrete, Normal-Density 0.0004/mm x 200mm = 0.08	0.08	0.45
2 5/8" Extruded Polystyrene 0.0336/mm x 67mm = 2.2512	2.25	12.78
Interior Air Film	0.12	0.68
Total	**4.73**	**26.86**

Energy Efficiency Notes

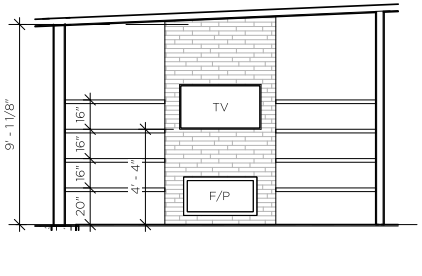
1. Flexible sheet material as air barrier shall be lapped minimum 2" and all joints sealed with approved sealants or sheathing tape.
2. Electrical wiring, outlets, switches or recessed light fixtures through the airtightness plane shall use an electrical box designed to provide an airtight seal to the air barrier material, or be a pre-fabricated vapour barrier cover sealed to the adjacent air barrier material.
3. Interior walls that meet exterior walls or ceilings shall have blocking installed between framing members, with an air barrier material placed between the structures and sealed to the adjacent air barrier material.
4. Ducts and plumbing that penetrate the building envelope shall be sealed at the air barrier.



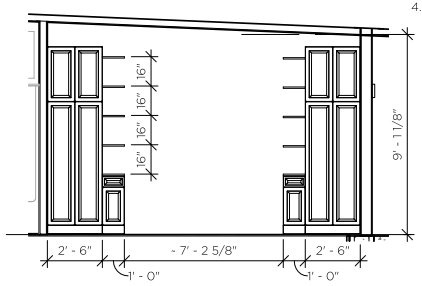
4 **Kitchen - A**
1/4" = 1'-0"



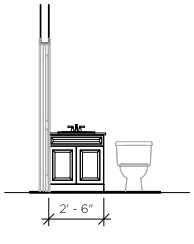
5 **Kitchen - B**
1/4" = 1'-0"



6 **Living Room**
1/4" = 1'-0"



7 **Master Bedroom**
1/4" = 1'-0"



8 **Bathroom**
1/4" = 1'-0"

PROFESSIONAL ENGINEER
PROVINCE OF BRITISH COLUMBIA
K. L. M. SEBASTIAN
47391

2023-03-23
Permit #1000639

Johns, Brad + Carine

145 Devon Street, Creston, BC

Building Sections

No.	Description	Date

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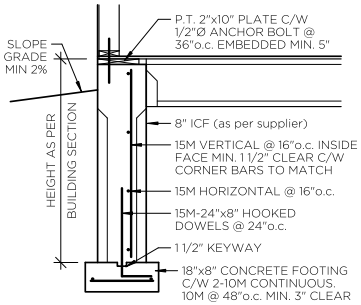
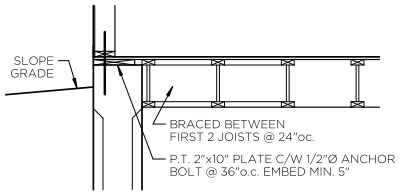
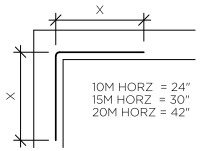


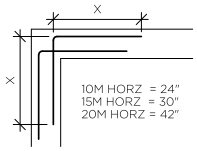
1 **Typical ICF Wall**
1/2" = 1'-0"



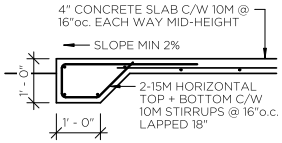
2 **Parallel Joist Bracing**
1/2" = 1'-0"



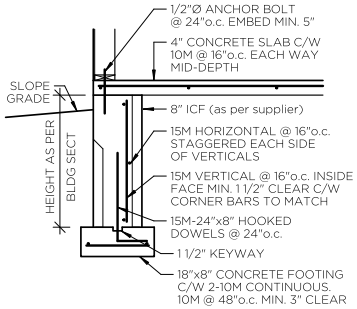
3 **Corner Bar - Single**
1/2" = 1'-0"



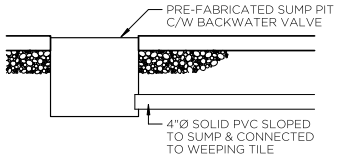
4 **Corner Bar - Double**
1/2" = 1'-0"



5 **Thickened Edge Slab**
1/2" = 1'-0"



6 **ICF Grade Beam**
1/2" = 1'-0"



7 **Typical Sump Pit**
1/2" = 1'-0"

8 **Tall Wall**
3/8" = 1'-0"

2023-03-23
Permit #1000639

Structural Notes

General
1. Foundation work in accordance with Part 9 of the 2018 British Columbia Building Code (BCBC), local codes and bylaws.
2. Backfill in accordance with BCBC 2018 9.12.3.
3. Floor system or means of structural support must be in place to laterally support the walls before backfilling against the foundation.
4. Maintain grade 2% or steeper, minimum 5'-0" from house where practicable. Use clay cap to promote drainage away from structure.
5. Site inspection is not provided by the engineer, unless requested. Alterations in wood framing design or layout from the drawings as shown may necessitate a review of the foundation design.

Insulated Concrete Form (ICF)
1. ICF foundation wall to have tapered block at top course to ensure load transfer from superstructure to concrete. Failure to use tapered block may require additional framing and detailing and must be approved by the Structural Engineer prior to construction.
2. ICF reinforcing to be adjusted to suit specific block system being used.

Concrete
1. All concrete in accordance with CSA A23.1 and CSA A23.2:
   a. ICF Walls, Grade Beams & Footings: 25 MPa, Type HS, Air Nil, Slump 100, +/- 30mm
   b. Storage Slab & Patio Slab: 25 MPa, Type HS, Air Nil, Slump 80, +/- 30 mm

Reinforcing
1. All reinforcing in accordance with CSA G30.18.
2. All reinforcing steel and ties to be Grade 400.

Footings
1. All footings to be founded on sound, dry, undisturbed soil. Soil below footings must be free from frost and not permitted to freeze.
2. Footings with soil cover of 30" and greater may be uninsulated.
3. Footings with soil cover less than 30" are not permitted.
4. A site-specific geotechnical report has not been made available. Foundation has been designed based on a clay till soil type with a bearing capacity of 2500 psf.

Wood
1. All wood materials used as structural members must be in accordance with CSA O86 and CSA O141.
2. All wood nailing patterns and connections to be sized and completed in accordance with NBCC 9.23 and CSA B111.
3. All dimensional lumber to be SPF #2 or better unless noted otherwise.
4. All wood in contact with ground to be PWF.
5. All wood in contact with concrete, exposed to weather or within 6" of ground level to be pressure-treated.

Tall Wall
1. Framing as per BCBC 2018 and good framing practices.
2. Engineered lumber to have blocking at maximum 8'-0" o.c.
3. Dimensional lumber to have staggered blocking at 48" o.c.
4. Wall plates, trimmers, cripples < 14'-0", filler studs, sill plates, etc. to be 2"x6" SPF #2 or better.
5. Connect LVL's to top and bottom plates with (4) 3 1/4" nails.
6. Connect king studs to top and bottom plates with a minimum (1) USP A3 connector or equivalent.
7. Nail bottom plate of wall to floor system with (4) 3 1/2" nails per foot.
8. Nail double top plates together with (4) 3" nails per foot.
9. Headers connected to studs with minimum (8) 3 1/2" nails at each end.
10. Top and bottom sill plate connected to studs with minimum (3) 3 1/2" nails and to headers with 3 1/2" nails at 4" o.c. into each ply of header.

March 15, 2023

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145 Devon Street, Creston, BC
Structural Details

No.	Description	Date

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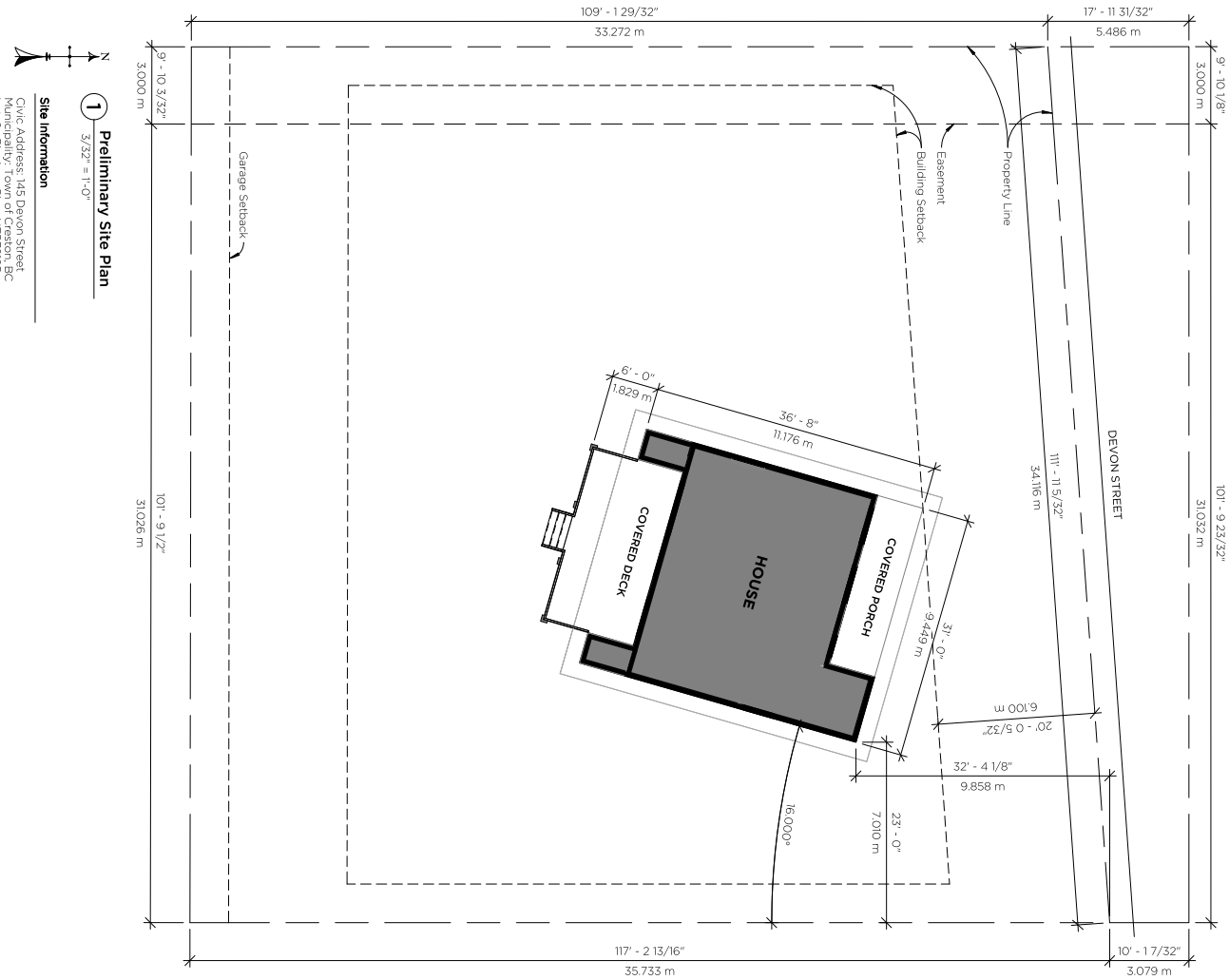

1 **Preliminary Site Plan**
3/32" = 1'-0"

Site Information

Civic Address: 145 Devon Street
Municipality: Town of Creston, BC
Lot: 2 Block: - Plan NEP78185
Land District: Kootenay 9554

Building Information

Main Floor: 80.33 m² (865.0 ft²)
Foundation: 80.33 m² (865.0 ft²)

Total Site Area: 2118.1 m²

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No.	Description	Date

Johns, Brad + Carine

145 Devon Street, Creston, BC

Site Plan

March 15, 2023

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Appendix C:

Site Photos

Figure 1: Northeast corner, facing southwest

Figure 2: North property line, facing south

Figure 3: West property line, facing southeast

Figure 4: Southwest property corner, facing northeast

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: 2023-11-21

SUBJECT: Tree Program and Tree Protection Bylaw

SUGGESTED FOLLOW-UP ACTION: THAT Committee of the Whole RECOMMENDS the following motion to Council: "THAT Council DIRECTS Staff to develop a Tree Planting Program and Tree Protection Bylaw for consideration at an upcoming Regular Committee of the Whole."

CAO COMMENTS: Any additional comments regarding the suggestion.

BACKGROUND

Staff Briefing Note: **Attached** ☒ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: During the October 17,2023 Regular Committee of the Whole, Council directed Staff to further research a tree planting program and tree protection bylaw. The purpose of the attached briefing note is to provide Council with an overview of tree planting initiatives and tree protection bylaws relevant to the Town. It aims to present information on various options for tree planting programs on town-owned land and for residents on private land, as well as gives examples of similar programs in other municipalities. The note also provides example of tree protection bylaws in different municipalities and provides measures that can be put in place to protect mature trees.

RELEVANT OBSERVATIONS: Creston's landscape and climate are relatively unique, which means that considerations of tree species, wildfire concerns, and pest control measures may be unique as well.

STRATEGIC QUESTIONS: Service Excellence; Economic Health; Livability

ESSENTIAL QUESTION: Does Council wish for Staff to develop a Tree Planting Program and Tree Protection Bylaw for Council consideration?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: A Tree Program and Tree Protection Bylaw tailored to the complexity level Council wishes.

DESIRED BENEFITS OF KEY RESULT: Enhanced tree canopy coverage in the Town of Creston.

REQUISITES: Staff to further research program costs and bylaw options.

UNINTENDED OUTCOMES: Long-term maintenance costs; disincentive for development.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council directs Staff to draft a Tree Planting Program and Tree Protection Bylaw for consideration at an upcoming Regular Committee of the Whole; Or,
2.	Council refers to Staff for further information regarding the Tree Protection Bylaw and Tree Planting Program; Or,
3.	Other, as per Council direction.

Submitted by: Joel Comer, MCPD

Reviewed by: CAO Michael Moore, CAO

STAFF BRIEFING NOTE

Town of Creston

	DATE: 2023-11-21
TO:	Michael Moore, Chief Administrative Officer
CC:	Asha DeLisle, Affordable Housing & Climate Change Coordinator
FROM:	Joel Comer, Manager of Community Planning & Development
DEPARTMENT:	Community Planning & Development
SUBJECT:	Tree Program and Tree Protection Bylaw
APPENDIX:	☐ ATTACHED ☐ OTHER DOCUMENT ☒ NOT APPLICABLE

PURPOSE / ISSUE:

During the October 17, 2023 Regular Committee of the Whole, Council directed Staff to further research a Tree Planting Program and Tree Protection Bylaw. The purpose of this briefing note is to provide Council with an overview of tree planting initiatives and tree protection bylaws relevant to the Town. It aims to present information on various options for tree planting programs on town-owned land and for residents on private land, as well as gives examples of similar programs in other municipalities. The note also provides example of tree protection bylaws in different municipalities and provides measures that can be put in place to protect mature trees in Creston.

BACKGROUND:

Trees, with their myriad ecological and social benefits, play a vital role in maintaining the Town's unique character. For a list of challenges and benefits of a tree planting program and tree protection bylaw, please see the October 17, 2023 'Tree Planting and Protection Staff Report'. Below are a number of options that can be explored to develop a tree program in Creston with examples of different tree programs from simple to complex. Additionally, regulation measures for a tree protection bylaw have been provided for consideration.

Table1. Options for a Tree Planting Program on Town land

Initiative	About	Cost
Define tree canopy & targets	Carry out mapping exercise to determine existing tree canopy coverage in Creston and define canopy cover targets. Create a map to identify priority locations for new trees on Town land.	• Can be completed in-house.
Determine Species	Select native and drought-resistant tree species that are well-suited to Creston's climate and soil conditions, keeping in mind wildfire and erosion considerations.	• Can be completed in-house • Can also be done professionally and to more detail. Cost TBD.
Annual Tree Planting	Plant designated number of trees annually based on target canopy cover.	• Mature tree ~ $150 • Water bag ~ $45

STAFF BRIEFING NOTE

Town of Creston

		• Planting of mature tree ~$115 • Pruning of large tree (done every 3-4 years *after* the first 10+ years of growth) ~ $160 • Removal of large tree ~ $1500 (many trees live well over 100 years)
Maintenance Schedule	Develop a maintenance schedule for existing and future trees that includes pruning and assessment.	• Staff time

Table 2. Options for a Tree Planting Program for residents

Initiative	About	Cost
Annual Tree Giveaway with Tree Guide	Offer free native or drought-resistant tree saplings to residents, encouraging them to plant the trees on their properties. Provide resources and workshops on tree care, including pruning, watering, and pest management. Create 'tree' page on the Town website with tips for maintaining healthy trees.	• Mature tree ~ $150 • Water bag ~ $45 • Pruning of large tree (done every 3-4 years *after* the first 10+ years of growth) ~ $160 • Cutting of large tree ~ $1500 (many trees live well over 100 years) • **$635 per tree if planting costs are removed, but still considers maintenance and removal** • Creston Community Forrest will provide free education workshops
Annual Tree Event	Organize community-wide tree planting events in local parks, schoolyards, or public spaces. Invite residents to participate in a collective tree planting effort. Provide tools, gloves, and refreshments for volunteers.	• $635 per tree if planting costs are removed, but still considering maintenance and removal • Additional $50 per person for tools and refreshments
Reduced Tree Sales	Partner with local nurseries to offer residents discounted rates on trees. Provide information on suitable tree species for	• Can create information guide in-house (cost is Staff time).

	different property sizes and conditions.	
Educational workshop	Organize tree planting workshops where residents can learn about tree selection, planting techniques, diseases and pests, and ongoing care. Offer practical demonstrations and hands-on experiences.	Free - Creston Community Forest would fund and host workshop
Assistance for residents to plant trees	For those with disabilities or impairments that create difficulty to plant trees, the Town can organize volunteers (potentially in collaboration with the annual tree event) to assist with planting a tree or pruning of existing mature trees.	Staff time to organize volunteers
Tree Health Evaluations	Offer periodic tree health assessments by certified arborists to residents with established trees. Provide recommendations for tree care and maintenance.	Hourly arborist rate ~ $90
Adopt-a-tree Program	Create an "Adopt-a-Tree" program where residents commit to planting and caring for a tree in a designated public space. Provide support with tree selection, planting, and maintenance guidance. The Town would supply the water bags.	• Water bag ~ $45 • Staff time
Trees of Life Program		Residents purchase a tree, which includes a plaque to commemorate a special person

Table 3. Municipalities with tree planting programs

Municipality	Incentives
City of Cranbrook – see HERE	Trees of Life program:

STAFF BRIEFING NOTE

Town of Creston

	• Residents purchase a tree, which includes a plaque to commemorate a special person • Cost is $535 including delivery, planting, and ongoing care • Residents choose from a designated list of trees and the City has pre-allocated locations for the trees
City of Vancouver – see HERE	2023 pilot project focused two neighbourhoods with low tree canopy compared to many other parts of the city; 250 trees were given away, with a limit of one tree per household
District of Saanich – see HERE	National Tree Day Giveaway: • One tree per household • Trees are to be planted on private land not in municipal Parks or boulevard
City of Richmond – see HERE	Annual tree sale: City residents are invited to purchase a maximum of two trees at $10 each
City of Surrey – see HERE	Four annual tree sales (1000 trees per sale): **Maximum three trees** per Surrey address. All trees are $20.
City of New Westminster – see HERE	Bi-annual tree sale: purchase up to two trees at reduced cost
City of Seattle – see HERE	*When you participate in Trees for Neighborhoods, you receive:* ▪ Free trees (up to 3 per household, lifetime max of 6) ▪ Help selecting the right tree and planting location ▪ A watering bag & mulch for each tree ▪ Training on proper planting and care ▪ Assistance applying for street tree planting permits ▪ Ongoing care reminders and future pruning workshop opportunities ▪ Assistance planting your tree (for those who need physical assistance on a limited basis due to availability) ▪ Street tree health evaluations for the first couple of years to let you know how your trees are doing
City of Boise – see HERE	Annual tree giveaway: 200 trees and recycled malt bags with mulch

Below are three examples of tree programs that could be created for tree planting purposes. These programs range from simple to complex and can be adjusted.

STAFF BRIEFING NOTE

Town of Creston

1. SIMPLE Tree Program:

- **Bi-annual tree sale:** Sell trees with water bags at 50% discounted rate.

Total program cost:

- **$9,750 to sell 100 trees at reduced rate**

2. MEDIUM Tree Program: Community Involvement & Awareness

Objective: Engage the community in tree planting and education to enhance canopy coverage and tree health in Creston.

Steps:

- **Define Tree Canopy & Targets:** Map out existing tree canopy in Creston, setting clear targets for canopy expansion.
- **Determine Species:** Choose native and drought-resistant species, considering Creston's unique environmental challenges.
- **Annual Tree Planting:** Commit to an annual tree planting exercise, aiming to gradually reach the canopy target.

Options for Residents:

- **Annual Tree Giveaway with Tree Guide:** Offer free saplings and a comprehensive tree care guide.
- **Annual Tree Event:** Host a community tree planting day, providing necessary tools and refreshments.
- **Educational Workshop:** Partner with Creston Community Forest for a workshop on tree care and planting techniques.
- **Assistance for Residents to Plant Trees:** Organize volunteers to support those needing assistance in tree planting due to disabilities or impairments.

Total program cost:

- $9,750 for 50 tree giveaways with water bag (maintenance costs not considered as a result of the adopt-a-tree program)
- $2500 for 50 individuals to participate in the planting of the trees
- $11250 for planting 15 trees on Town land
- **$23,500 for total program**

3. COMPLEX Tree Program: Comprehensive Canopy Strategy

Objective: Implement a holistic approach to enhance tree canopy, promote tree health, and actively involve the Creston community.

Steps:

- **Define Tree Canopy & Targets:** Map out existing tree canopy in Creston, setting clear targets for canopy expansion.
- **Determine Species:** Choose native and drought-resistant species, considering Creston's unique environmental challenges.
- **Annual Tree Planting:** Commit to an annual tree planting exercise, aiming to gradually reach the canopy target.

Options for Residents:

- **Annual Tree Giveaway with Tree Guide:** Distribute free saplings with an extensive tree care guide and online resources.

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Town of Creston

- **Annual Tree Event:** Organize large-scale community tree planting events, encouraging wide participation.
- **Reduced Tree Sales:** Collaborate with local nurseries for discounted tree rates and guidance on species selection.
- **Educational Workshop:** Host workshop on tree health, diseases, pests, and care, in collaboration with Creston Community Forest.
- **Assistance for Residents to Plant Trees:** Create a system for residents requiring tree planting assistance.
- **Tree Health Evaluations:** Offer annual tree health checks by certified arborists, providing detailed care recommendations.
- **Adopt-a-Tree Program:** Launch a program where residents can adopt and care for a tree in public spaces, with support from the town in terms of water bags and maintenance guidance.

Total program cost:

- $19,500 for 100 tree giveaways with water bag (maintenance costs not considered as a result of the adopt-a-tree program)
- $5,000 for 100 individuals to participate in the planting of the trees
- $18,750 for planting 25 trees on Town land
- $2,700 for 30 arborist hours to assist residents with tree health checks and care recommendations
- **$45,950 for total program**

Table 4. Municipalities with tree protection bylaws

Municipality	Does bylaw apply to private properties?	Permit cost to cut	Enforcement
City of Nelson – see bylaw HERE	No	N/A	A fine not exceeding $10,000 for each City tree unlawfully cut down or damaged
City of Kelowna – see bylaw HERE	If property is in a riparian area	$50 and a replacement tree	A fine not exceeding $10,000 for each tree unlawfully cut down or damaged
City of Delta – see bylaw HERE	Yes (outside of ALR)	$100.00 application fee plus $50.00 per tree to be cut (for more than one tree) AND up to 4 replacement trees or $2800 cash in lieu depending on size, type of tree, and planting location	A fine not exceeding $50,000 for each tree unlawfully cut down or damaged and costs of prosecution
City of Kamloops – see bylaw HERE	Yes unless on land less than two hectares (2 ha) in size and zoned	$50 for five or less trees, $150 for 6 trees or greater	A minimum fine of $1000 and not exceeding $10,000 for each tree unlawfully

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Town of Creston

	Residential in accordance with the City's Zoning Bylaw		cut down or damaged, and a replacement tree
City of Vancouver – see bylaw HERE	Yes	$96 for 1st tree in a 12 month period and $276 for every tree after. Specific requirements must be met in order to receive a permit. Replacement tree may be required.	A minimum fine of $500 and not exceeding $10,000 for each tree unlawfully cut down or damaged
City of Whistler – see bylaw HERE	Yes, for some properties	$125 Replacement tree may be required	A fine not exceeding $10,000 for each tree unlawfully cut down or damaged
City of Abbotsford – see bylaw HERE	Yes (outside of ALR)	$65 and up to three replacement trees	

Below are possibilities for a Tree Protection Bylaw. These measures should be considered as a way to protect trees without hindering development. Development has been considered by including different tree replacement options.

General Tree Protections

- A tree may not be cut without a permit.
- Damage to any tree is prohibited.
- Pruning is allowed in accordance with the American National Standards Institute Publication A300-2017, or the International Society of Arboriculture, provided it does not result in the death or decline of the tree.

Prohibitions and Exemption

1. Exemptions for Tree Removal:

- Tree removal from Agricultural Land Reserve, Crown, or Federal lands is exempt.
- Staff may give an exemption for a tree damaged by natural causes that is unlikely to survive.
- Staff may give an exemption if tree removal is for the purpose of ecological restoration.
- Staff may give an exemption if they deem the tree as dead, dying, or dangerous or a qualified person establishes that the tree is dead, dying, or dangerous.
- Staff may exempt trees impacting parks, highways, or other public places.
- Staff may exempt trees causing damage to infrastructure that cannot be remedied other than by cutting.
- A tree is exempt if its trunk or stem diameter, measured 1.4 m above the ground adjoining its base, is less than 20 cm, except for replacement trees.
- Removal, relocation, or replacement of a tree in connection with any site or development under the jurisdiction of the Town is exempt.

2. Prohibitions for Permit Issuance:

A permit will not be issued for tree removal due to:

STAFF BRIEFING NOTE

Town of Creston

- Accumulation of needles in building gutters.
- Growth promotion of moss on a roof.
- Tree or root interference with lawn maintenance.
- Neighbour's request for tree removal.
- Improved reception of satellite television signals.

Permit Application

The following persons may apply for a permit:

- The owner of a property or an agent of the owner of the property with consent from the owner
- Should a tree be located on two properties, written consent from both owners must be provided

If a person submits a permit application, it must include the following:

- A replacement plan (if required)
- A statement of purpose and rationale for cutting the tree
- Location and trunk diameter of each tree the owner intends to remove

Replacement Tree Options

- Cash in lieu ($750 per tree)
- Planting of one or more trees; species selected by the Town in a location determined by the Town (security deposits required)
- Full tree report by professional arborist or environmental specialist

Permit Condition

- Staff may include conditions regarding the removal, relocation, replacement, or retention of a tree in a tree permit. Both the tree permit holder and the owner must comply with these conditions.

1. **Permit Display during Operations:**

- During the removal, relocation, or replacement of a tree, the tree permit holder and the owner must post the tree permit in a conspicuous location on the site, ensuring it's visible from an adjacent street.

2. **Permit Validity and Expiry:**

- A tree permit will expire if the tree has not been removed within six months from the date of issuance. Upon expiration:
    - The tree permit holds no further validity.
    - The owner must obtain a new tree permit before any tree removal or relocation activities.

3. **Security Deposit for Replacement Trees:**

- If a replacement tree is mandated as a permit condition or due to the unauthorized removal or damage of protected trees, the owner must provide the Town with a security deposit. This deposit can be in the form of cash or a letter of credit and amounts to $750.

Violations and Penalties

- Any person found cutting, damaging, or removing a tree without a valid permit or outside the conditions of a permit shall be subject to a fine and/or legal action.
- Failure to post a tree permit visibly on the site during tree removal, relocation, or replacement will result in a penalty.

STAFF BRIEFING NOTE

Town of Creston

- Non-compliance with the replacement plan, if required, will result in fines or legal action.

CURRENT SITUATION:

Due to development and aging, the Town of Creston is likely losing more trees than it is replacing. The Town plants approximately 6 new trees each year, but loses 10-12 each year. At this time, the annual change in urban forest has not been quantified.

KEY CONSIDERATIONS:

1. **Tree Planting Program on Town Land:**
   - The existing tree canopy in Creston needs assessment to establish canopy cover targets for town land.
   - Selection of native and drought-resistant tree species suitable for Creston's climate and soil conditions is an important consideration.
   - In the planning process, it is essential to weigh the financial implications associated with various aspects, such as tree planting, ongoing maintenance, pruning, and tree removal.
   - These considerations encompass various cost elements, such as tree planting, ongoing maintenance, periodic pruning, and addressing tree removal costs.

2. **Development of a tree planting program could include:**
   - An Annual Tree Giveaway with educational resources for residents.
   - Community-wide tree planting events with tools and refreshments.
   - Collaboration with local nurseries for discounted tree rates.
   - Educational workshops and information sessions.
   - Support for residents with disabilities in tree-related activities.
   - Periodic tree health assessments by certified arborists.
   - Establishment of an Adopt-a-Tree Program in public spaces.

3. **Development of a tree protection bylaw could include:**
   - General tree protections, exemptions for tree removal, and permit restrictions.
   - Clear and transparent permit application requirements.
   - Options for addressing tree removal, such as replacement trees or security deposits.
   - A structured framework for penalties and enforcement mechanisms.

4. **Finances:**
   - Mature tree ~ $150
   - Water bag ~ $45
   - Planting of mature tree ~$110
   - Pruning of large tree (done every 3-4 years *after* the first 10+ years of growth) ~ $160
   - Cutting of large tree ~ $1500 (many trees live well over 100 years)

OPTIONS FOR FOLLOW-UP ACTION:

1. Council directs Staff to draft a Tree Planting Program and Tree Protection Bylaw for consideration at an upcoming Regular Committee of the Whole; Or,
2. Council refers to Staff for further information regarding the Tree Protection Bylaw and Tree Planting Program; Or,
3. Other, as per Council direction.

COUNCIL REPORT

Town of Creston

Submitted by: Joel Comer, MCPD

Reviewed by: CAO Michael Moore, CAO

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: 2023-11-21

SUBJECT: Treemendous Communities Grant

SUGGESTED FOLLOW-UP ACTION: THAT Committee of the Whole RECOMMENDS the following motion to Council: THAT Council AUTHORIZES the submission of an application for funding to the Treemendous Communities Grant to Tree Canada to purchase trees, tools, and planting materials; AND FURTHER, THAT Council DIRECTS Staff to provide overall grant management upon the successful award of the grant.

CAO COMMENTS: No additional comment.

BACKGROUND

Staff Briefing Note: **Attached** ☐ **Available** ☐ **Nil** ☒

1. DEFINE THE TOPIC

KEY INFORMATION: Tree Canada is a national non-profit organization dedicated to planting and nurturing trees in rural and urban environments across the country. The Treemendous Communities Grant covers the cost of purchasing and planting trees and shrubs, site preparation, tree maintenance, planting materials and developing educational materials up to $10,000. Staff would like to apply for the maximum amount of funding to support tree planting efforts in Creston. The funding will go toward the purchasing of trees, tools, and planting materials to plant trees in pre-determined locations.

RELEVANT OBSERVATIONS: None at this time.

STRATEGIC QUESTIONS: Livability; Economic Health; Service Excellence

ESSENTIAL QUESTION: Does Council wish to submit an application to the Treemendous Communities Grant for the purchase of trees, tools, and planting materials in the amount of $10,000?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: Funding for the purchase of trees, tools, and planting materials.

DESIRED BENEFITS OF KEY RESULT: Enhanced tree coverage in Creston.

REQUISITES: Staff to submit an application for the Treemendous Communities Grant.

UNINTENDED OUTCOMES: Long-term maintenance costs of extra tree inventory.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council authorizes staff to submit an application for funding to the Treemendous Communities Grant for the purchase of trees, tools, and planting materials AND directs Staff to provide overall grant management upon the successful award of the grant; Or,
2.	Council declines the submission of an application for funding to the Treemendous Communities Grant for the purchase of trees, tools, and planting materials; Or,
3.	Other, as per Council direction.

Submitted by: _____ **Reviewed by:** CAO _____

Click to enter Writer's Name **Michael Moore, CAO**

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: November 21, 2023

SUBJECT: Creston Valley Regional Airport Master Plan

SUGGESTED FOLLOW-UP ACTION: The Committee of the Whole recommends to Council the following motion: "THAT Council DIRECT Staff to move the Creston Valley Regional Airport Master Plan to the 2024 budget process; AND FURTHER, THAT Council AUTHORIZES Staff to apply for a grant to the BC Air Access Grant Program for completing an airport master plan.

CAO COMMENTS: Report is provided by the CAO

BACKGROUND

Staff Briefing Note: **Attached** ☒ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: The Town owns the airport and has an operating maintenance agreement with the Creston Valley Regional Airport Society. Operating funding for the airport is provided by the RDCK through *S240 Airport – Creston, Areas B, C.* The operating agreement between the Town and the Society includes operation of the airport in accordance with the Airport Master Plan. The existing airport master plan was completed in 1990. With funding from *S240 – Airport* and grant funding, this project will not have taxation implications for the Town of Creston.

RELEVANT OBSERVATIONS: The agreement requires an airport master plan from the owner (the Town).

STRATEGIC FOCUS: Economic Health, Livability, Community Safety & Security and Service Excellence.

ESSENTIAL QUESTION: Does Council wish to facilitate a new airport master plan to provide a comprehensive strategy for stakeholders to base informed decisions upon?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: An updated master plan that outlines the economic value of the airport to the Creston Valley prioritizing future opportunities through planned actions. Further, document will form the asset management program of the Town.

DESIRED BENEFITS OF KEY RESULT: Provides stakeholders with a better understanding of opportunities with the local airport to base decision making and financial planning.

REQUISITES: Approval of funding from the RDCK S240 and grant approval from BC Air Access.

UNINTENDED OUTCOMES: The results of the airport master plan not aligning with current visions of existing stakeholders and user groups.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Direct the airport master plan proposal to the 2024 budget process and apply for the BCAAP grant in November.
2.	Direct Staff to provide additional information prior to moving the project to budget discussion.
3.	Direct Staff not to propose an airport master plan during budget 2024 (Status Quo).

Submitted by: _____ **Michael Moore, CAO**

Reviewed by: CAO _____ **Michael Moore, CAO**

STAFF BRIEFING NOTE

Town of Creston

DATE: 2023-11-21

TO:	Mayor and Council
CC:	Steffan Klassen, Director of Finance and Corporate Services
FROM:	Michael Moore, Chief Administrative Officer
DEPARTMENT:	Administration
SUBJECT:	Creston Valley Regional Airport Master Plan
APPENDIX:	☐ ATTACHED ☐ OTHER DOCUMENT ☐ NOT APPLICABLE

PURPOSE / ISSUE:

To receive Council direction to propose a Creston Valley Regional Airport Master Plan to the 2024 budget process; and

To receive Council direction to apply for the BC Air Access Program grant for airport master plans.

BACKGROUND:

The Creston Valley Airport is owned by the Town of Creston and operated by the Creston Valley Airport Society through an operating agreement. This operating agreement has been in place since 2008. Since approximately 2010, the RDCK through Service 240 has provided an operating grant to the Society.

The Town of Creston has an outdated airport master plan (see attached) developed in 1990. The operating agreement between the Town and the Society defines “Airport Master Plan” as the “Owner’s written plan for future land uses at the Airport, dated April 1990, a copy of which has been provided to the Operator, as amended from time to time by the Owner during the term”.

The Society has provided on-going maintenance to the airport assets and more recently, has identified additional infrastructure improvements to enhance the airport for users. While the Society has been successful in funding many projects through grants, a current airport master plan would assist in securing future grants. Often grant providers will use the existence of a master plan as part of a grant evaluation process.

The BC Air Access Program (BCAAP) will be announcing a new grant stream for master plan development for November 1 with a deadline for submission of December 22, 2023. The maximum grant available for airport master plans is $35,000.

The Creston Valley Airport has a number of private users but provides important community services through medevac operations, wildfire suppression activities and is plays an important role in emergency response and preparedness. Examples of other uses include:

STAFF BRIEFING NOTE

Town of Creston

- **Air Ambulance Operations:** The Province deploys ground ambulances, helicopters, and fixed-wing aircraft according to patient needs and resource availability, maximizing operational flexibility and the level of care that can be provided. Creston Valley Airport supports air ambulance movements from BC Air Ambulance (fixed-wing and helicopter) and occasionally STARS (helicopter). The Airport also supplements the lack of a heliport at the Creston Valley hospital, as the Creston and District Recreation Centre field is used in limited circumstances to accommodate helicopter. This requires ground staff (usually the fire department) to establish the landing zone and is limited in its inability to accept certain air ambulance helicopters, provide fuelling, and support nighttime operations.

- **Wildfire Suppression:** Helicopters operate from the Airport in support of the British Columbia Wildfire Service, with assets flexibly deployed to Creston on an as-needed basis. In past years, BC Wildfire has used the airport for re-fuelling of helicopters and fixed wing aircraft deployed in the area.

- **Search and Rescue:** Creston Valley Airport has an air search and rescue organization based out of the main building.

- **Emergency Management:** Creston Valley Airport will be important in supporting emergency management efforts following natural disasters, such as facilitating the arrival of geotechnical specialists during ice jams or landslides. The facility can also support medical airlift evacuations if ever required due to wildfires and other natural disasters.

CURRENT SITUATION:

A new airport master plan would provide stakeholders (elected officials, the Society, the Town and community) information for future decision making. The airport operating agreement has not been significantly changed since 2008 and could be enhanced to include some responsibility in implementing improvements to the service based on a master plan. Other upcoming concerns are the expiry of hanger leases and adjusting costs accordingly to improve sustainability without significantly impacting future growth opportunities.

To allow for informed decision making by stakeholders, an assessment of the current airport operations and services would provide:

- A review of current infrastructure and facilities identifying existing infrastructure that requires improvement or updating;

- The current airport capacity in terms of size of planes, traffic patters, capacity concerns, runway dimensions, capacity of airport building and refuelling services;

- Current aviation services available, such as charter, commercial private, emergency/medical and use of surrounding lands;

- A review of how the airport generates revenue and whether the current revenue model supports long term sustainability and asset management;

- A review of how the airport operations support the local economy and community, such as industry and businesses that utilize the airport as part of supply chain;
- How the airport activities affect the community through emergency services, medical transport or in other ways; and
- A review of the land surrounding the airport is being used, including land designations (ALR) restricting development, revenue generation and development potential.

Prior to new infrastructure addition at the airport, a master plan would provide framework for stakeholders that considers future development of services and infrastructure improvements, such as:

A new airport master plan would provide stakeholders (elected officials, the Society, the Town and community) information for future decision making. The airport operating agreement has not been significantly changed since 2008 and could be enhanced to include some responsibility in implementing improvements to the service based on a master plan. Other upcoming concerns are the expiry of hanger leases and adjusting costs accordingly to improve sustainability without significantly impacting future growth opportunities.

To allow for informed decision making by elected officials, an assessment of the current airport operations and services would provide:

- A review of current infrastructure and facilities identifying existing infrastructure that requires improvement or updating;
- The current airport capacity in terms of size of planes, traffic patters, capacity concerns, runway dimensions, capacity of airport building and refuelling services;
- Current aviation services available, such as charter, commercial private, emergency/medical and use of surrounding lands;
- A review of how the airport generates revenue and whether the current revenue model supports long term sustainability and asset management;
- A review of how the airport operations support the local economy and community, such as industry and businesses that utilize the airport as part of supply chain;
- How the airport activities affect the community through emergency services, medical transport or in other ways; and
- A review of the land surrounding the airport is being used, including land designations (ALR) restricting development, revenue generation and development potential.

STAFF BRIEFING NOTE

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Prior to new infrastructure addition at the airport, a master plan would provide framework for stakeholders that considers future development of services and infrastructure improvements, such as:

- Do the demographics of the community and region demonstrate a need for airport development or expansion?
- What are the current aviation forecasts – future passenger service, aircraft and air cargo volumes for region – and local community expectations?
- What sectors would utilize and support potential airport development?
- How can the airport lands be developed or offered for development – target market, need, vision, types of activities / development encouraged, regulatory and zoning barriers?
- What is the estimated investment required for development projects?
- What are the primary benefits and advantages of potential development?
- What are some challenges and concerns that are anticipated with potential development?
- Are there any indirect or unintended effects that can be anticipated, good or bad?

The Society has been proactive in airport improvements and have a desire to continue to make meaningful long-term sustainable upgrades to the services provided. The Society presently as limited revenue streams available with only marginal growth opportunities in the current strategy. It is important to have the stakeholders sharing the same vision and understanding the social and economic value the local airport has to the Creston Valley and the region.

The Town of Creston staff during a recent tour of the airport discussed federal aviation regulation and risk management with the Society President. From the discussion there is some concern by staff that there needs to be some clear identification of risks and managing risks. For example, once in the airport there is limited security distinguishing airside of the airport (no fencing). In addition, there has been fuel sales on the airport tarmac to non-aircraft users. There needs to be clear identification of risks and policies implemented on managing these risks.

KEY CONSIDERATIONS:

1. The Creston Valley Airport is funded as a Regional District service (S240) that provides the primary funding for the airport.

2. The most recent airport master plan was created 33 years ago in 1990.

3. The airport master plan would include an economic viability study to examine the current operation and future potential of the Creston Valley Airport in collaboration with stakeholders: a facility owned by the Town, operated by the Creston Valley Airport Society and with financial support from the RDCK.

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4. The airport master plan and business case report would provide decision-makers with an understanding of the current state of infrastructure and operations at the Creston Valley Airport, potential business opportunities, and actions required to support activity growth and the management of future revenues and expenses.

5. The study could also examine the potential closure and redevelopment of the Airport for an alternative highest and best use, to provide an alternative view of the continued operation of the airport.

6. The study will allow for informed decision making on prioritizing infrastructure improvements, asset management and changes to service levels.

7. The study will identify regulatory requirements and specifically if there is any non-compliance.

8. The study will take approximately 6 to 7 months to complete after identification of the consultant. Due to the timing of grant announcement, process to identify a successful proponent through an RFP process and project time, it is anticipated that the study will be completed prior to the end of 2024 or first quarter 2025.

9. The Town of Creston will administer and coordinate the project, including the issuance of the request for proposal, identification of successful proponent, financial administration and coordination of public consultation / advertising.

FINANCIAL CONSIDERATIONS:

The Town of Creston has obtained a variety of budget estimates that suggest a project budget of $80,000. This will include approximately $60,000 to $65,000 for the consultant and additional budget for travel expenses, public engagement and project coordination.

With the opportunity of a BC Air Access Program grant, the Town has requested RDCK S240 Airport to contribute the remaining $45,000 to complete the funding of the airport master plan. This will be decided as part of the 2024 budget deliberations for the service participants.

OPTIONS FOR FOLLOW-UP ACTION:

Preferred option:

1. Direct the CV Regional Airport Master Plan proposal to the 2024 budget process and staff is authorized to submit a grant application to the BC Air Access Program for undertaking an airport master plan.

   Pro: *This option has no financial impact to the Town with funding from S240 – Airport and the BC Air Access Program grant. Completion of a new airport master plan will meet contractual obligations in the operating agreement with the Society and provide guidance to stakeholders about future opportunities at the airport and surrounding airport lands. The grant program will provide up to $35,000 towards the master plan development.*

   Con: *There will be some staff time dedicated to managing the project over the next 12 months.*

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Other options considered:

2. Direct Staff to provide additional information prior to moving the project to budget discussion.

3. Direct Staff not to propose an airport master plan during budget 2024 (Status Quo).

   With this project being 100% funded, Staff could not identify a reason to delay this project. Council can request additional information but this request should not delay moving the project into budget discussions.

Submitted by: _____ **Reviewed by:** CAO _____

Michael Moore, CAO **Michael Moore, CAO**

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: November 21, 2023

SUBJECT: Procurement and Contract Management Program

SUGGESTED FOLLOW-UP ACTION: THAT Committee of the Whole RECOMMENDS to Council the following motion: *THAT Council DIRECT Staff to prepare a budget proposal for a Procurement and Contract Management Program for consideration in the 2024-2028 Financial Planning process.*

CAO COMMENTS: Report submitted by CAO.

BACKGROUND

Staff Briefing Note: **Attached** ☒ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: Procurement of goods and services for the Town of Creston to support delivery of service is performed by various staff and/or department managers. There is an inconsistent application of procurement policies and quality control to verify best value. Department managers inefficiently spend time attempting to achieve best value for projects and there is limited opportunity to consider innovative solutions to purchasing. A procurement and contract management program will ensure consistency in procurement and contract negotiation to ensure best values are achieved, as well as planned out purchasing to maximize organizational outsourcing of goods and services.

RELEVANT OBSERVATIONS: Efficiency gains with management staff while achieving consistent application of procurement policies, including issuance of tenders and request for proposals.

STRATEGIC FOCUS: Service Excellence: Governance

ESSENTIAL QUESTION: Does Council wish to improve efficiencies in staff workloads and gain financial savings through a consistent approach to procurement of goods and services?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: One (1) FTE that manages procurement of goods and services for the Town and negotiates contracts for goods and services.

DESIRED BENEFITS OF KEY RESULT: Financial savings and gained staff efficiencies.

REQUISITES: Budget approval during 2024 budget process.

UNINTENDED OUTCOMES: Difficulty showing savings during high inflationary years.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council directs staff to prepare budget proposal for a procurement and contract management program.
2.	Other direction, as provided by Council.
3.	Council directs staff not to submit a procurement and contract management program to budget process.

Submitted by: _____ **Michael Moore, CAO**

Reviewed by: CAO _____ **Michael Moore, CAO**

STAFF BRIEFING NOTE

Town of Creston

DATE: Click or tap to enter a date.

TO:	Mayor and Council
CC:	Steffan Klassen, Director of Finance & Corporate Services
FROM:	Michael Moore, Chief Administrative Officer
DEPARTMENT:	Administration
SUBJECT:	Procurement and Contract Management Program
APPENDIX:	☐ ATTACHED ☐ OTHER DOCUMENT ☐ NOT APPLICABLE

PURPOSE / ISSUE:

To introduce a procurement and contract management program to Council for consideration during the 2024 budget process.

BACKGROUND:

Procurement is the process involving the acquisition of products or services for organizational use from an external source. This can vary from paper used in the photocopier, medical gloves used by firefighters, fuel in equipment and vehicles to purchasing new equipment.

Procurement processes are to ensure that an organization's purchasing is fair, competitive and provides the best possible prices available in the market. Due to the efficiencies that a formal procurement processes provide, procurement plays a vital part in an organization's overall management structure.

While contract management can vary, in context to a procurement and contract management program, it represents the negotiated cost and delivery of services and products. This provides the Town leverage to ensure that stated delivery of goods and services are as intended and at the cost quoted. At times, the absence of signed contracts further increases liability risk to the Town when a contractor does not have appropriate liability insurance or WorkSafe BC coverage.

The Town of Creston spends between $3.5 to $4 million per year on goods and services within the annual operating budget to deliver services to residents. Furthermore, there are millions spent annually on capital projects and one-time projects that consists of procurement of goods and services. There is no consistent tracking to show savings or value achieved in procurement except maintaining costs within allocated budgets. Further, there is no consistent manner in which to verify that existing procurement processes are conducted fairly, competitively and of best value.

The terms "procurement" and "purchasing" are often used interchangeably. While these terms have similarities, they have different meanings. Procurement is a strategic process, whereas purchasing is a transactional function when sourcing and obtaining products or services. Procurement focuses on the strategic process of sourcing products or services, for example, researching, negotiation and planning,

STAFF BRIEFING NOTE

Town of Creston

while the purchasing process focuses on how employees order and acquire products or services, such as sending purchase orders and settling payments.

The procurement management process is a cycle that starts with selecting resources to acquire and ends with receiving and paying for those resources. Each element of the procurement management process involves in-depth documentation to keep all team members coordinated. The primary features of procurement management include:

Planning: Prior to making any purchases, a procurement staff member would develop a plan detailing all services and good necessary for operations. The planning aspect of procurement management involves setting up a system for employees to communicate with one another about the status of each type of procurement at any given moment.

Vendor selection: Researching and choosing the appropriate vendors to fulfill procurement needs is another significant element of procurement management. This involves identifying a list of potential suppliers based on a set of criteria like quality, safety, company policies, reliability, cost, delivery times and more. Efficient procurement management processes usually involve multiple vendors to create a backup option if one supplier encounters unexpected issues.

Contract negotiation: The next step in the procurement management cycle is sending out proposals to suppliers and negotiating an agreement. The negotiation and contracting process can provide the Town with insights about how the supplier does business, helping determine whether or not to contract their services.

Purchase requisition: After establishing a contract and placing a vendor on a list of approved vendors, staff can submit purchase requisitions to place individual orders. Employees fill out a form to request funds for a specific purchase from approved vendors, then communicate with suppliers after receiving approval. Instead of having employees make purchases at their discretion, having a purchase requisition process ensures that no one makes a duplicate order or buys items from the wrong supplier.

Delivery: Actually receiving the items through on-time deliveries is a central part of procurement management. Processes involved with delivery include meeting with suppliers to determine a timeline, tracking shipments, reviewing purchase orders, scheduling employees to receive shipments and performing quality inspections.

Invoice management: Completing the transaction by paying vendors and managing invoices is the final part of the procurement management cycle. This involves reconciling orders with the actual goods and services received, balancing budget accounts and tracking receipts. Invoice management practices can help track the cost-effectiveness of vendor relationships over time and identify possibilities for using the procurement budget more effectively.

The Auditor General for Local Government issued the “Improving Local Government Procurement Processes” in 2016. This document provides an overview of best and leading practices in local government procurement, as well as identify risks associated to the lack of robust procurement programs. This document is attached for review.

STAFF BRIEFING NOTE

Town of Creston

CURRENT SITUATION:

There is an inconsistent approach to procurement and contract management practices. Due to increased workloads on management staff, there is limited time spent on innovative procurement solutions, bulk purchasing between departments, or planned annual purchases to maintain inventory to achieve lower operating cost.

These procurement process inconsistencies over time and the lack of managing contracts arguably have cost the Town more in the delivery of service. For example, there are services received from suppliers that should have written agreements between the parties that are sometimes not implemented for a variety of reasons that have created concern on the services received or accountability on services.

Some empirical observations regarding procurement:

1. There is an inconsistent approach to finding new suppliers for goods and services.

2. There is no negotiated purchasing agreements for day to day supplies. For example, there is no agreements in place for the local purchasing of hardware supplies, vehicle and equipment parts, etc.

3. While purchasing policies are adhered to with obtaining the required number of quotations for goods, usually there is limited time in identifying broader spectrum of vendors or alternate goods. This results in consistently buying the same product from the same supplier without broader understanding of the market place.

4. Departments are not comparing similar or like product purchases to create opportunities for bulk purchases. For example, Public Works purchases cases of medical grade gloves for employees while working with sewage pipes. The Fire Department also purchases cases of medical grade gloves for firefighters to use during medical responses. These are not grouped together for purchases as each department purchases as required.

5. Department managers are individually responsible for purchases and returns for their departments.

6. There is no inventory control policies or processes. While there is no significant inventory on hand in any products, the lack of a process limits the opportunity to have confidence that departments would have access to required supplies if bulk purchasing was done (i.e. – medical grade gloves).

7. There is limited correlation between purchase orders issued and operational budgets. Procurement processes would provide supervisory controls for correlating budgets to purchase orders.

8. There is limited records management practices to ensure transparency and accountability in procurement.

9. There are no staff with specific training or certification in procurement processes.

KEY CONSIDERATIONS:

The Province of British Columbia enacted the *Procurement Services Act (SBC 2003)* which is applicable to local government bodies to promote fair and open procurement, competition, demand aggregation, value for money, transparency and accountability.

STAFF BRIEFING NOTE

Town of Creston

There is some key procurement principles that are foundational to a procurement management program:

- **Efficient** - after consideration of needs, alternatives, timing and availability of funds, acquire the necessary quality and quantity of goods and services in an efficient and cost-effective manner.
- **Ethical** - act in a manner which provides potential suppliers equal opportunity to participate in the business of the municipality and to ensure open and transparent procedures that withstand public scrutiny at all times.
- **Accountable** - ensure that the municipality maintains its reputation as a preferred customer by documentation of approvals, retention of all documents for audit purposes and completing timely accurate transactions within all aspects of the purchasing and contracting processes.
- **Impartial** - the process of open competitive bidding on the acquisition of goods and services will be fair, transparent and non-discriminatory.
- **Economical** - consider the total cost of ownership in all contracts for goods and services.
- **Co-operative** - participate with other governmental entities in co-operative purchasing programs and Province of BC Corporate Supply Agreements where the best long-term interests of the municipality will be served.
- **Lawful** - comply with all applicable laws, municipal policies, and domestic and international trade agreements.
- **Social** - use procurement practices to promote social and economic development.

While staff strive to meet these foundational principles in the course of procurement, there is a limitations on staff capacity. With each of these principles, there can be improvements through having a dedicated program and staff member to ensure overall consistency in procurement processes.

Implementing consistent procurement management procedures for the municipality can result in positive changes across the organization. Some of the beneficial ways that procurement management impacts business include:

- **Reliability**: By having consistent procurement management policies in place, Staff can become more reliable and consistent when it comes to sharing purchasing responsibilities.
- **Financial savings**: Procurement management involves sourcing the most cost-efficient resources possible, resulting in significant budgetary savings.
- **Time management / Productivity**: Key staff can use time more productively with confidence in the procurement management program and processes. This will limit management staff developing Request for Proposals, obtaining multiple quotes, etc. Staff can be more productive

STAFF BRIEFING NOTE

Town of Creston

and focus on their individual responsibilities when they have a reliable procurement management program to support their work and the department's service delivery.

- **Procurement compliance:** Factoring in compliance rules and regulations into the procurement management processes ensures that the municipality and its partners meet the essential requirements for procurement. This includes, but not limited to, the New West Trade Agreement.

- **Communication**: Procurement management programs make it easier for employees to communicate and understand inventory, supply and service delivery needs that can lead to bulk buying between departments, etc.

- **Identifying waste**: When using procurement management strategies, it's easier to identify waste and inefficiencies related to acquiring supplies.

- **Better business relationships**: Not only can procurement management improve internal communications, it can also cultivate better business relationships by setting clear expectations with suppliers.

It will take some time to establish a program with improved procurement processes to fully realize the benefits identified above. While there is confidence that there will be savings through a procurement program in operational spending and capital projects, it is difficult to quantify in the first year. Based on operational spends of $3.5 million annually for goods and services (excluding capital) it is reasonable to expect upwards of $40,000 savings in the first year (approximately 1.1%).

OPTIONS FOR FOLLOW-UP ACTION:

Recommended:

THAT Council DIRECT Staff to prepare a budget proposal for a Procurement and Contract Management Program for consideration in the 2024-2028 Financial Planning process.

Other Options for Consideration:

THAT Council DIRECT Staff to not prepare a budget proposal for a Procurement and Contract Management Program for consideration in the 2024-2028 Financial Planning process.

Other direction from Council.

Submitted by: _____ **Michael Moore, CAO**

Reviewed by: CAO _____ **Michael Moore, CAO**

AGLG Perspectives Series
Accessible Tools
Audit Topic 1 – Tool 1 (January, 2016)

IMPROVING LOCAL GOVERNMENT PROCUREMENT PROCESSES THROUGH:

- Procurement Policy Enhancements
- Procurement Performance Metrics and Reporting, and
- Vendor Performance Management

AUDITOR GENERAL FOR LOCAL GOVERNMENT
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THE AGLG PERSPECTIVES SERIES

The office of the Auditor General for Local Government (AGLG) was created to carry out performance audits of local government operations in British Columbia and provide local governments with useful information and advice. The AGLG's goal is to help local governments fulfil their responsibilities to be accountable to their communities for how well they take care of public assets and achieve value for money in their operations.

The AGLG Perspectives series of booklets is designed to help improve local government performance. These booklets complement the AGLG's performance audit reports by providing local governments across the province with tools and more detailed information relating to the topics we examine.

Some AGLG Perspectives booklets are written mainly for elected Council and Board members, while others are directed more toward local government staff. Booklets are also helpful to others who take an interest in local government in British Columbia.

THIS BOOKLET

This booklet offers suggestions to enhance local government procurement, recognizing that their application will vary according to the maturity and capacity of each organization.

We do not expect local governments to apply all practices included here.

Our intent is to highlight best practices currently available that could help ensure value for money in procurement. It is important for elected officials and senior management to be aware of these practices in order to encourage progressive strategies, risk mitigation and, ultimately, the achievement of value for money.

The purpose of this booklet is to assist local governments in improving procurement processes by developing strong procurement policy, performance metrics and vendor performance evaluations.

The information contained here comes from the work of our office on audits of operational procurement, as well as a review of current literature on the subject. We may consider addressing additional procurement-related issues not included here in future AGLG Perspectives booklets.

We have divided this booklet into three parts, each based on a theme we identified during our audits of local governments procurement practices. The first part is foundational and covers important procurement policy statements and procedures. The other two parts discuss performance measurement of procurement processes and vendor performance evaluation activities; these two parts are not directly linked to the first part of the booklet. All three parts are targeted to local government elected officials and staff. Local governments will want to customize the use of information contained here to the particular circumstances of their local government.

PART 1 ENHANCING PROCUREMENT POLICY is intended to assist in review of current procurement policies. It identifies procurement policy statements that in our view are essential and provides a list of procurement procedures and additional guidance.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE aims to assist in developing metrics for tracking procurement performance and reporting to the Council/Board and management.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE is designed as a starting point for vendor performance evaluations as a component of contract management.

HOW THE AGLG'S AUDIT WORK CONTRIBUTED TO THIS BOOKLET

In our performance audit activities involving B.C. local governments ranging in size from just over 5,000 residents to almost 500,000, we found that:

- Local governments generally have rigorous and transparent budgeting processes.
- Objectives differ from one local government to another. In certain situations, the nature and quality of service delivery to the public is more important than costs.
- Comparison of costs from one year to another within one local government and between different local governments is challenging, as costs sometimes vary significantly depending on the specific circumstances of the local government, timing and other market conditions.
- Procurement functions – where they exist – differ in size and their staff has varying levels of expertise and training.

In our performance audit work, we also noted that:

- Procurement policies varied significantly between local governments and often contained significant gaps.
- Procurement functions often had a written set of objectives, but these tended to be high level and not effective in identifying what would be considered measurable success for the function. Local governments often did not establish goals specifically for their procurement function and did not have performance metrics relating to procurement. This made it difficult to assess the extent to which the procurement function was meeting its objectives.
- Local governments tended to lack an effective vendor performance evaluation process. Instead, a common practice was to document negative performance issues with vendors, but not to otherwise document vendor performance. We believe that local governments would benefit from formal, written assessments of vendors, covering both positive and negative performance, for use in debriefing vendors and in comparing the relative merits of vendors in support of future procurement decisions.

These findings prompted us to carry out further research in these areas and offer information and tools to help improve local government procurement performance. In compiling this information, we reviewed a range of practices and approaches and consulted with subject matter experts.

We hope the information included in this booklet serves as a starting point for local governments of all sizes, and that each local government implements it on a scale appropriate to its size, complexity and resources.

ACKNOWLEDGEMENTS

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- Larry Berglund, Independent Supply Chain Consultant

QUESTIONS AND ANSWERS FOR COUNCIL/BOARD MEMBERS AND LOCAL GOVERNMENT STAFF

PART 1 ENHANCING PROCUREMENT POLICY

1 Why does local government need a comprehensive procurement policy?

The National Institute of Governmental Purchasing has noted that procurement is a complex function, guided by numerous policies and statutes. A comprehensive procurement policy – one that lays out all of local government's applicable policies as well as relevant laws – is critical to ensuring that the procurement function, staff and stakeholders follow the proper procedures and rules.

In the absence of such guidance, local governments may be inconsistent in how procurement work is carried out. This could lead to the appearance of arbitrary and unfair procurement actions and a resulting loss of confidence on the part of vendors and taxpayers. To avoid this, it is critical for local government to have a comprehensive procurement policy in place.

In addition to a procurement policy, some local governments also have formalized procurement procedures, a documented series of steps to be followed as a consistent approach to accomplish specific results in procurement. Together, policy and procedures contribute to an overall procurement program; they empower the people responsible for the procurement process with the direction and consistency they need for successful procurement.

2 Why should local government consider it a priority to have an updated procurement policy that is effective?

Local governments often find that their procurement policies are out of date as a result of factors such as staff turnover, newly elected officials with a different agenda and priorities, staff workload priorities for operating and capital projects and changes over time to what are considered best practices.

As the policy becomes out of date, it becomes less effective to staff as a guide and local government may no longer use best procurement practices as they are unknown and not included in the policy. If staff try to compensate for outdated policies by using their judgement to do what they feel is best for their department, inconsistency grows. The only common check points may become budget variances and controls.

Outdated procurement policies and practices may still be able to meet its basic operational needs. However, there may be little strategic focus on the organization's spending practices other than determining whether the work was completed. As inconsistency grows, there is also increasing risk that aspects of the procurement policy may be interpreted differently by different users.

PART 1 ENHANCING PROCUREMENT POLICY

Council and Board Members

3 Under what circumstances will local government need to use external resources to update procurement policy?

An important first step is for local government to acknowledge that procurement policies may need updating. The more decentralized a local government's procurement function is, the more it may be exposed to financial or liability risks as decisions may be made based on their understanding of the policy with little oversight.

Local government may need to consider using external resources to review procurement policies and practices when:

- Staff lack expertise in writing policies.
- Staff may not be aware of best practices and lack time to research them adequately.
- Staff face significant workload pressures.
- There is a significant proportion of new staff or the local government has recently undergone organizational restructuring.
- Local government is aware that there are new areas it wants the policy to address such as socio/economic priorities.
- Local government's management team want to reduce the level of risk by using external resources.

A local government's approach to updating its procurement policy may vary based on the organization's size and complexity. Small local governments may wish to use an external consultant or explore opportunities to work cooperatively with other nearby local governments on the development of a comprehensive procurement policy, as there may be opportunities to cost-share initiatives or services in this important area.

4 What does procurement policy compliance mean?

Compliance, in general, means adherence to applicable law, regulations, rules and ethical standards by employees, agents and others.

There are three main states of compliance with the procurement policy: policy compliance, request for exemption and non-compliance. Policy should require documentation of each situation of procurement policy non-compliance, as well as a requirement for reporting on procurement policy non-compliance to senior management and Council/Board.

POLICY COMPLIANCE: When the local government has fully complied with procurement policies and all reasonable efforts have been taken to ensure value for money. A statement of compliance (or an equivalent document) could be used by the local government where the procurement policy has been complied with. In some cases, compliance may not be evident without documentation to explain the

PART 1 ENHANCING PROCUREMENT POLICY

Council and Board Members

circumstances. For example:

- **SOLE SUPPLIER SITUATION** is where only one supplier can provide the goods or services required. This does not include where insufficient time was allowed to obtain more quotes. A sole supplier situation is also often referred to as a "direct award". An appropriate level of market research must be conducted to demonstrate that a sole supplier situation exists. The person requisitioning the purchase and the person approving it both must be satisfied that there is no other supplier able to provide the required goods and/or services.

- **INABILITY TO OBTAIN THE REQUIRED NUMBER OF QUOTATIONS** means that after considerable market research, government has determined there are insufficient suppliers able to provide quotations or an insufficient number of suppliers have responded to a request for quotation, despite best efforts to obtain the required number of quotations.

In situations of compliance where it may not be apparent that there has been compliance, policy should require that a statement of compliance (or an equivalent document) be completed and submitted for approval by the relevant authorities prior to any decision or commitment being made on behalf of the local government.

A statement of compliance can be written on or provided with the purchase requisition or alternatively, approval may be sought prior to raising the purchase requisition. Staff would include a description of the circumstances and an explanation as to how the purchase is compliant with the policy. Any market research conducted to support the decision would form part of the documentation.

REQUEST FOR EXEMPTION: When the local government has a valid and justifiable reason for not complying with the procurement policy or it is not possible to comply with the policy. For example:

- **STANDARDIZATION** is a situation where, although other suppliers are available to supply different brands or similar equipment, there is an operational requirement to ensure standardization and uniformity with existing equipment. For example, where different types of machinery may cause operational issues or where the warranty for an existing piece of equipment requires servicing by a specific supplier. This does not include situations where a purchaser simply has a preference for a particular brand or supplier.

- **BONA FIDE URGENCY** is a situation where there is an urgent or emergent need for the goods or services, without which there would be major operational issues or potential loss of life and/or property. This does not include situations where

PART 1 ENHANCING PROCUREMENT POLICY

Council and Board Members

insufficient time was allowed for the normal process to occur, or where there was a lack of planning for the purchase.

Just because a supplier is already engaged to provide goods/services is not a valid reason to engage that supplier for further works without undertaking an appropriate procurement process. If an appropriate procurement process cannot be undertaken for other reasons, a request for exemption may be requested.

Policy should require that a request for exemption (or an equivalent document) be documented and approved by the authorized individual prior to any decision or commitment being made on behalf of the local government. This documentation should explain what policy requirement needs to be exempted, the proposed alternative to following the policy requirement, how value for money will be achieved and the overall cost limitations, any relevant circumstances and supporting documentation. The approved request should be attached to the purchase requisition.

Requests for exemptions approved by senior management could be reported to the Council/Board as part of regular updates on procurement activities.

NON-COMPLIANCE: When a purchase or legally binding commitment was made outside of the requirements of the procurement policy and no formal request for exemption was approved in advance.

Local governments should have an Employee Code of Conduct that explicitly requires compliance with all relevant policies, including the procurement policy. Policies should make clear that an employee who fails to act in accordance with the provisions of procurement policy may be subject to appropriate disciplinary action.

Policy should specify that a Statement of Non-Compliance (or an equivalent document) is required when the local government becomes aware of an incidence of non-compliance. This is important for audit purposes. The statement should be completed with any relevant supporting documentation attached, explaining what occurred and why. It should then be submitted for review and determination of appropriate actions.

Council/Board should be notified of instances of non-compliance with the local government's procurement policy, including an explanation of how management responded to the situation.

PART 1 ENHANCING PROCUREMENT POLICY

Council and Board Members

5 Why do local governments need to train Council/Board, senior management and staff on procurement policies and practices?

Practices change in response to markets, legislated requirements and emerging practices. Staying current on procurement practices is as important as it is in other professional fields. Despite this, local governments do not always provide ongoing training on procurement policies and practices to their Council/Board, senior management and staff. This may be more common in local governments with decentralized procurement functions.

Council/Board and possibly senior management might not have a complete understanding of procurement practices and terminology. It is important to educate them on procurement practices so they understand how the local government's procurement function should be organized, staffed and operated.

Ongoing training of procurement staff is also important. In the public sector, staff must understand legal requirements around competitive bidding. Due to the complexity of this field and a relative lack of training for staff, "cut and paste" practices can be common when drafting bid documents. This invites risk and can lead to disputes, which can be time-consuming and expensive to resolve. Unfortunately, training related to procurement policies sometimes may not become a priority until there is a serious breach of contract or failure to perform by a supplier.

PART 1 ENHANCING PROCUREMENT POLICY

Local Government Staff

6 What should procurement policy and procedures cover?

In our performance audit work, we noted significant variation in procurement policies among local governments, with many containing gaps that – in our view – needed to be addressed. To help local governments update their procurement policies, we have provided:

- A set of procurement policy statements that is recommended to be included in every local government's procurement policy for the effective management of procurement.
- Additional procedures and guidance on policy statements that may be specific to certain local governments. We recommend that senior management consider including some or all of these in their local government's procurement procedures manual, if not already included.

Procurement policy will vary based on the size and complexity of the local government. As a result, there is no universal procurement policy template that will work for every local government. It is important for each organization to assess its own needs and ensure that the policy covers them off.

PROCUREMENT POLICY STATEMENTS	
OBJECTIVES AND PRINCIPLES	1. Procurement policy objectives 2. Purchasing principles
DEFINITIONS AND RESTRICTIONS	3. Definitions and interpretations used in the procurement policy 4. Restrictions, prohibitions and exceptions
AUTHORITIES AND RESPONSIBILITIES	5. Authorities and responsibilities of procurement staff, department heads and other local government staff as defined in by-laws 6. Authority and spending limit protocols 7. General operational procurement 8. Consulting services procurement 9. Services agreements, rental and lease agreements 10. Land and building purchases 11. Capital equipment 12. Public works and construction/renovation projects 13. Reporting to Council/Board
METHODS OF PROCUREMENT	**Methods for Gathering Market Information** (tools that do not directly result in a contract award) 14. Request for Information 15. Request for Expressions of Interest 16. Request for Qualifications

PART 1 ENHANCING PROCUREMENT POLICY

Local Government Staff

PROCUREMENT POLICY STATEMENTS (cont'd)	
METHODS OF PROCUREMENT (cont'd)	**Competitive Methods of Procurement** 17. Negotiation 18. Negotiated Request for Proposal 19. Invitation to Tender 20. Request for Proposal 21. Request for Quotation 22. Cooperative purchasing or government partnership agreements **Non-Competitive Methods of Procurement** 23. Direct contract awards 24. Urgent and emergent situations 25. Discretionary purchases 26. Purchasing card use 27. Petty cash **Exemptions and Exceptions to the Required Methods of Procurement**
CONTRACTING FOR GOODS AND SERVICES	28. Conditions for contracting for: goods or services, construction-related services, and consulting services 29. Requirements for bid/performance bonds 30. Length of a contract and conditions allowing for extension 31. Contract dispute resolution procedures 32. Review by legal counsel
OTHER PRACTICES	33. Comprehensive purchasing card policy (note: could be a standalone policy) 34. Issue of a public notice of intent to contract 35. Unsolicited proposals 36. Guidance on the use of subcontractors 37. Compliance with competitive bid laws, alignment with trade agreements and other legal obligations 38. Document retention 39. Supplier complaint process 40. Debriefing of unsuccessful bidders
ETHICAL CONSIDERATIONS	41. Code of conduct, conflict of interest and non-disclosure agreements 42. Lobbying 43. Employee acknowledgement of compliance with the procurement policy

PART 1 ENHANCING PROCUREMENT POLICY

Local Government Staff

In addition to the procurement policy, we encourage local governments to develop detailed procedures and guidance to assist staff members involved in the various stages of procurement.

EXAMPLES OF PROCUREMENT PROCEDURES AND GUIDANCE

Procedures

- Contracting Conditions (service level agreements, commodity or category types)
- Contract administration and monitoring
- Contract risk mitigation
- Invoice approval and payment process
- Review of the procurement policy
- Use of procurement templates
- Legal review of purchase templates and contracts
- Disposal of assets process and responsibility
- Criminal record check, credit checks, business license validation, legal incorporation check, WorksafeBC and other applicable legal obligations
- Business recovery in procurement (in case of a disaster or unforeseen event, from a risk management perspective, how the procurement responsibilities will be maintained or brought back into operation to support business continuity)
- Budget requirements and approval process
- Vendor performance evaluation
- Risk mitigation and management
- Inventory management practices
- Sustainable procurement: green/environmental, economic and social considerations in procurement
- Social benefits

Guidance

- Bid evaluations for vendor selection
- Competitive processes that may lead to a commitment
- Alignment with trade agreements (NAFTA, CETA, NWPTA, AIT)
- “Procure to Pay” practice
- Level and nature of documentation required in support of procurement decisions
- When a purchase requires written terms and conditions
- Preferences in procurement
- Use of vendor prequalification
- Revising bid documents and communications
- When a tender can/should be cancelled
- Tie bids resolution
- Vendors’ presentations and interviews
- Vendor communication

PART 1 ENHANCING PROCUREMENT POLICY

Local Government Staff

7 Who is responsible for the procurement policy?

All changes to procurement policy should require the approval of Council/Board. Staff responsible for procurement should, from time to time, bring forward amendments to the procurement policy for approval, whether adding new clauses or updating those currently in effect.

The policy should be completely reviewed and evaluated for effectiveness at least every five years. It should also be submitted to Council/Board for review during the first year of the new term of a Council/Board or alternatively be part of an annual orientation package.

Changes to procurement procedures and guidelines should require review and signoff by the Chief Administrative Officer or their delegate. On a periodic basis, these should be reviewed by the local government's legal counsel.

8 How do local governments ensure that their procurement policies enable best or leading procurement practices?

In today's economic environment, doing what procurement functions have always done—even if it is done very well—is often no longer enough. Under pressure to contain costs and produce results in challenging conditions, procurement functions may need to be transformed rather than simply improving their operations. That means learning about leading and best procurement practices and adopting them to the extent appropriate by including these in the local government's procurement policy and procedures.

Leading Practice
A practice that is more efficient and effective for delivering a particular outcome, based upon the constraints of the organization it is being applied to. Leading practices are leading only at a particular point in time, and are acknowledged to be continuously developing. A leading practice will generally only be leading for a period of time, after which it may become a best practice, or other practices may become leading.

Best Practice
A technique, method, process, activity, incentive, or reward that is believed to be more effective at delivering a particular outcome than any other technique, method, process, etc. when applied to a particular condition or circumstance. The idea is that with proper processes, checks, and testing, a desired outcome can be delivered with fewer problems and unforeseen complications. Best practices can also be defined as the most efficient (least amount of effort) and effective (acceptable results) way of accomplishing a task, based on repeatable procedures that have proven themselves over time for large numbers of organizations.

There is no assumption that a leading practice is actually the best and can be applied to all organizations and situations. Also, there is no assumption of permanence.

PART 1 ENHANCING PROCUREMENT POLICY

It is important for procurement staff to stay up to date on best and leading practices either by obtaining professional designations, subscribing to relevant publications and participating in workshops and training on procurement. Some examples of organizations that provide such services include:

- **Universal Public Procurement Certification Council (UPPCC)** offers two designations: Certified Public Procurement Officer (CPPO), and Certified Professional Public Buyer (CPPB). These designations are relevant to all-public and/or governmental organizations and agencies.
- **Supply Chain Management Association (SCMA)** provides the Supply Chain Management Professional designation, training and professional development for supply chain management professionals in Canada.
- **National Institute of Governmental Purchasing (NIGP)** provides professional development programs and various resources to government procurement professionals.
- **Educational Institutions** that offer Risk Management Certificates that enhance understanding of the risks an organization faces, including risks associated with supply chain management, thereby helping to prevent losses.

There are also a number of private organizations that provide educational material related to procurement.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Council and Board Members

9 In the context of local government procurement, what is performance measurement, and why should local government define and track procurement performance?

Local governments should have a performance measurement system in place that assesses, on a regular basis (for example, quarterly), progress toward achievement of their strategic plan as it relates to the procurement function.

The National Institute of Governmental Purchasing has defined performance measurement as the "process by which procurement establishes criteria, based on strategic planning goals, for determining the results and quality of its activities. It involves creating a simple, effective system for determining whether procurement is meeting its objectives".

It is important for the procurement function to have a performance measurement system that assesses its progress toward supporting achievement of the local government's strategic plan. Tracking performance allows for a more strategic perspective on the local government's procurement activity, supports planning, informs decision making and helps demonstrate accountability.

Council/Board may wish to have oversight that is more than looking at budgeting or reviewing accomplishments in procurement function. While not being directly involved in procurement activities, there is an opportunity to enhance oversight through performance measurement.

Local governments employ a range of strategies to achieve better procurement results. It is important for Council/Board and senior management to know how well these are performing and how well the procurement function is aligned with the objectives and priorities of the Council/Board.

10 How does local government define which procurement performance metrics to track?

The key for local governments is to measure how well their procurement function is performing overall and how well-aligned it is with Council/Board's priorities and objectives.

While it is common for a local government to look at other local governments to see what they are tracking and adapt their metrics, it is important for performance metrics to be relevant and useful to the organization's specific circumstances, using information sources that are readily accessible.

To do this, a local government will need to determine what is really important to their success in procurement and then monitor progress toward achieving this success. As a result, performance targets and metrics may vary from one local government to another depending on the particular local government's established goals and objectives and those of their procurement function.

Depending on an organization's specific needs, the local government will want to choose performance metrics that focus on the economy, efficiency, and effectiveness of their procurement processes or structure.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Council and Board Members

11 What is the right number of procurement performance metrics to track?

In identifying performance metrics, it is usually best to start small and expand. It is common to identify between two to five (up to a maximum of ten) performance metrics and track them over time.

Typical performance metrics will focus on value for money (economy, efficiency, and effectiveness) of the procurement processes or structure. Local governments may want to begin the process by identifying performance metrics that are reported internally only and then, as the process matures, identify performance metrics that could also be reported to external stakeholders.

It is important that Council/Board, senior management and staff understand the interrelationships and the impact/effect of one metric on others.

We recommend against identifying and tracking too many performance metrics, as this could prove unmanageable, difficult to implement and to sustain. Try to avoid falling into the trap of collecting data, but not using it or acting on it. Instead, strike a balance between the effort devoted to collecting performance information and the value this information brings to the organization.

A performance measurement system should be relevant, and focused on the key pieces of information necessary to meet the organization's goals and objectives. Make sure it is sustainable, depending on information that can easily be gathered and disseminated year after year.

12 Who should the procurement performance metrics be reported to?

In developing procurement performance metrics, it is important to consider the audience: whether they are for reporting just to staff, to senior management, to Council/Board or for use in reports aimed at the general public.

It is important to understand the different priorities and needs of these different groups. Some of their needs will be similar, but others will vary. Generally, it is wise for local governments to select performance metrics that will be meaningful to more than one audience.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Council and Board Members

13 How frequently should local government monitor and report on performance metrics?

Decisions on how frequently to report on procurement performance metrics should take into account the intended audience. Different audiences – whether staff, senior management, the Council/ Board, residents or others – have different priorities and needs. Local government will want to take this into account in its selection of metrics and the level of detail to track and report.

Tracking performance metrics provides relevant feedback to staff, senior management and Council/Board about the current state of procurement function's performance. Performance metrics can also support decision-making on how to improve future performance. Local government will likely want to report to different audiences at different intervals, as it is possible to report daily, weekly, monthly, quarterly, bi-annually or annually.

Senior management and Council/Board should choose the frequency of reporting that it requires. In making these choices, the following aspects should be considered:

- The urgency of improving results.
- What period of time is most useful in tracking trends.
- How accurate information will be in a particular time period.
- The costs/benefits of different options for reporting frequency.

The level of automation of local government's information systems will likely influence the frequency with which government will gather data and report on metrics. For example, if the level of automation is low then the frequency will likely also decrease, as the staff time needed to gather data and report will be greater.

It is a common practice to report certain metrics directly to taxpayers annually, with a quarterly reporting to the Council/Board and more frequent reporting to senior management, management and staff.

It is important for senior management and Council/Board to be aware that the tracking and reporting of performance metrics might lead to additional staff time being devoted to follow-up questions from residents, the news media and others. This needs to be considered when implementing a tracking and reporting system.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

14 Why is it important to link procurement to local government's overall goals?

It is critical that the management responsible for the procurement function is familiar with the local government's priorities and develops a performance measurement framework flexible enough to adapt to potential future changes in goals on a timely manner.

Procurement is a tool to help deliver on operational mandates and commitments. Almost every aspect of procurement can be influenced by a local government's overall goals and strategies and the procurement function should actively support them. If procurement is out of sync with the local government's overall goals and strategies, it may be working at cross purposes with the rest of the organization and not adding its full value.

The challenge is to develop performance metrics that are meaningful to the local government and will lead to appropriate action within the organization.

It is important to link the two:

What are local government's goals, objectives and strategies?

Example: The local government is committed to acting in a green, environmentally-responsible manner.

↓

How does procurement function align with those goals?

Example: Support locally made and environmentally responsible products by providing weight to environmental and social factors in purchasing decisions.

Council/Board and senior management may provide the procurement function with less support and resources if its operations are not clearly linked to the local government's overall goals. Such links may not be obvious to Council/Board and senior management, so may require staff responsible for procurement to actively communicate about them in order to gain and maintain support within the local government.

15 Should our performance metrics change over time?

Performance metrics are applied differently by local governments at various points in time. Their use and application will depend on several factors and constraints, for example, the capability of the local government's information systems or the capacity of the procurement function.

Another factor affecting a choice of metrics could be the level of maturity of the local government and its procurement function. Organizations often start by focusing on cost saving performance metrics, for example, the level of savings due to new contract/supplier arrangements or purchasing initiatives. However, as the organization matures, they may begin to shift their focus to efficiency metrics, such as the cost or time required to issue a request for proposal.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

16 What are the challenges in setting performance metrics and their desirable attributes?

CHALLENGES

As already mentioned, it is critical for the staff responsible for the procurement function to be familiar with the local government's priorities and to develop a performance measurement framework flexible enough to adapt to priority changes in a timely manner.

Some local governments will face challenges in shifting from traditional purchasing tactics to more strategic procurement objectives. These require a certain amount of expertise to thoughtfully select pertinent performance metrics over time.

Finding alignment of procurement with the organization's broader objectives is another challenge to consider when developing performance metrics. Some local governments may have conflicting priorities, which could present a challenge in reaching overall conclusions about the procurement function's performance. For example, a local government might simultaneously have a focus on
a) achieving cost savings and,
b) direction to buy sustainable products or services and invest in local social and economic development.

Another challenge is to develop targets and performance metrics that strike the right balance between being realistic and being challenging. For example, a local government might track and report on savings achieved over a period of time, with an expectation of continuous improvement in this area. However, it is not uncommon for reductions in costs achieved through new procurement function initiatives to be much larger in the first year than in subsequent years. It may not be realistic to expect the same or increasing level of savings in subsequent years.

Other challenges in setting performance metrics may include:

- Identifying targets that are achievable within the required time frame.
- Setting targets that are achievable within the budgeted level of resources.
- Expressing targets in a clear and simple way.
- Achieving alignment between compensation framework and performance expectations.
- Setting targets that meet the needs of senior management and Council/Board.
- Collecting and reporting on data that is practical and sustainable.
- Ability to retrieve historic information or track over time.
- Developing a formula, definition or model for consistency in tracking performance metrics.
- Revising metrics as their relative value to the organization changes over time.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

DESIRABLE ATTRIBUTES

Local governments should evaluate each potential performance metric by determining if it is:

- Easily understood by local government departments, Council/Board and the general public.
- Focused on results or desired outcomes and defined with a specific goal or expected level of performance.
- Well-defined and considers both the quantitative (how much) and the qualitative (how well) aspects of a service.
- Balanced to include cost savings along with quantifiable and qualitative metrics.
- Developed by seeking stakeholder input early in the process.
- Developed with a written definition and well-defined calculation showing how data will be reported.
- Realistic and sustainable in terms of available resources, funding and timeliness and recognizes any externalities that are beyond the control of the local government.
- Overall, follows a SMART format – Specific, Measurable, Achievable, Realistic and Time-related.

17 What are good examples of procurement performance metrics?

Based on our review of literature on the topic and consultation with subject matter experts, we have compiled a list of potential procurement performance metrics that local governments may want to consider in developing their own metrics. Because local governments vary greatly in size, complexity and capacity, we have grouped these into two categories:

PRIMARY: core metrics relevant to all local governments
SECONDARY: metrics that are non-core or specific to certain objectives of some local governments

This division of procurement performance metrics is not intended to limit local governments to performance metrics in a certain category. We encourage local governments to review both categories of metrics in each area and identify those that are the most valuable based on their situation and the criteria discussed elsewhere in this document.

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

Examples of Procurement Performance Metrics

I. COST SAVINGS / COST AVOIDANCE METRICS	
PRIMARY	> Organizational budget > Total spend > Purchase spend > Percentage of spend under management > E-business spend > Actual to budget expenditures total and by type (year over year trend) > Total savings > Value and percentage of spending through collaborative or master arrangements (for example cooperative buying groups, master standing offers, corporate service arrangements, contract consolidation, shared services and others) > Reduced inventory holdings > Inventory turnover rate
SECONDARY	> Refunds, credit, and/or rebate payments made by vendors > Savings per employee > Amount of savings due to new contract, supplier arrangements or purchasing initiatives > Change in costs due to using alternative goods or services (for example use of plastic instead of steel) *Note: this may be a "one-off" metric that might be challenging to track over time* > Spend related to specific socio-economic or environmental policies

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

Examples of Procurement Performance Metrics (cont'd)

II. VENDOR-RELATED METRICS	
PRIMARY	> Percentage of active suppliers with contracts ≥ $1M per year and ≤ $1M per year (or a range appropriate to the local government's spend) > Number of supplier and/or contractor performance evaluations formally completed per year > Average number of suppliers responding to competitive solicitations > Supplier satisfaction ratings
SECONDARY	> Annual spend with small to medium enterprises (SME as defined by the Province of BC) > Annual spend with social enterprises and/or not-for-profit organizations > Number of new sources of particular goods and services > Potential local suppliers identified > Number of firms involved in local supplier development programs > Value and percentage of spend on 'buy local' procurement > Number of vendor debriefings

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

Examples of Procurement Performance Metrics (cont'd)

III. PROCUREMENT EFFICIENCY METRICS	
PRIMARY	> Number of competitive bids issued (for example RFQ, RFP, etc.) > Percentage of spend through centralized purchasing group > Contracts direct-awarded: number, $ value in total and by department > Number of pre-qualified vendors > Volume ($) of procurement spend transacted electronically or through other transaction methods (for example P-cards) > Savings achieved from procurement spend transacted electronically or through other transaction methods (for example P-cards) > Number of exceptions to the procurement policy (will require a description of specific exceptions and reasons for exceptions) > Cost per P-card transaction
SECONDARY	> Cost to issue a competitive bid (for example RFP, RFQ, etc.) > Amount of time required to evaluate competitive bids > Cost to issue a cheque to a supplier through the accounts payable department > Cost to administer the P-card program > Percentage use of P-cards on transactions under a set threshold > Procurement operating costs as a percentage of managed spend > Average spend per full time equivalent procurement staff > Procurement cycle time from the beginning of a sourcing process to the time a contract is executed *Note: care should be taken as a quick turnaround may not be indicative of a good outcome* > Internal customer satisfaction with the purchasing group

PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

Local Government Staff

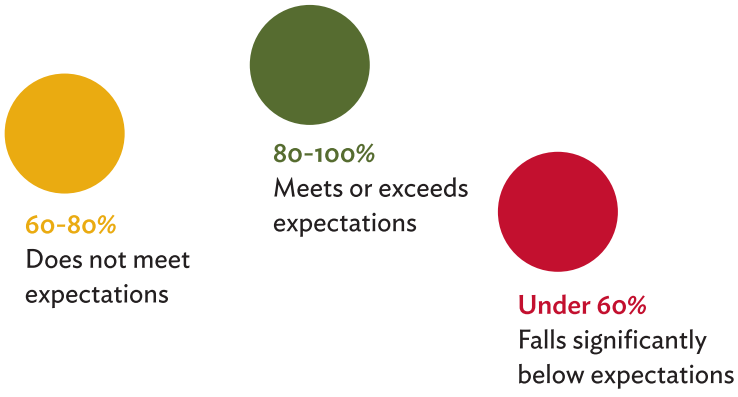
Examples of Procurement Performance Metrics (cont'd)

	IV. PROFESSIONAL DEVELOPMENT AND PROCUREMENT EMPLOYEE RETENTION METRICS
PRIMARY	> Number of full time employees with a professional certification (e.g. CPPO, CPPB or SCMP) > Spend per full time procurement employee on procurement-related training
SECONDARY	> Workplace engagement scores of procurement staff > Purchasing staff/total employees > Purchasing staff/total spend > Total number of procurement employees retained year-over-year

Once the local government identifies procurement performance metrics, it is important to ensure consistency in how each is calculated, how information is collected and where it is stored (for example, shared hard drive, public website and others). To assist with this, it is useful for those responsible for setting and reporting on each procurement performance metric to complete a performance metric measurement template for each metric.

Performance metrics should have a range for each target established and agreed to. Below is a graphical presentation of how target ranges can be used by a local government as part of regular dashboard reporting to senior management and the Council/Board.

PERFORMANCE TARGET



PART 2 METRICS FOR TRACKING AND REPORTING PROCUREMENT PERFORMANCE

18 How much effort should local government invest in procurement performance metrics?

It is important for local government to assign clear accountability for the performance measurement process, preferably at a senior level. In addition, the local government should identify one or more staff positions as having performance measurement functions as a core job responsibility. If accountabilities are not assigned to specific positions, local governments may not devote sufficient attention to the performance measurement process, which would make the process less useful.

We recommend that local governments begin by identifying a small number of performance metrics and then build expertise in collecting the data, interpreting results and ensuring that the performance measurement process is sustainable. Only when this has been achieved should local governments add metrics and make the process more comprehensive.

THE IMPORTANCE OF ONGOING REVIEW

Local governments should periodically reassess their set of metrics and change or add to them to make sure they remain relevant and sustainable over the long term. However, try to avoid continuously changing metrics, as continuity is important for the results to be meaningful over the long term.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Council and Board Members

19 What is vendor performance?

Vendor performance is the action taken by a vendor to meet its contractual obligations in delivering goods or providing services. Organizations oversee vendor performance through a set of activities that include:

- Monitoring;
- Evaluating;
- Applying corrective measures (if necessary); and,
- Reporting on whether performance objectives were met as per the contract terms and conditions.

Vendor performance assessment plays a key role in ensuring value for money in a contract.

20 Why should local governments have a vendor performance program?

When a local government and a vendor enter into a contract, both parties have legally binding obligations that are outlined in the terms and conditions. Taking a management approach to vendor performance holds vendors accountable for their obligations to the local government and helps achieve best value for the taxpayer. Measuring, monitoring, evaluating and reporting on vendor performance creates an atmosphere that fosters better communication and results in improved vendor relationships.

A good vendor performance program helps protect local government's interests and provides transparency on what the government's expectations are, what evaluation criteria will be used and what the outcomes should be for both parties. If vendor performance information is adequately gathered, validated and shared, it can inform future contract award decisions and prevent contracting with repeat poor performers.

Local governments should establish a clear process for incorporating and implementing vendor performance information for future procurement. If "internal references" such as vendor performance on previous projects might influence future procurement awards, this has to be clearly articulated to vendors to ensure fair, open and competitive public procurement processes.

The sheer volume and nature of a local government's contracts should dictate its level of vendor performance management and approach to supplier relationship management. This should be determined prior to going to market.

An effective vendor performance program shares lessons learned to continuously improve processes and tools, and address issues that may prevent the program from being successful. Senior management should periodically assess its efficiency and effectiveness, revisit the purpose and confirm that it is aligned with the local government's strategic objectives.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Local Government Staff

21 What are the key elements of a vendor performance management framework?

It is important for local governments to have a framework in place for the successful implementation of a vendor performance program. A local government's vendor performance framework should include four elements:

i) Vendor performance policy;
ii) Processes and procedures;
iii) Automated systems that assist in monitoring, evaluation and reporting vendor performance; and,
iv) Reporting and feedback mechanisms.

At a strategic level, a framework allows a local government to align its vendor performance program with corporate objectives and risk management strategies. It focuses on what is important and why it is important. The framework assists the organization to operate in a cohesive manner, providing corporate-wide information for decision making.

22 Why should local governments have a vendor performance policy?

A vendor performance policy, which could be a standalone document or part of the local government's procurement policy:

- Formalizes the overall approach to managing vendor performance.
- Increases fairness by ensuring that all vendors are treated consistently.
- Enhances transparency of the procurement process by providing information to vendors on the local government's expectations and the basis for decisions and actions.

A good vendor performance policy should:

- Be linked to corporate objectives and risk management strategies.
- Have full support from senior management and Council/Board.
- Support fairness, openness and transparency.
- Identify roles and responsibilities.
- Establish performance metrics and evaluation criteria.
- Enhance relationships with vendors.
- Provide vendors with an opportunity to review and comment on evaluations.
- Provide for an independent dispute resolution mechanism.
- Establish corrective measures.
- Use evaluation results to validate procurement strategies, evaluation criteria and contractor selection methodology, thereby supporting continuous improvement of the procurement process.
- Identify reporting requirements.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Local Government Staff

- Provide for a system to capture vendor performance information in a cost effective manner (for example, using online survey tools).
- Require the sharing of vendor performance information with procurement review staff to assist them in future contract award decisions.

23 What are best practices in managing vendor performance?

Rightsizing - is key. Any model has to be "fit for purpose" and scalable. Not every procurement requires a rigorous vendor performance review. Such a requirement depends on whether this is a recurring purchase, its complexity, the size of expenditure and how strategic it is to local government's needs. It is common to evaluate vendor performance by type of commodity or services, focusing on vendors with the largest spend.

The success of a local government's vendor performance program depends on the commitment of senior management and on how effectively its elements are linked.

Local governments should determine the level of vendor performance it considers adequate during the development of each procurement strategy. Local government can identify this by assessing the complexity, risk, financial threshold, agreement type and other characteristics of the procurement. The key question is: "Is this a strategic supplier to the local government or a general supplier of goods?" The rigour of the performance evaluation will vary based on how critical the procurement is to the organization.

Best practices that contribute to improving the fairness, openness and transparency of the procurement process include the following:

ESTABLISHING PROCESSES
Build on established processes to manage ongoing vendor performance. These processes are structured and defined according to the type of commodity, the operational requirements to be satisfied and the value, scope and complexity of the contract.
Communicate with the vendor community about the introduction of a vendor performance management program in order to manage any fears of the program being punitive.
PROCUREMENT PLANNING
Identify vendor performance measures at the requirement definition stage of the procurement process and incorporate them into solicitations and resulting contracts. This is a good practice to support fairness and transparency and is critical for the effective monitoring and evaluating of vendor performance during the lifecycle of a contract. If this is done, it assists in holding vendors accountable for performance and minimizes the risk of legal challenges should the organization apply corrective measures.
USE OF PERFORMANCE INDICATORS
Develop key performance indicators to measure vendor performance. These can be used to help select from rotational qualified supplier lists. If local governments build an evaluation process into each use of a specific vendor on a qualified supplier list, then measures of their performance can be used to help determine whether they will be selected in the future.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

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USE OF PERFORMANCE CLAUSES

Build performance clauses into contracts that penalize the vendor for performing below an agreed-upon service level. Local governments can use payment holdbacks (for example, ten per cent of the contract value) in certain contracts to ensure compliance with all terms and conditions of the contract before paying the vendor in full.

ONGOING MONITORING

Use dedicated staff to conduct ongoing monitoring activities. This can help ensure that performance issues are raised and dealt with swiftly and effectively. Ongoing monitoring minimizes contract risks linked to time, quality, schedule and cost. It reduces delays in execution of the work and payment to the vendor as well as costly legal action to resolve disputes and potentially needing to repeat a competition for a contract if it is terminated.

USE OF TOOLS

Use formal tools such as milestones, progress meetings and technical review meetings to manage performance issues as they occur. Local governments may also want to use checklists, forms, templates, user guides and manuals. These tools support decision-making and contribute to improving the procurement process' fairness and transparency.

USE OF AUTOMATED SYSTEMS

Use an automated system to effectively manage vendor performance when an organization has a large number of contracts under their responsibility. This can assist in the monitoring, evaluation and reporting of vendor performance.

Small to medium sized local governments may not have sufficient resources to invest in this type of software, but can use existing systems to maintain corporate history on vendor performance, including corrective measures that have been applied.

Larger or more mature local governments may wish to use customized software for contract management/knowledge management or a specific system to measure the performance of the vendor against key performance indicators.

CONTRACT FILE CLOSE-OUT PROCEDURES

Have formal file close-out procedures. These may include verification with users of the product or recipient of the service that the goods have been delivered or services rendered in accordance with the contract, verification that the vendor has been paid and verification that a vendor performance evaluation form has been completed.

Uphold the principles of fairness and transparency by informing the vendor, at the solicitation phase, that a formal evaluation will be conducted upon completion of the contract and that the results will be provided to the vendor, who then has an opportunity to provide comments.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Local Government Staff

CORRECTIVE MEASURES

Apply corrective measures where appropriate. The application of corrective measures sends a message to vendors that there are consequences for not meeting contract performance objectives, such as suspending future bidding privileges of vendors for a specific or indefinite period.

DEFENDING LEGAL CHALLENGES

Clearly communicate performance expectations in advance to vendors, properly document poor performance and apply corrective measures accordingly and following due process. Each of these steps will assist local government in justifying its actions if legally challenged by a vendor.

24 Are vendor performance evaluation templates available?

We consulted with subject matter experts to help us prepare three examples of vendor performance evaluation templates:

Vendor Post Contract Completion Evaluation Template for Consulting Contracts
Vendor Post Contract Completion Evaluation Template for Other than Consulting Contracts
Interim Vendor Performance Monitoring Template

We suggest that local government staff review the templates presented here, adapting them to match the specific needs and capacity of their local government.

Once a vendor evaluation process is well established and several vendor performance evaluations have been completed, we encourage local governments to begin regular reporting to Council/Board using a summary report.

We also encourage local governments to discuss how long to keep vendor performance evaluations on file. Past vendor performance evaluations can be used to evaluate future competitive bidding response scores.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Local Government Staff

VENDOR POST CONTRACT COMPLETION EVALUATION TEMPLATE FOR CONSULTING CONTRACTS

Date:	Contract No.:
Name of Contractor:	Contract/Project Manager:
High level overview of services provided:	
Solicitation method:	Dollar value of the contract and terms:

POST CONTRACT EVALUATION (EXAMPLES)	VENDOR PERFORMANCE RATING (see guidelines on page 40)					
	SCORE 7	SCORE 5	SCORE 3	SCORE 2	SCORE 0	SCORE N/A
The contractor's ability to plan work as directed by the local government's project plan, specifications, standards and schedule(s).						
The contractor's flexibility and attitude to local government-imposed amendments/changes to the work plan/schedule(s).						
The contractor's ability to complete the original or revised contract on schedule and within budget.						
The contractor's ability to meet the requirements of a Service Level Agreement for critical areas.						
The contractor's ability to effectively supervise all aspects of the contract.						
The contractor's ability to work well with local government's staff, inspectors and outside agencies.						
The contractor's adherence to all relevant technical, financial, operational and safety regulations (for example, WCB clearance letter, approved safety program, etc.).						
The contractor's ability to work well with subcontractors.						
The contractor's response to constructive criticism and progress evaluation reports.						
Did the contractor recommend or request any changes to the work plan?						
Were these requests accepted?						
Other comments:						
TOTAL SCORE *(Note: The local government will need to maintain documentation in support of the scores.)*						
Would you contract with this contractor again?						

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

Local Government Staff

VENDOR POST CONTRACT COMPLETION EVALUATION TEMPLATE FOR OTHER THAN CONSULTING CONTRACTS

Date:	Contract No.:
Name of Contractor:	Contract/Project Manager:
High level overview of services provided:	
Solicitation method:	Dollar value of the contract and terms:

POST CONTRACT EVALUATION (EXAMPLES)	VENDOR PERFORMANCE RATING (see guidelines on page 40)					
	SCORE 7	SCORE 5	SCORE 3	SCORE 2	SCORE 0	SCORE N/A
Were the inputs provided in accordance with the project plan?						
Did these inputs meet the quality standards or specifications?						
Did the outputs achieve the local government's objectives?						
Were the outputs completed according to the local government's standards / specifications?						
Were the outputs achieved on time?						
Was the contractor able to meet the requirements of a Service Level Agreement for critical areas?						
Were all the risk factors identified? Successfully dealt with?						
Was the contract monitoring plan appropriate and workable?						
If amendments or changes to the contract were made, were they necessary and successful?						
Was the contract completed on the original or amended budget?						
Did this contract provide any residual benefits to the local government?						
Did local government personnel receive new ideas or approaches for future contracts of this kind?						
Did the contract progress smoothly to final completion?						
Did the contract achieve its objectives in the most economical, efficient and effective manner?						
Other comments:						
TOTAL SCORE *(Note: The local government will need to maintain documentation in support of the scores.)*						
Would you contract with this contractor again?						

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

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INTERIM VENDOR PERFORMANCE MONITORING TEMPLATE

Date:	Contract No.:
Name of Contractor:	Contract/Project Manager:
High level overview of services provided:	
Solicitation method:	Dollar value of the contract and terms:

INTERIM PERFORMANCE MONITORING (EXAMPLES)		COMMENTS
Are the services proceeding according to the terms of the contract?	Yes [ ] No [ ]	
Do invoices correlate to the work performed to date, as per the terms of the contract?	Yes [ ] No [ ]	
Have progress reports been submitted, complete and on time, as per the terms of the contract?	Yes [ ] No [ ]	
Does the contractor meet its financial obligations to subcontractors?	Yes [ ] No [ ]	
Does the contract require any amendments due to unexpected findings?	Yes [ ] No [ ]	
Are corrective actions necessary to ensure the contractor fulfills obligations as per the contract terms? If yes, provide details of intended actions.	Yes [ ] No [ ]	

Provide details of monitoring strategies used to date (e.g. site visits, complaints investigations, surveys, random samples, analysis of documentation developed, etc.)

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

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VENDOR PERFORMANCE RATING GUIDELINES

The guidelines presented below are an example of a subjective way to assess a vendor's performance. A final score should be reached by consensus and/or averaged by the number of staff completing an evaluation to mitigate bias. The evaluation process should include end users, procurement, legal, finance or accounting staff or other affected stakeholders to assess their perception at the completion of a project. This forms a part of the contract record and can be used when evaluating future proposals.

RATING	SCORE	DEFINITION
EXCEPTIONAL	7	Exceeds many of the objectives as per the statement of work to the organization's benefit; work completed early or on time; where necessary, corrective actions taken were effective; deliverables, including technical performance, exceeded expectations.
VERY GOOD	5	Meets the objectives as per the statement of work and exceeds some to the organization's benefit; work was completed on time; corrective actions taken were effective; deliverables, including technical performance, were within expectations.
SATISFACTORY/ GOOD	3	Meets the minimum requirements as per the statement of work; most of the work was completed on time; corrective actions taken required organizational staff input.
MARGINAL	2	Failed to meet some of the requirements as per the statement of work; the current scope of work was partially completed; deliverables were partially met but full completion is unlikely.
UNSATISFACTORY	0	Does not meet most contractual obligations; full completion is unlikely; corrective actions were ineffective; the current scope of work is incomplete; corrective actions failed to resolve related issues or were not implemented; deliverables were not met.
NOT APPLICABLE	N/A	Based on specific conditions or criteria.

PART 3 MANAGEMENT OF VENDOR PERFORMANCE

RIGHTSIZING VENDOR PERFORMANCE FRAMEWORK

As with developing performance metrics, there is no single best model for vendor performance. Vendor performance evaluations should not necessarily be required for every vendor the local government has business with; which vendors and contracts to evaluate may be based on risk, opportunities and materiality. The size, complexity and circumstance of the local government will have to be considered.

Smaller local governments, will of necessity, need to tailor their approach to their needs and capacity. This, for example, may mean evaluating certain suppliers only, determined by considerations such as annual cost. Such evaluations may include collecting a limited amount of information and developing less complex templates. Smaller local governments with a similar approach may wish to work together on developing a vendor performance system and sharing the cost of doing so. As a local government's capacity grows, its evaluation framework can be made more sophisticated.

RESOURCES

We encourage local governments to explore the numerous resources that are available. The following list is in addition to a list of resources included in question eight of this booklet:

NIGP: The Institute for Public Procurement - global best practices.

"The Partnership for Public Procurement" by the CIPS and NIGP.

"BC Bid Resources" - B.C. government corporate resource for purchasing goods, services and construction.

"Responsible PPP (Public Private Partnership) Procurement for British Columbia" by the Canadian Council for Public-Private Partnerships.

"Management Approach to Vendor Performance" a study by the Office of the Procurement Ombudsman (OPO).

"Best Practices in Performance Measurement, Part 1: Developing Performance Measures," a National State Auditors Association Best Practices Document.

"KPIs: Winning tips and common challenges" by Dr. Rachad Baroudi PhD, Director, Strategy Advisory Services, EY, United Arab Emirates.

"Procurement policy" of the Town of Bradford West Gwillimbury.

DEFINITIONS

Local Governments
Local governments (as defined by *the Auditor General for Local Government Act*) are municipalities, regional districts, greater boards, commissions, corporations or other organizations that are financially controlled by one or more municipalities, regional districts or greater boards and any other local body that may be prescribed by regulation at some point in the future.

Council
The duly elected Municipal Council of a local government.

Board
The board of directors of a regional district.

Procurement
The combined functions of purchasing, inventory management, transportation, receiving and inspection, salvage and disposal operations.

Purchases
All acquisitions financed by tax levies, user rates, debenture issues, leases or donations as approved by the Council/Board.

Procurement Policy
Policies governing purchasing that have been approved by the Council/Board, as amended from time to time.

Purchasing Group
The designated authority responsible for the procurement of goods, services and/or construction on behalf of the local government.

Purchasing Staff
The staff performing the purchasing function on behalf of a local government.

Policy
A governing principle or plan as set out by the Council/Board that establishes general parameters for the local government to follow in carrying out its responsibilities.

Procedure
A series of steps to be followed as a consistent and repetitive approach to accomplish specific results.

Performance Management
An ongoing, systematic approach to improving results through evidence-based

DEFINITIONS

decision making, continuous organizational learning and a focus on accountability for performance. Performance management is integrated into all aspects of an organization's management and policy-making processes, aligning an organization's practices so it is focused on achieving improved results.

Performance Measurement
A process by which procurement establishes criteria, based on strategic planning goals, for determining the results and quality of its activities. It involves creating a simple, effective system for determining whether procurement is meeting its objectives.

Performance Metrics
Measures used to gauge performance. They are an analytical application of measurements that allows comparison of performance standards.

Key Performance Indicators
The metrics used by a local government that are deemed critical for success.

NAFTA
The North American Free Trade Agreement is an agreement among the United States, Canada and Mexico designed to remove tariff barriers between the three countries.

NWPTA
The New West Partnership Trade Agreement (NWPTA) is an accord between the Governments of British Columbia, Alberta and Saskatchewan that creates Canada's largest, barrier-free, interprovincial market.

AIT
The Agreement on Internal Trade is an intergovernmental trade agreement. Its purpose is to reduce and eliminate, to the extent possible, barriers to the free movement of persons, goods, services, and investment within Canada and to establish an open, efficient, and stable domestic market.

CETA
The Comprehensive Economic and Trade Agreement is a free trade agreement between Canada and the European Union. If approved, the agreement would begin to come into effect in 2016. CETA is expected to surpass the North American Free Trade Agreement between Canada, the United States, and Mexico as Canada's largest cross-border agreement.

AGLG CONTACT INFORMATION

The AGLG welcomes your feedback and comments. Contact us electronically using our website contact form on www.aglg.ca or email info@aglg.ca to share your questions or comments.

You may also contact us by telephone, fax or mail:

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Fax: 604-930-7128

Mail: AGLG
201 - 10470 152nd Street
Surrey, BC
V3R 0Y3

COUNCIL DIRECTION REQUEST (CDR)

Town of Creston

ACTION DATE: November 28, 2023

SUBJECT: Workflow Automation

SUGGESTED FOLLOW-UP ACTION: THAT Committee of the Whole recommends the following motion:
THAT Council RECIEVES FOR INFORMATION the report on workflow automation by the Chief Administrative Officer
AND THAT Council DIRECT Staff to submit a budget request for Council's consideration during the 2024-2028 Financial Planning process.

CAO COMMENTS: Report submitted by the CAO.

BACKGROUND

Staff Briefing Note: **Attached** ☐ **Available** ☐ **Nil** ☐

1. DEFINE THE TOPIC

KEY INFORMATION: The Town has 52 paper based forms used by citizens to request various services. There are over a hundred other internal processes that are either paper based or have limited tracking ability. Workflow Automation refers to the design, execution, and automation of processes based on workflow rules where human tasks, data, or files are routed between people or systems based on pre-defined business rules. Technology advances over the past decade have decreased the cost of automation as well as provided opportunities for the use of the technology to have various software communicate with each other.

RELEVANT OBSERVATIONS: There are a lack of supervisory ability to manage manual processes effectively.

STRATEGIC FOCUS: Service Excellence: Governance

ESSENTIAL QUESTION: Does Council wish to digitize and automate services to improve service delivery and create organizational efficiency?

2. DETERMINE DESIRED OUTCOMES if the essential question is addressed.

KEY RESULT: Meet the expectations of citizens for increased and improved digital services.

DESIRED BENEFITS OF KEY RESULT: Increased operational efficiency, accountability and citizen satisfaction.

REQUISITES: Increase to operational budget of approximately $18,000 to $20,000.

UNINTENDED OUTCOMES: None identified.

3. EXPLORE RESPONSE OPTIONS to achieve the key result (Pros & Cons)

1.	Council direct staff to prepare a budget proposal for workflow automation.
2.	Other direction by Council.
3.	Council direct staff not to prepare a budget proposal for workflow automation.

Submitted by: _____ **Michael Moore, CAO**

Reviewed by: CAO _____ **Michael Moore, CAO**

STAFF BRIEFING NOTE

Town of Creston

DATE: Click or tap to enter a date.

TO:	Mayor and Council
CC:	Steffan Klassen, Director of Finance & Corporate Services
FROM:	Michael Moore, Chief Administrative Officer
DEPARTMENT:	Administration
SUBJECT:	Workflow Automation
APPENDIX:	☒ ATTACHED ☐ OTHER DOCUMENT ☐ NOT APPLICABLE

PURPOSE / ISSUE:

To provide Council with an overview of workflow automation solutions that gains efficiencies in staff workloads, provides supervisory tools in accountability and enhances the resident's experience.

BACKGROUND:

The Town of Creston has 52 paper based forms that are manually processed. These forms include business licence applications, park bookings, building permit applications, and bylaw complaints to name a few. Internally, there are over a hundred manual processes, such as request for vacation, pay changes, internal service requests, new employee onboarding, etc. Due to the lack of a shared municipal software between departments have previously limited opportunity to improve these services.

For example, a business licence application is submitted in writing from the applicant. This application is received by an Administrative Assistant then manually distributed for approval to Community Planning, the Building Department and the Fire Department (and occasionally to public health). Each department approves, returning back to the Administrative Assistant who obtains final approval from the Business Licence Approval Officer. Then invoices the applicant and issues the business licence once the fee is paid. There is limited tracking and at times difficult to know where the application is held up at.

In 2022, Staff outlined cost implications with an enhanced municipal software that would provide a software solution to every municipal department to improve accountability through the provision of enhanced supervisory controls and citizen portals to apply for various services. A high-level cost review identified a cost of $500,000 to transition to a new municipal software.

Currently the following software is implemented for municipal functions:

Vadim iCity
Financial management, business licences, pet licences, property taxes, utilities, cemeteries, payroll

FirePro
Fire incident reporting, fire inspections, training records, bylaw enforcement

STAFF BRIEFING NOTE

Town of Creston

City Reporter
Building inspections, permits

Asset Finda
Asset management (roads, water, sewer, trails, equipment)

See-Click-Fix
Reporting of citizen's concerns

Envisio
Monitoring department work plans and master plans, analytics and strategic planning (still implementing)

Escribe
Council agendas, minutes, and staff reports.

The list above is not an exhaustive list, but provides an overview of the variety of specialized software used by various departments. None of the software communicates with each other requiring manual updating in sharing information. Further, these specialized software do not provide a comprehensive view of process completion and statistical information to manage process improvements.

CURRENT SITUATION:

Staff have identified other less expensive solutions to provide software inter-connectivity, supervisory overviews and enhancing citizen's experiences through workflow automation software.

As identified, the Town has many manual processes that require employee actions to complete or push a task forward. This includes keying in data, taking notes, filing and sorting documents, sending emails and other similar tasks. The final output of almost all processes require to be filed as per the requirements to manage records.

Each department has many different needs, and requires usually specialized software to conduct their "core business", yet very manual time consuming processes feed these software information. For example, the a building permit application above requires the applicant to fill in the form and then this data manually entered into two different software – the financial software for invoicing and the building permit software for the processing of the service.

Technology has advanced where these processes can be automated using workflow automation software combined with using Application Programming Interface (API) and Artificial Intelligence (AI). This allows an online digital form to share the information directly into two different software without the additional data entry, and acts as a supervisor monitoring where a process is at.

With the requirements for records management, these technology can take the completed work process and appropriately file the information without human interaction. These records then would automatically be managed to meet record retention and destruction, again without manual work by employees.

An automated process that is available is Accounts Payable (AP) Automation. This automation would have vendors email an invoice to a particular email address, such as ap@creston.ca. AI would read the

STAFF BRIEFING NOTE

Town of Creston

attached invoice and pre-fill a form on the workflow automation system and send the invoice to the identified person for approval. On the employee workflow dashboard, the employee responsible for the invoice would approve the invoice (verifying the data with the original invoice attached) with a click of a button and the invoice would then be automatically batched for upload into Vadim (checked for accuracy). Once batch loaded into Vadim, the invoice itself would automatically be filed according to the records management policy into the records management software.

Staff have included two documents for Council's review. One is from Central Square who is the software provider of Vadim (financial software) that highlights the opportunities with moving to a cloud based version. The Cloud based version of Vadim has digitized processes not available on the existing server based version currently used. The other document is from Integrify, one of the workflow automation solutions reviewed by Staff. This document provides a good overview of workflow automation and organizational benefits.

KEY CONSIDERATIONS:

1. The cost of workflow automation software that is suitable for the size of the municipal organization is approximately $14,500 per year – unlimited processes and submissions.

2. API programming and connectivity to other software is charged on a case by case basis. It is estimated that approximately $5,000 to $7,000 for the initial year is required.

3. Records management software has an annual operational cost of $5,000 per year after the initial set up fees but is instrumental in an automation project for local government.

4. The workflow automation software can be managed and added to internally by staff. The software requires training but no programming knowledge is required. Many of the features to build the process is "drag and drop". That said, to build out the processes internally will take time.

5. To enhance the API abilities, Vadim can be moved to the Cloud rather than stored on a server at the RDCK. This increases opportunity for software to software communication. This will have a future operational budget increase of approximately $10,000 per year.

6. The Town has not renewed the "See Click Fix" software that cost $12,000 per year as the automation software will be able to replace it.

7. The automation using API programming lowers the need for a municipal wide software since the software can communicate with each other.

8. The automation creates performance measures for all tasks, allowing for improving services by being able to identify where a work process is being slowed down.

9. Recent changes to legislation does not require the data to be entirely stored in Canada, but rather that a risk assessment is conducted of how and where the data is stored. This opens up the opportunity to consider software solutions not previously considered due to locations of data storage.

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Town of Creston

10. During the budget process last year, the Town began placing $100,000 per year into a software reserve due to the consideration of municipal software. This should remain until it is known the long term future of the financial software from the provider and a software solution is acquired for community planning and development.

OPTIONS FOR FOLLOW-UP ACTION:

Recommended:

THAT Council DIRECT Staff to submit a budget request for Council's consideration during the 2024-2028 Financial Planning process.

Other Options:

THAT Council DIRECT Staff not to submit a budget request for Council's consideration during the 2024-2028 Financial Planning process.

THAT Council provides alternative direction to Staff.

Submitted by: _____ **Michael Moore, CAO**

Reviewed by: CAO _____ **Michael Moore, CAO**

CENTRALSQUARE
MODERNIZING IN THE PUBLIC SECTOR:
SHIFTING YOUR CRITICAL OPERATIONS TO THE CLOUD
eBOOK

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INTRODUCTION

Many public sector organizations made a rapid shift to cloud-based operations following the pandemic. In 2020, Microsoft reported the company had seen two years of digital transformation in two months. The flexibility and scalability of cloud-based solutions became a necessity for government agencies as employees experienced the sudden transition to remote work. Public sector operations could not take a break or be affected, even in light of a pandemic. Agencies still needed the ability to hold meetings, access and share data, maintain daily operations, and engage with their community.

With a global crisis having the potential to affect communities receiving essential public services, cloud-based solutions became essential to success, rather than just an option.

For city managers handling community development, cloud technology allowed agencies to improve operations with capabilities of permitting, accessing and sharing data, and conducting inspections remotely. Automating processes such as managing assets, customer requests, and work orders saved agencies time, and helped improve productivity and efficiency.

Next-generation records management systems gave public safety agencies the ability to share data and get critical information in the field and office for first responder safety. Agencies were able to reduce reporting time so that officers could remain in the community where they are most needed.

As the public sector continues to adopt cloud technology, there is a shift in focus on how the cloud is being utilized. The perspective is changing from how cloud-based solutions can help organizations operate during a pandemic, to how cloud tech helps achieve your mission-critical operations. By migrating digital assets to the cloud, organizations can achieve transformational results. They can move and innovate faster, modernize aging infrastructure, scale globally, get better insights from their data, and restructure organizational models to create better customer experiences.

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PUBLIC SECTOR DRIVERS FOR SHIFTING TO THE CLOUD

Budget predictability is a key motivator to modernize to the cloud. By adopting a Software as a Service (SaaS) payment model, allows local governments to better plan for long-term payments associated with a cloud solution compared to significant one-time investments that often are in the millions of dollars and require lengthy approvals at the town, city and county level.

PREDICTING COSTS BY MOVING FROM CapEx to OpEx

Cloud-based solutions operate on a Software as a Service (SaaS) model which allows agencies to purchase new technology through operating expenses (OpEx).

The benefit is that OpEx allows scalability and a predictable payment schedule. This service model provides the freedom to modify software and technology as demands change over time. Embracing operational expenses can result in a more cost-effective and flexible solution.

As your agency or organization invests in new technology, it is important to consider budgets, funding sources, and approval of new purchases. Investments that are acquired from capital expenditure (CapEx) are larger expenses and fit into the company's overall budget, spending goes through a more rigorous approval process. This approval process can have an adverse effect on productivity. Approval for public safety and public administration agencies may require review from committees and even local government, resulting in years of delayed projects.

Choosing to invest in technology from an OpEx standpoint, combined with the investment in cloud-based solutions, helps keep financial forecasts stable and predictable. The OpEx approach proves to be an effective method for predictability, saving time and money, and a better fit for those on a path to modernization.

IMPROVED SECURITY OFYOUR SYSTEMS AND DIGITAL ASSETS

As organizations look to embrace the scalability and flexibility of the cloud, data security continues to be a high priority; and although efficiency and productivity are important, the need to protect sensitive government and community member information takes precedence.

According to Verizon's 2019 Data Breach Investigations Report, 16% of cyber security breaches were of public sector entities. Verizon's research also showed that 47% of public sector security breaches were not discovered until months after the initial attack.

In 2021, 79 ransomware attacks were executed against U.S. government organizations, totaling an estimated $18.9 Billion in downtime and recovery costs (Source: Comparitec).

Modernizing and shifting your data to the cloud proves to be an effective method of information security. With the increase in security breaches and ransomware attacks, cloud providers, like Amazon Web Services (AWS), are focusing not only on data storage, but also on protecting your digital assets.

Prioritizing optimum cloud security and resiliency, AWS meets the stringent requirements of the world's most security-sensitive organizations. AWS participates in many security assurance programs and regulatory certification programs and applies substantial expertise to protecting your data. AWS further reduces the risk of unplanned outages, data loss, and inaccessibility by maintaining data centers all over the world with automatic backup and failover procedures in place.

BUDGET PREDICTABILITY IS A KEY MOTIVATOR TO MODERNIZE TO THE CLOUD

BENEFITS OF DIGITAL TRANSFORMATION

OPERATIONAL EFFICIENCY

Digital transformation to the cloud empowers the public sector to provide services to citizens quickly and with more efficiency, as well as better enable employees to be more impactful in their day-to-day responsibilities with better mobile access to data.

The ability for employees and citizens you serve to have access to data and services wherever and whenever is key to efficient processes. With the power of cloud-based technology, public sector employees are not tethered to an office or desk but have the flexibility to work remotely or remain in the community where they are most needed. For public administration organizations, you need the capability of having 24/7 access to information to handle community operations such as managing work orders, permitting, and tracking community assets. Public safety employees like emergency first responders need technology that allows them that makes reporting and data entry easy, so that they can spend more time in the community responding to emergency situations.

ACCESSIBILITY

Public sector organizations suffer a loss of productivity from slow manual processes. Using updated technology that features automated processes, such as reporting and data tracking, saves time and money.

AUTOMATION

Operating in the cloud allows you to scale your technology to fit your organization's needs. Technology operating on hardware systems is restricted and not as easily configurable to meet your changing needs. As technology continues to advance, the public sector must be able to make shifts when necessary. Being able to keep up with technological advancements is vital to providing services for communities and local governments.

SCALABILITY

A CITIZEN-DRIVEN FOCUS

In the same way that the pandemic created a shift for remote work and operations, citizens also need the flexibility of digital services.

According to a survey from the National Association of State CIOs, 90% of state CIOs said that the pandemic increased the demand for digital government services. Nearly 75% of respondents said that the biggest driver behind expanding digital services was a "better online experience for citizens." Among other responses was an increase in public participation and engagement.

Advancements in the commercial industry have shaped citizen expectations for digital services in the public sector. As the private sector makes rapid advancements to enhance the "customer experience," the private sector must respond.

The ability to have access to government digital services not only affects user experience, but there is also a correlation to citizens' trust in government. The Global Trust Imperative conducted a study demonstrating the link between public sector digital services and citizen trust. In the survey, 87% of respondents said a great digital experience would increase the trust they had in their local government. Adversely, 81% of respondents reported that a negative experience would create distrust.

By improving existing software and adopting new cloud-based technology, citizens are able to find the information and receive the services they need, avoiding antiquated and outdated processes.

With the power of cloud-based technology, public sector employees are not tethered to an office or desk but have the flexibility to work remotely or remain in the community where they are most needed.

OVERCOMING ROADBLOCKS TO MODERIZATION

EVALUATING CURRENT OPERATIONS

1. **DETERMINE THE GOAL:** Whether your organization is already in the cloud or looking to modernize to cloud technology, it is important to understand the goals of adopting new technology for your organization's operations. Take inventory of your current software and whether it meets current needs. Establish how your needs have changed, and how you want your new software to accomplish those needs.

2. **USE KEY PERFORMANCE INDICATORS (KPIs):** Using clear indicators to measure the success of cloud migration is important to achieve organizational goals.
    - ***Accessibility:*** Are services more accessible to your community members by adopting the new software?
    - ***Costs:*** How does migrating to the cloud affect costs and overall budget? Consider updates, trainings, and system administrators.
    - ***Operations:*** Will operations be more efficient? How much money and time does this new software save?

3. **CHOOSE A CLOUD PROVIDER:** Key factors to consider when choosing a provider are the scope of services, functionalities, and ease of integration with current systems.

GOVERNMENT FUNDING FOR CLOUD SOLUTIONS

Lack of budget should never deter access to the critical resources needed for community development and operations – especially when it comes to investing in a cloud solution. Government funding opportunities like the American Rescue Plan (ARP) and the Infrastructure Investment and Jobs Act (IIJA) exist for public sector organizations to modernize technology – including cloud solutions.

Resources for free, unlimited and customized Grant Assistance are available to help secure additional funding to meet your budgeting needs. Services include:

1. **ACCESS GRANT DATABASE:** Gain access to the most extensive grant listing database available, GrantFinder, to easily identify the best grant to fit your agency's needs.

2. **1:1 GRANT CONSULTING:** Unlimited, personalized grant research assistance and coaching from our team of Grant Experts specific to your agency's project.

3. **GRANT APPLICATION HELP:** Let our Grant Experts help you best position your grant application for success with detailed application reviews, editing or proofreading.

For additional resources and information, watch our free webinar on how to maximize your access to funding.

THE POWER BEHIND THE CLOUD: AWS

As one of our cloud partners, CentralSquare® works with AWS GovCloud to provide the highest level of data security requirements. Utilizing a **"Shared Responsibility"** model for cybersecurity, AWS GovCloud is responsible for maintaining the physical data center environments of the cloud, networking requirements, and virtualization of the systems used by CentralSquare. To ensure your data is protected 24/7, AWS GovCloud undergoes various stringent cybersecurity compliance and certification requirements including:

- *FedRAMP High*
- *DOJ's Criminal Justice Information Systems (CJIS) Security Policy*
- *ISO 27K*
- *U.S. International Traffic in Arms Regulation (ITAR)*
- *Department of Defense (DoD) Cloud Computing Security Requirements Guide (SRG) for Impact Levels 2, 4 and 5*
- *FIPS 140-2*
- *IRS-1075*

More than 1,000 customers take advantage of cloud-hosted products from CentralSquare today, and we are investing millions of dollars each year in cloud product modernization efforts to continue to expand our cloud offerings to our customers.

WHO ARE WE?

CentralSquare® Technologies is an industry leader in public safety and public administration software, serving over 7,650 organizations from the largest metropolitan city to counties and towns of every size across North America. CentralSquare's broad, unified and agile software suite serves 3 in 4 citizens across North America. Our technology platform provides solutions for public safety, including 911, computer aided dispatch and records management. For public administration agencies, CentralSquare provides software for finance, human capital management, payroll, utility billing, asset management and community development.

More information is available at **CENTRALSQUARE.COM**

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VISIT CENTRALSQUARE.COM/CLOUD

TO LEARN MORE ABOUT SHIFTING YOUR OPERATIONS TO THE CLOUD

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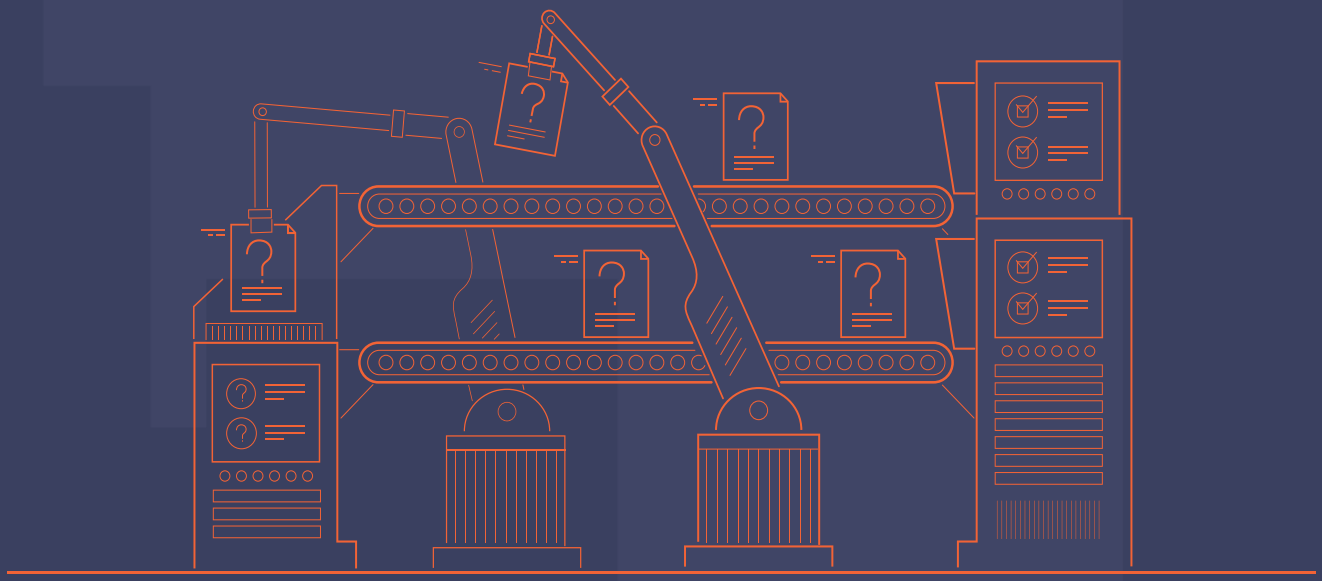
integrify



Automation for Company Processes 101

A Publication by Integrify

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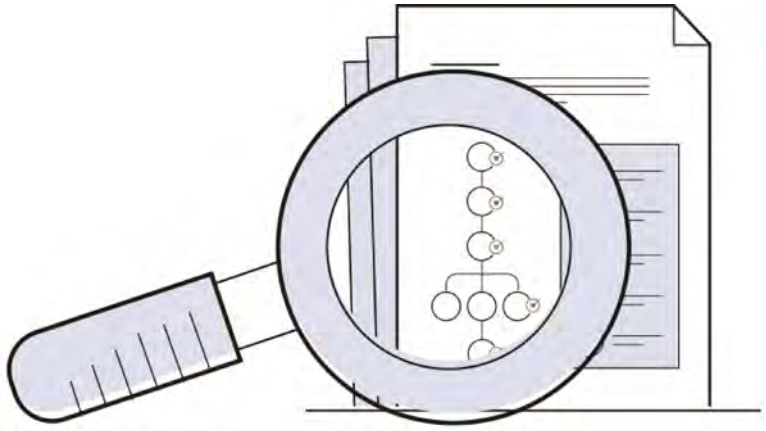


Section 01

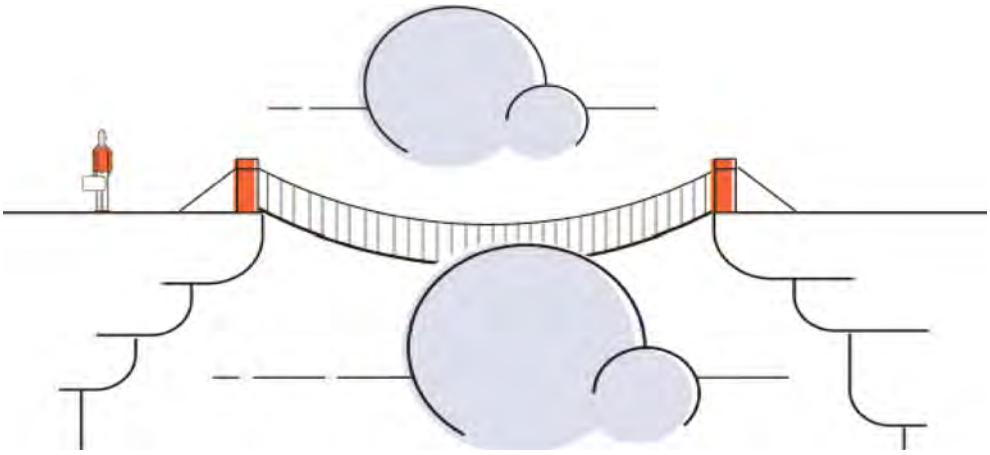
The Situation

Did you know that many companies lose 20-30% of their revenue annually due to inefficiency? According to research done by IDC, there's one common factor these companies share: they still need to adopt workflow automation.

Workflow Automation refers to the design, execution, and automation of processes based on workflow rules where human tasks, data, or files are routed between people or systems based on pre-defined business rules.

Even though the benefits of using an automation platform are numerous, the percentage of companies that have fully automated at least one function was only 31% in 2020. What does this mean? The more processes your company automates, the more advanced that automation is, and the more likely your company is to come out on top, get ahead of, and outperform the competition.

The eBook will cover the benefits of implementing automation for your company's processes, information about process improvement and process automation, and steps to take when you realize it's time to implement workflow automation at your organization.



Section 02

Why Process Automation is Critical

Employees are dispersed

With many workers no longer in their physical workplace, supervisors face the pitfall of managing widely distributed teams. A survey conducted by Upwork predicts that 36.2 million workers, or 22% of Americans, will be working remotely by 2025. Employees aren't all in the office together anymore; remote work is here to stay, and you must ensure your organization is set up for success for your in-office and remote employees.

Web-based tools bring ease and efficiency to employees working from home. Software for remote working can incorporate communication and networking applications, for example, video chat or instant messaging software, cloud storage, project management tools, workflow automation, remote team management, etc. Dispersed employees can be more productive with the right software wherever they work.

I. Old manual processes don't work remotely

It is no longer as easy as walking over to someone's desk to ask questions, receive feedback, and communicate assignments through email. Chat is only sometimes productive or time-efficient. Web-based tools make setting tasks easy, handling employee monitoring from a distance, and ensuring your team hits milestones and completes critical projects.

II. Emails, video meetings, and messaging are inefficient

The most well-known remote work tools center on communication, for instance, video conferencing, chat, and task management. While these tools are helpful for employees in many aspects of their day-to-day, it's not the most efficient tool.

Email, while still common, is still a bottleneck for most workers. Video meetings are still meetings, which can be inefficient and unnecessary. Messaging has improved but tends to be disruptive and ineffective when it's used for workflow.

Tools that focus on "the plumbing" of workflow can maintain efficiency by their very nature. These tools include workflow automation, employee portals, and task management tools. All these technologies can provide security and connectedness.

III. Training remotely is more difficult

While learning management systems and onboarding tools are helpful for getting new employees and employees changing roles up to speed, the best way to ensure people follow the correct processes and procedures is to standardize them with workflow automation.

In this scenario, employees are pulled through the correct process automatically. Alerts, reminders, and escalations are built on business rules and run behind the scenes to ensure steps are taken in the correct order and the right people are involved at the right time. It also ensures that data collection is accurate and re-entry into existing systems is replaced with integration.

Competition is increasing

I. The number of new businesses being created each year has been increasing

On average, there are 4.4 million businesses that are started every year. The US Census Bureau data shows that 5,044,748 new companies were formed in 2022. Being flexible is paramount in the world we live in now, and handling changes on the fly is becoming the norm, especially to stay up with new trends from new competitors.

II. Competitors have been adopting new digital tools

These new businesses are starting fresh, and if they did their research right, they have learned from their competitor's mistakes. Newer companies have a clean slate to start strong and embrace digital tools from the beginning.

III. Newer companies were built digital-first; old companies need to adapt

That said, since newer companies are being built in such a time where everything is digital, they may be one step ahead. But – older companies need to take the leap of faith and implement business management software to get them on the same level as the digital-first newcomers.

Business management software can differentiate between running a profitable, stable business and chaos. By automating as much of your business or department as possible with software, you can get more done with fewer resources, stay competitive, and keep more customers.

Security is at the forefront

I. Insecurity of emailing attachments

Email attachment is typically the go-to way of sharing files. Attaching forms like expense reports, vacation requests, or project authorizations created in Excel or Word to emails is inefficient and old school.

Everyone involved has to open the attachment, review the contents, fumble through the form to make any changes or edits, re-attach it and then send it out to the next person. Other than this causing huge bottlenecks, it means these documents aren't secure at all. Having forms and data passed via email is extremely dangerous as nothing is securely locked down, and sensitive information could be available to anyone who gets it.

II. Phishing attacks are increasing

According to APWG's Phishing Activity Trends Report for Q3 2022, phishing attacks hit an all-time high in 2022. One of the primary purposes of doing this is to get a foothold into the device/network to gather and find the information they want. Cybercriminals mostly choose phishing attacks for email because it is so widespread, and who doesn't use email?

Rather than relying on email to distribute critical data, anyone needing this type of information should request it through a secure request management system set up to vet requests, track approvals, create an audit trail, and provide explicit guidance for use.

III. Cyberattacks are now commonplace

Regardless of the industry, cyberattacks are becoming increasingly common. The upsurge in cyberattacks is likely due to the increase of valuable information due to cyber hackers only getting better at what they do.

Approximately 11.7 million Americans are hacked yearly, roughly one in every three Americans—the data breach results in unauthorized access to computer data, applications, networks, and devices.

Information Overload

I. We are being bombarded by information at home and at work

Having much information available to us anytime we have a question is good. It has pros and cons, but being bombarded and overloaded with information causes a cognitive overload. A study has shown that 1 in 5 Americans feel overloaded by information. It may not seem like it, but roughly 20% of your co-workers are in a mental fog.

II. Employees are unable to focus on value-adding work

We can only focus on so many things at a time. When you have excess work, information, and tasks, it takes more effort to focus on what is essential or even know where to start.

Some symptoms of information overload are inefficient work, confusion, delay in making decisions, lack of critical evaluation of information, loss of control over data, refusal to receive communication, lack of general perspective, greater tolerance for error, anxiety, stress, etc.

III. Decision fatigue is real

Each of us makes dozens of decisions every day, in many cases without even being aware we are doing so. Not all of those decisions are equal, though; you wouldn't place the same weight on deciding where to go for lunch as you would on deciding whether to hire a candidate for an open position.

Finding ways to reduce the number of decisions employees need to make in the workplace can improve both productivity and the quality of employees' work, freeing their time and brainpower for the decisions that really matter.

Section 03

A Company is a Collection of Processes

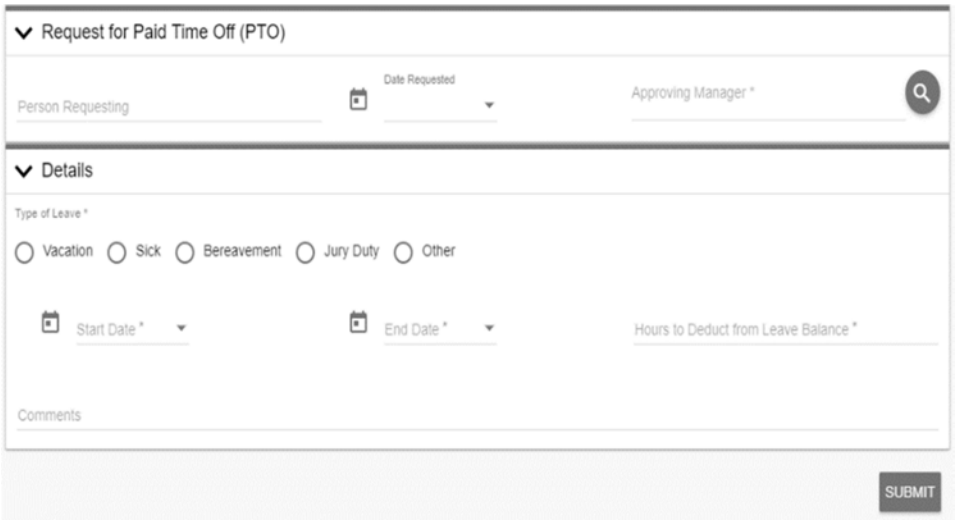
Some processes are simple, and some are complex

A business process is an activity or activity that accomplishes a specific organizational goal. At their core, businesses are a collection of many processes that can be as simple as requesting PTO, getting paid by customers, or launching a new product or service.

I. Requesting time off vs. a product being developed

On the left is a process example of how you could automate a PTO request.

This process would automatically flow with an automated workflow after the employee fills out the initial "request for Paid Time Off (PTO)" form below:



The other example was a new product request. This is a very complex request, but it can be automated like the PTO request. It's essential to show that your processes can be automated no matter how complex. Here's an example, on the left, of what a new product request workflow would be like.

This process would automatically flow with an automated workflow after filling out the new product request form:

Some processes are entirely manual; some are wholly automated

For organizations that do not have workflow automation in place, all processes are manual. A manual process requires human actions to complete or push a task forward. This could be keying in data, taking notes, filing and sorting documents, sending emails, and anything else that follows this structure.

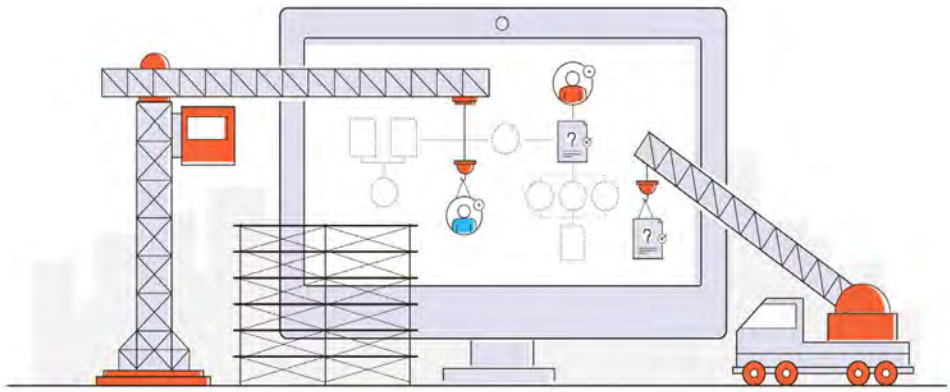
Entirely automated processes save time. These are when there is almost no human action needed. While there are usually human elements to any process, for instance, reviewing a document and providing approval, any workflow can be automated. Ultimately every workflow is just a series of tasks that must be performed.

Automated processes provide several benefits over manual processes:

- Policy compliance adherence
- Reduced approval cycles
- Reduced manual handling
- Improved communication
- Improved visibility
- Improved employee satisfaction
- Continual process improvement
- Better workload management
- Reduced errors

Examples

Every department has processes, more than you might even realize. There are employee onboarding and offboarding processes, IT service requests, invoice approvals, collateral approvals, facility access, vacation requests, etc.



Section
04 Process Improvement

What is process improvement

It's one thing to show how a business process works currently; it's another to show how the process could work better in the future.

This is the goal of process improvement—to improve the efficiency and accuracy of a process by reviewing its current state and finding ways of improving it. Process improvement, or "business process improvement (BPI)," can come in many forms.

Motivated and engaged employees can improve the efficiency of business processes via informal, grassroots efforts. They may form self-organizing teams that design and implement solutions to improve process issues.

These organically developed solutions can net real gains in productivity and efficiency. Whether it's a relatively new or old process that has not been updated in years, process improvement efforts can yield significant gains in productivity, efficiency, accuracy, and more.

In a nutshell, consider the following aspects for your improvement project.

- Have a clear strategy
- Prepare for change resistance
- Ensure the proper resources are in place
- Choose the right leader
- Identify expected outcomes

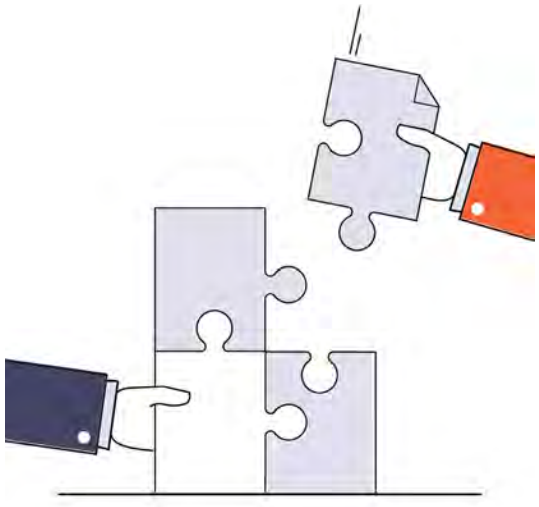
How is it done

I. Organically

Making process improvements organically is having improvements happen over time with no plan. You realize something doesn't work now, and you fix it. There is no specific agenda for the improvement; it just happens.

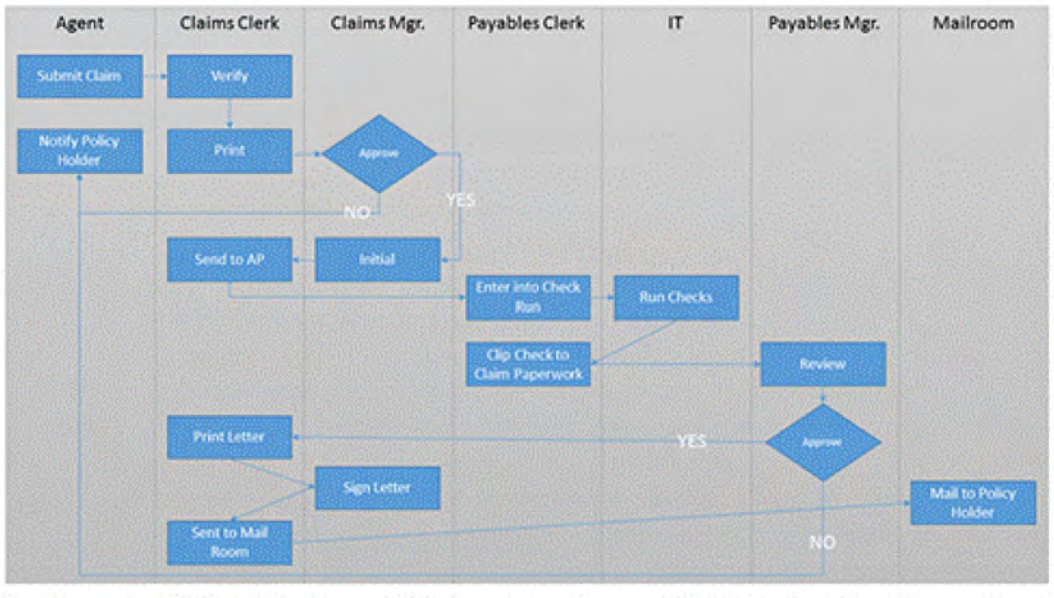
II. Purposefully

Purposefully organizing your process improvement would be having a plan and putting the effort toward a goal. This is recommended, as it would document your processes, give you clear insight, allows you to make adjustments, and you can then implement automation from your findings as well.

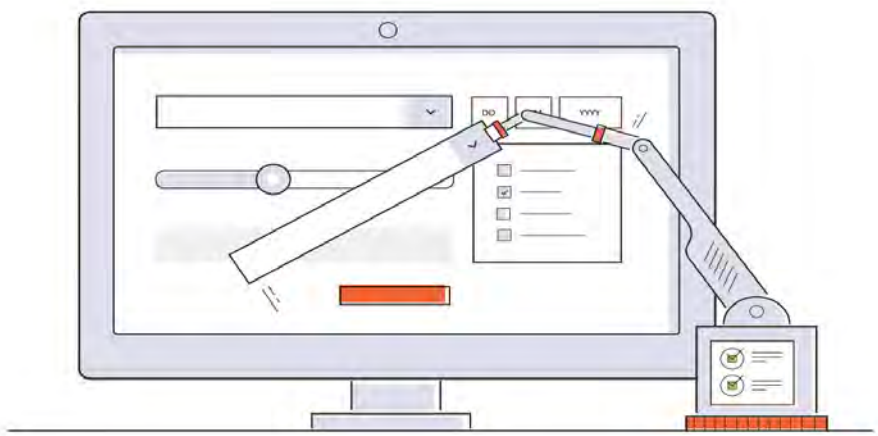


How automation figures into process improvement

Any process can be put through a rigorous process audit and improvement effort. In the example below, we're looking at a Claims Submission process. We've used process mapping to break down the process steps into tasks, connected those tasks to simulate the process flow, and arranged them in swim lanes to show responsibility.



Once the documented process is socialized with all stakeholders and confirmed, it can be moved into a process automation platform. Because process improvement should be an ongoing organizational strength (not a one-time improvement effort), every organization can benefit from adopting a workflow or process management solution.



Section 05

The Rise of Process Automation

Overview

Automation became critical to many companies during a difficult period that saw an unprecedented disruption in the workforce. Ongoing supply chain issues also exacerbated issues with meeting the demands of customers. Many enterprises turned to process automation to ease staffing issues and help current employees work more efficiently without getting bogged down in manual tasks.

Process automation is more than setting a few macros to run automatically on a desktop. With the right software platform, you can enable a full-scale digital transformation of your company. You're adding to your business's capabilities, opening new revenue streams, and positioning your organization for long-term growth.

Where automation can help

People often mistake the role of automation as a way of replacing human workers. A more accurate way to describe automation is streamlining manual workloads to help free employees up to focus on more valuable work. To effectively use automation in any capacity, you must start by identifying tasks that might be better served if performed by machines.

When you look at any occupation, a sizable percentage of the tasks performed could be automated instead. For example, think of the time an analyst could save if they didn't have to spend hours keying in data from paper documents. What if you could automate the scanning and collection of data from those documents? Analysts could then focus on uncovering valuable insights that help drive business decisions.

Removing that type of clutter from employees' workflow through process automation can expand their output. Reducing the number of tools they are required to access cuts down on the time it takes workers to perform their job. Instead of replacing team members, you're giving them the ability to get more done without bringing in additional people or affecting the quality of service provided to customers.

Types of Automation

I. Forms:

Form automation software is the most straightforward solution to keeping your company at the top of its game and keeping employees focused on tasks that matter. Forms are the primary means to gather information from users during the execution of a process.

II. Tasks:

Task automation is a way to address problems with manual tasks. By rethinking your workflow, organizations can create workflows that dramatically change how work is done.

Task automation uses software to create processes that reduce the manual completion of simple tasks. In some cases, task automation can reimagine a series of complex tasks. In all cases, workflow automation makes your processes more efficient and your employees more productive.

III. Integration:

Workflow integration refers to a workflow automation system designed to connect with applications and databases of record (ERP, CRM, Accounting, HRIS, etc.). Integrated workflow software can replace the limited workflow functionality in those systems while connecting processes across all of them.

Integrating your workflow across your application portfolio improves each application and user experience. Data is passed seamlessly between systems, eliminating the need for users to log in to 3-4 separate applications to complete processes.

VI. RPA:

RPA handles more straightforward tasks versus the more complex processes dealt with by BPA. It mimics the actions of humans, like keying in or copying data from one interface to another. For example, RPA bots can help sales team members by covering standard administration tasks. An RPA bot could input client information into a billing system based on a received Purchase Order or complete a customer complaint form based on a phone call.

Section 06

Considering Automation

Which Processes

While there are usually human elements to any process, for instance, reviewing a document and providing approval, any workflow can be automated. Ultimately every workflow is just a series of tasks that must be performed. A few specific examples are:

Process automation is more than setting a few macros to run automatically on a desktop. With the right software platform, you can enable a full-scale digital transformation of your company. You're adding to your business's capabilities, opening new revenue streams, and positioning your organization for long-term growth.

- **Customer support** — You can remove the need for CSRs to respond personally to every ticket submission. If it's a common problem with an established solution, you can send standard automated responses back to customers to help with their issues. That way, getting to the critical issues requiring human interaction is more straightforward.
- **Employee onboarding** — BPA software can automatically send out forms and collect electronic signatures, eliminating the need for dealing with a lot of paper. You can also set up on-demand training sessions or connect new workers with mentors to help them learn more about their roles.

- **Operations management** — Use BPA software to track the progression of various projects and communicate with team leaders. Once an employee completes a task, your BPA solution can send a notification automatically to let the next worker in the process know it's time to get started on their work. You can reduce communication errors that lead to ongoing problems.
- **Purchase order requests** — Anyone requesting a company purchase must complete a purchase order (PO) request. You can program your BPA software to automatically review, approve, or deny a PO based on specific criteria. Approved POs can be forwarded to a supplier, with copies sent to all relevant parties.

This is just the tip of the iceberg for processes that can be automated. A few others include:

IT/IS

- → IT Service Requests
- → Security Access Requests
- → New Account Setup
- → Change Requests
- → New Project Requests
- → Security Incidents

HR

- → Benefits Changes
- → Timesheet Approvals
- → New Hire Management
- → Employee Onboarding
- → Employee Offboarding
- → Vacation Requests

Finance

- → CapEx/AFE Requests
- → Expense Approvals
- → Salary/Wage Changes
- → AP Automation

Integrify customers have automated a wide variety of simple and complex workflows. Workflow use cases give you an idea of what's possible with workflow automation software. This downloadable resource provides various workflow examples showing how people have used automation to improve their business processes and increase organizational efficiency.

Selling the idea internally

It's essential that you start building a company culture open to automation. Start by engaging with workers and letting them know that the changes are intended to make things easier for them, not function as a replacement. Alleviating those worries typically leads to more openness about the impacts of automation.

Build vs. Buy

When assessing your business needs, you must choose between in-house developed software or commercial (out-of-the-box) packaged solutions. We will look at some of the advantages and disadvantages of each approach. We have an eBook, Inhouse Development vs. Packaged Solutions, that'll look at the advantages and disadvantages of developing software in-house, using the company's resources against buying a ready-made packaged software solution from a vendor.

Selecting a technology

It can be overwhelming to choose the right technology for your organization. Regarding automation, it's not uncommon for knowledge workers to fall into the trap of using what's available or what they're used to when accomplishing specific tasks rather than using the best tool for the job. Some commonly used tools are spreadsheets, email, messaging apps, and web file storage, like SharePoint.

Using email, spreadsheets, Web file storage, and various other tools to cobble together a workflow management system is an expensive and inefficient way to go, instead of relying on manual activities to ensure that workflows correctly between people and systems throughout a business process, use a tool like Integrify to automate tasks, hand-offs, reminders, approvals, and much more.

Selecting a vendor

Companies like Kissflow, Worktec, Flokzu, etc., provide simple workflow tools for small businesses, while Integrify offers robust tools for mid-size and enterprise companies. Integrify's tools have been used by some of the largest organizations with the most complex workflows for over 20 years.

Integrify Offers:

- **A visual Process Builder:** Integrify's graphical process designer interface lets users design custom workflows using drag and drop. Users can automatically assign tasks and route information based on their organization's unique workflow. Also, set alerts, reminders, and escalations to keep work moving forward.
- **A drag-and-drop Form Designer:** Easily create responsive, Web-based forms to capture information. Include various field types, form logic, workflow templates, and layouts to ensure the correct data is captured and routed every time.
- **A customizable Self-Service Workflow Portal:** Provide a unified front-end experience that allows users to submit forms, complete tasks, and track process status. Provide visibility by role to see which tasks are completed, pending, or in progress. Collaborate in real-time about work being performed.
- **Process Reporting:** Integrify tracks and maintains an audit trail of all workflow processes, form data, and user actions. Follow team progress and use KPI scoreboards to track the overall efficiency and drive improvements.
- **Process Integration:** Integrify's open architecture allows customers and partners to create workflow applications with process integration into existing enterprise systems. Standalone web services enable other applications to initiate a workflow, complete a list of tasks, update process statuses, and conduct other bi-directional activities.

Our Story

Integrify has been a leader in request and approval workflow management for over twenty years. Launched in 2001, with headquarters in Chicago, we've built a reputation for creating software with the customer in mind.

Users value simplicity and integration. That has always been the focus of our product. Rapid distribution, broad scalability, and high ROI are goals that we are constantly reaching, only to set the bar again even higher.

Our Mission

Our job is to ensure customer success by helping them do more efficiently. We are constantly innovating to provide compelling, simple, and adaptable solutions. We believe we can work with customers to build solutions to buck the status quo and make organizations more productive.

Interested in Automating Your Workflow?

We have a variety of resources to help you on your journey to an automated workflow.

- Request a Demo
- Workflow Tools and other eBooks
- Workflow Ideas Weekly email Newsletter
- Recorded Demos of our Workflow Automation Software
- 2-Minute Quick Demo
- Why Choose Integrify
- Building an Automated Process in Under 5 Minutes

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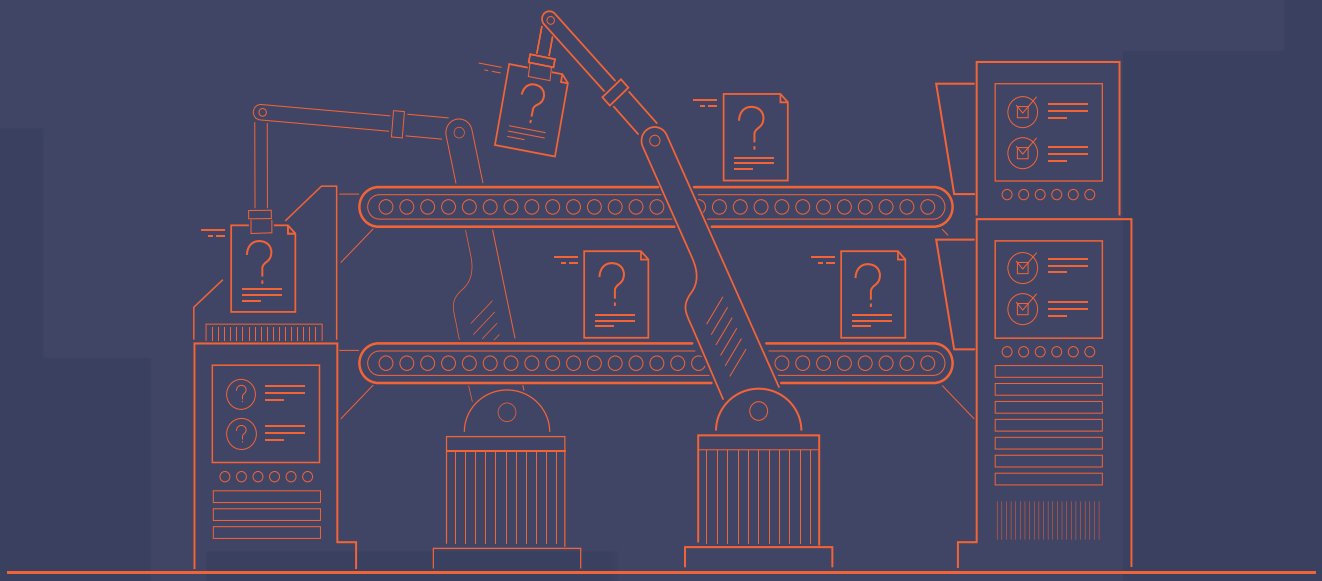

The Essential Finance Operations Automation Guide

A Publication by Integrify

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Section
01

Introduction

How Automation is Changing the Finance Department

One of the significant innovations of the digital age has been the shift toward process automation. This trend toward automated workflows is driven by the need for standardization, communication, efficiency, and integration.

Additionally, many finance teams are finding new opportunities that can be unlocked in finance operations when more time is spent on strategic, higher-level activity and less on rote, manual processes.

This ebook discusses the many facets of Finance Operations automation and provides recommendations to help Finance teams get the most out of the new technology.

Let's start with what has driven this surge of interest in automation.

Reduction in Repetitive Manual Tasks

Automated workflows can drastically reduce, or even eliminate, many of the repetitive manual tasks finance teams traditionally had to manage. With manual processes, much of a finance team's resources must be dedicated to simple data entry, such as travel-and-expense reimbursements or journal entries. Automation can use auto-populated templates for these tasks, reducing the need for manually keying in numbers and other information.

When your finance department is freed from the tedious and repetitive tasks associated with manual data entry, they can focus on higher-level goals for the company's financial picture. Accordingly, automation will positively impact efficiency in finance operations, but it may also help with higher employee satisfaction and lower turnover rates.

Streamlined Workflows

Automation also results in streamlined workflows due to better communication and collaboration, both within the finance team and company-wide. Using a central platform for communication reduces the chance of miscommunications and mixups. No longer will a process or transaction derail by a missed phone call, email, or fax, which are all-too-common occurrences with manual processes.

One of the main types of workflows boosted by automation is the request-and-approval workflow. Finance operations rely on requests and approvals for numerous functions, ranging from capital expenditures (CapEx) to new contracts to expense reimbursements. Many of these approval workflows are multi-level and complex, with specific requests that need to be elevated to higher–level approvers, such as a CapEx request above a particular dollar amount. When manual processes are in place, these multi-level workflows can be quickly slowed down with backlogs and bottlenecks.

With automation in place, approval workflow can actually "flow" once more. Requests for approval can be made on the central platform, which eliminates duplicated or inconsistent requests. For multi-level approval processes, the request can be automatically routed according to the company's internal controls. The designated approvers can receive reminder notifications and request more information or documentation provided through the same platform. An approval can be submitted with the click of a button rather than a physical signature on an easily misplaced paper form.

Increased Transparency

A drastic increase in transparency is yet another happy side effect of implementing automation in finance operations. Now the status of any particular workflow can be reviewed immediately. If you need to know the reason for a delay in a new vendor approval, you could have to dig through numerous emails and paper forms in a traditional manual system. But with an automated system, a dashboard on a screen can immediately convey the current status.

Automation also increases transparency through the easy creation of audit trails. Along with providing the status of any current workflow, an automated platform also provides other essential information, such as dates, times, and individuals for any specific actions taken. Using the example again of the delayed new vendor approval, a finance team leader can easily see where mistakes have been made and bottlenecks are being created, enabling them to take corrective actions.

Risk Reduction

Since a finance team plays a central role in maximizing the company's bottom line, they also face increased risk exposure. These risks include the potential for financial mistakes, lost money and regulatory fines. Automation of finance operations directly addresses all of these risks.

One of the most significant flaws in manual processes is the potential for human error. Paper forms and documents can be easily lost or destroyed. Emails and faxes can be misdirected. And a single mistake in a spreadsheet can carry over to various aspects of finance operations before it is detected.

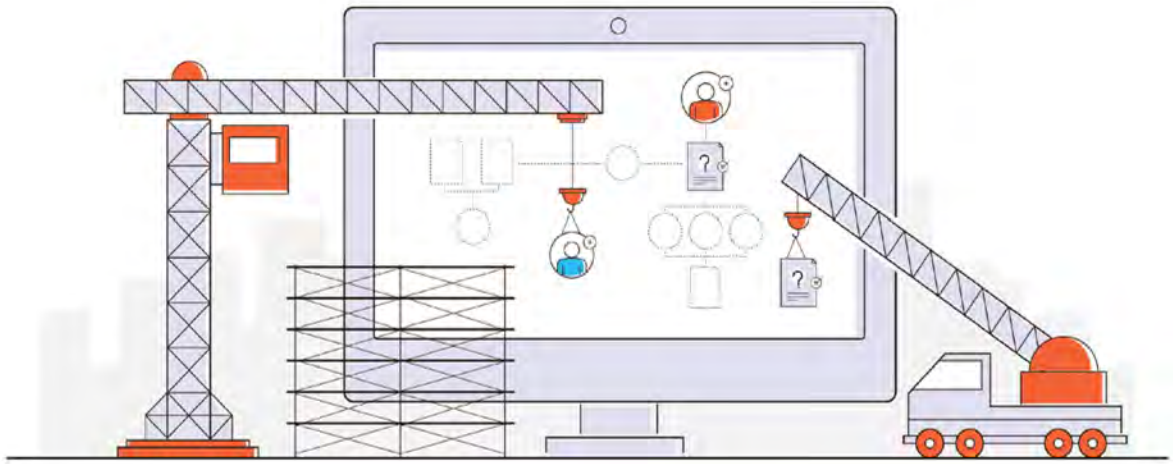
Automation decreases the risk of human error in numerous ways. An automated platform can perform calculations and correct errors. Much of the information can be auto-populated, avoiding the potential for mistakes in data entry. And the system can help enforce internal controls by prompting for all information or documentation needed and ensuring workflows are followed. For example, CapEx requests above a certain dollar threshold can be automatically routed to higher-level approvers.

Another risk for a finance team is the potential for regulatory audits. These are burdensome and consume plenty of resources – and at the end of it all, there could be a possible regulatory fine. Fortunately, an automated system can simplify audit compliance by automatically creating audit trails for all workflows. The audit process will proceed more smoothly, with a far better chance of passing the audit successfully.

Well worth noting here is a risk that will not increase with automation – the risk of a security breach. Automated platforms tend to be cloud-based and even more secure than on-premises servers. Basic security features such as data encryption are commonplace with automated systems, which helps alleviate the security headaches of a finance department.

Remote Work on the Rise

There has been an ongoing trend toward remote work, and automation aligns well with this shift. An automated platform can be accessed remotely through various devices, including laptops and mobile phones. Before the COVID pandemic, it was common for higher-level staff or leaders to be traveling or unavailable for extended periods. Automated workflows allow these individuals to perform their tasks still, even when away from the office. And now that the pandemic has accelerated the trend toward workplaces that are either remote or hybrid, automation has an even more central role for finance teams.



Section
02

What are the Challenges of Implementing Automation?

It is tempting to believe that automation will immediately bring on days of wine and roses with a new trouble-free finance department. However, some of these challenges can be mitigated with good planning.

Staff Resistance

Be prepared for some initial resistance to the new technology and processes. Trying to get an individual to change their behavior can be an uphill battle, let alone attempting to get an entire department to change.

It may be advisable to start small by automating only certain types of finance workflows, then build on that success over time by expanding automation to additional workflows. All the while, focus on overcommunicating and promoting successes.

Undocumented Processes

Few organizations have processes that are 100% documented. In addition, even any existing process documentation can be:

- → Unclear
- → Out of date
- → Unadopted
- → Scattered/Difficult to find

For these reasons, launching an automation project without clear, complete process documentation can be premature. It is often better to get the process house in order before replicating it in an automation platform.

We've written a complete guide to process documentation, but, generally, the key is to have a single source of truth for all of your finance processes that everyone accepts as accurate.

Training

Be aware that some training will be required for the new automated system. Retraining may be necessary down the road, especially for non day-to-day users.

To minimize this training burden, seek out automation tools that are relatively intuitive and easy to learn and document. Consider systems that provide a good user experience to ensure that end-users can accomplish tasks quickly and clearly understand what's needed.

Legacy Systems

Be prepared for some initial resistance to the new technology and processes. Trying to get an individual to change their behavior can be an uphill battle, let alone attempting to get an entire department to change.

It may be advisable to start small by automating only certain types of finance workflows, then build on that success over time by expanding automation to additional workflows. All the while, focus on overcommunicating and promoting successes.

What are the Costs of Delaying Automation?

While automation might be a clear net positive for your finance team, any CFO has a lot of items on his plate competing for attention. It might appear easier to delay introducing automation into your finance workflows simply. If so, you should be aware of the costs of the delay.

Ongoing Inefficiencies

Without automation in place, all the inefficiencies and bottlenecks of your current manual workflows will remain. If your company is growing, these problems will worsen over the long run. The current snags in the process could result in missed deadlines, additional mistakes, and possibly even hits to your bottom line.

Increased Risk

Since manual routines and spreadsheets are error-prone, any finance team using them will be subject to increased risk. Manual processes make it more challenging to follow internal controls, which are put in place to decrease risk. Furthermore, manual processes make it more challenging to trust financial reporting.

Failing to Keep up with the Competition

The simple fact is that automation is becoming ever more prevalent for finance departments everywhere. If you are not implementing automation for your company's finance functions, you can be assured many of your competitors are. Not only will these competitors reap the benefits of automation, but they are also more likely to attract top talent for their finance teams — possibly from your team.

Finance Teams looking to reap the benefits of workflow automation need to understand what their finance teams stand to gain from implementation. Next, we will look more into these benefits of cloud-based tools and how they'll benefit your finance department to help where they are needed most — maximizing the company's bottom line.

Higher Transparency

The cloud also enables higher transparency in finance processes. The reporting of cloud-based solutions allows real-time visibility into different facets of your finance operations. Cloud-based automation also enables the generation of audit trails, allowing for immediate visibility into any individual request or approval status.

When searching for cloud-based solutions for your finance team, keep in mind that you can make a move gradually. Instead of immediately shifting all finance operations to the cloud, you can attempt the move with one or a few aspects of those operations, such as invoice approvals or journal entries. Most importantly, ensure your solutions have all the benefits listed above, so your finance team can enjoy the fruits of modern cloud technology and improve your ROI.

Section 03

What is the ROI of Workflow Automation?

The ROI of Better Workflow in Finance Departments

Finance operations is an area where improved workflows will always be welcome. Finance teams need to engage in numerous internal and external transactions where speed and accuracy are critical. Accordingly, most finance departments will embrace the transition if better workflows can be achieved by shifting from manual processes to automation.

But can your finance team point to a return on investment (ROI) for implementing automation technology? After all, finance teams should be focused on bottom-line numbers like ROI as much as any other part of the company, if not more. The answer is yes — you just need to know where to look for that ROI.

Less Time Processing Transactions

Processing internal transactions is a large part of the workload for finance departments. Consider standard finance functions, such as the request-and-approval processes for new vendor contracts or capital expenditureS. When these complex step-by-step processes are performed with paper documents, spreadsheets, faxes, and emails, they can quickly bog down in bottlenecks.

Automated workflows can cut down transaction processing time drastically. Your finance team can use one central portal to submit requests, make approvals, or provide more information where needed. The automated system can ensure that all internal rules are followed for any specific task or process, which reduces the oversight and double-checking required for manual workflows. Accordingly, you can see the ROI of faster transaction processing in your saved labor costs for your finance department.

Improved Turnaround Times

Beyond reducing transaction processing time, automation also streamlines approval workflows and generates ROI in other ways. Many finance operations approval workflows include several levels of approval. The approvers are busy managers or executives who are traveling and often unavailable during regular business hours. This results in a delayed approval cycle, where necessary expenditures are not made promptly, and pricing opportunities for time-limited quotes may be lost.

With an automated approval workflow, your finance team can reduce the effort and labor costs at virtually every step. For example, the approver can quickly request clarification of any request on the central portal, and the clarification can be promptly provided. The same streamlining applies to reviewing any supporting information for a request. And these actions can be taken from mobile phones, decreasing the delay due to having approvers on the road. This translates into a substantial ROI due to saved labor costs and the ability to lock in limited-time preferential pricing when it is available.

Reduced Errors and Re-Work

Automated workflows also reduce errors, significantly impacting an area as meticulous as finance operations. Manual spreadsheets and paper-based documentation are both prone to human error. Automated workflows can avoid these errors by performing calculations and ensuring users go through all necessary steps for any task.

By avoiding errors in invoice approvals or purchase requests, your finance team is avoiding both the initial costs of those errors and having to expend the resources necessary to correct those errors. In addition, your team can avoid the cost of adding another layer of approval, such as an extra round of invoice reviews.

Increased Employee Satisfaction

You cannot fairly evaluate automation's impact on ROI without looking at its positive effect on employee satisfaction. Employee frustration with inefficiency and constantly cleaning up messes can lead to burnout and potentially resignation. On the other hand, automation frees up a finance team from low-level monotonous work while increasing efficiency and accountability.

When your finance team is happier on the job, your company is avoiding the cost of recruiting and hiring replacements who will need time to get up to speed. This cost includes the staff and managerial time of onboarding and training a new hire. It also consists of the reduced productivity of new hires while learning.

Regulatory Compliance Made Easier

Regulatory compliance must be a top priority for any finance department. The monetary and reputational cost of any regulatory fines can be high. In addition, the labor costs in dealing with any regulatory failure can balloon quickly. Companies also need to respond to regulatory audits, which tend to be a massive burden with manual processes in place.

An automated workflow can automatically enforce internal controls, helping ensure your finance team will not fall afoul of regulations in the first place. Importantly, automated systems can automatically generate audit trails for any specific action, which minimizes the cost of compliance with regulatory audits.

How to Calculate the ROI of Better Finance Operations Workflow

Determining the cost of implementing automated workflows is relatively straightforward. For any automation solution you consider, you can select the cost of software licensing and maintenance or the price of a subscription to a cloud-based service. Add any training, service, or maintenance costs, and you can obtain a relatively good idea of your up-front investment.

On the other hand, determining the ROI of automation will take some digging. For example, do you have information from exit interviews to determine whether employee frustration with manual processes drives your turnover?

Fortunately, there is a more straightforward way to estimate the ROI resulting from the faster transaction processing and error reduction with automated workflows. When analyzing the number of specific transactions (such as CapEx requests) your team processes monthly, you can see the total costs and labor time associated with each transaction. By seeing the reduction of per-transaction expenses, automation's monthly and annual ROI can be calculated quickly.

Use the ROI of Automation as a Selling Point for Implementation

If you would like your finance department to improve its workflows through automation, be prepared to demonstrate the ROI of implementation.

Please take a look at our Workflow Automation ROI Calculator to see the positive effect on your company's bottom line that you can expect from automated workflows.

Along with these benefits that you'll see from implementing automation, such as ROI and improved efficiency, it'll also be good to hear that automation in the finance department will only positively impact your company's compliance efforts.

Section 04

Financial Compliance and Automation

How Process Automation in Finance Operations Reduces Risk

A company's finance operations are some of the most labor-intensive parts and critical for its bottom line. Many companies are shifting to digitally automated processes to streamline their finance operations. Nonetheless, many companies are still clinging to low-tech manual methods in their finance and accounting departments. The question is why.

When contemplating a large-scale shift from manual workflows to automation, many companies may perceive a certain level of risk in doing so. This is likely to be especially true for a critical area such as the company's financial workings. But the truth is that process automation can drastically reduce risk in finance operations, and the reckless path is sticking with manual workflows. Here we outline several ways in which, from a risk-benefit perspective, automating processes in financial operations is the prudent path.

Reducing Risk of Manual Errors

No matter how resistant a company's decision-maker may be to implementing automation, there is no getting around a simple fact--- manual processes are prone to errors. Consider the traditional manual methods used within finance operations. Spreadsheets, paper forms, emails- all of these outdated tools introduce more chances for human error. There is an ongoing and pervasive risk of manual errors in finance processes without automation.

Even the most standard and straightforward errors can drastically slow down finance operations. Errors in a spreadsheet of capital expenditure (CapEx) requests and authorizations for expenditures (AFEs) will delay or derail necessary equipment purchases. Missing information from a contract approval request could hinder a new business relationship with a customer, vendor, or supplier. Manual errors are harmful in ways both large and small.

With automation, finance processes become both faster and more accurate. Automation software can check inputted information for accuracy and consistency, perform calculations, and spot errors. In addition, an automated process can include prompts for all information necessary for any request, approval, or other action.

Speeding Up Approval Processes

Just as with many aspects of a business, finance operations involve numerous requests and approvals. The request-approval process is used for many finance-related actions, such as purchases, new contracts, and expense reimbursements for travel and entertainment. Unfortunately, the bottlenecks that naturally occur in a multi-level approval process can cause requests to pile up, meaning necessary business actions are stalled.

An automated approval system can avoid these unnecessary snags in numerous ways, including the following:

Initiating Requests for Approval: With an automated system, approval requests can be made directly on a centralized portal. This eliminates the risk of inconsistent or duplicate requests sent through different channels, such as emails or paper forms.

Automated Approval Workflow: After initiation, the requests can be automatically routed through the correct approval workflow. The approval workflows can be created and changed by administrators whenever necessary. They can also allow for contingencies, such as alternate approvers or elevating approval requests that exceed specific dollar amounts.

Exchange of Information and Documents: An automated workflow can allow comments, information, and documents to be exchanged in connection with any particular request.

Status Inquiries: Whenever the request initiator, anyone in the approval chain, or management needs to check on the status of a request, they can do so through the centralized portal. This eliminates the time-consuming need for follow-up emails and phone calls.

Streamlined Approvals: Approvals can be made quickly and easily, often with a click on a link instead of a signature on a form.

By eliminating the paper shuffling and email sifting associated with traditional manual processes, companies can make their approval processes as efficient as possible. Minimizing the risk of delayed actions or documents, such as purchases, expenses, budgets, or contracts, makes automation a worthwhile investment.

Better Compliance with Internal Policies and Procedures

Finance operations tend to be governed by numerous internal policies and procedures. With manual processes, these internal rules can be either mistakenly broken or intentionally evaded. On the other hand, an automated workflow allows for those policies and procedures to be built into the system. So if a CapEx request above a specific dollar amount needs to be elevated to the CFO for approval, that routing action will be done automatically. In addition, internal controls can be reviewed and enforced through audit trails, discussed below in connection with regulatory compliance.

Improved Regulatory Compliance

For many companies, there is an ongoing need to be prepared for regulatory audits by government agencies. Government contractors or companies operating in highly regulated industries such as finance, healthcare, or insurance, need surefire ways to comply with these audits. This is where automation comes to the rescue through the creation of audit trails.

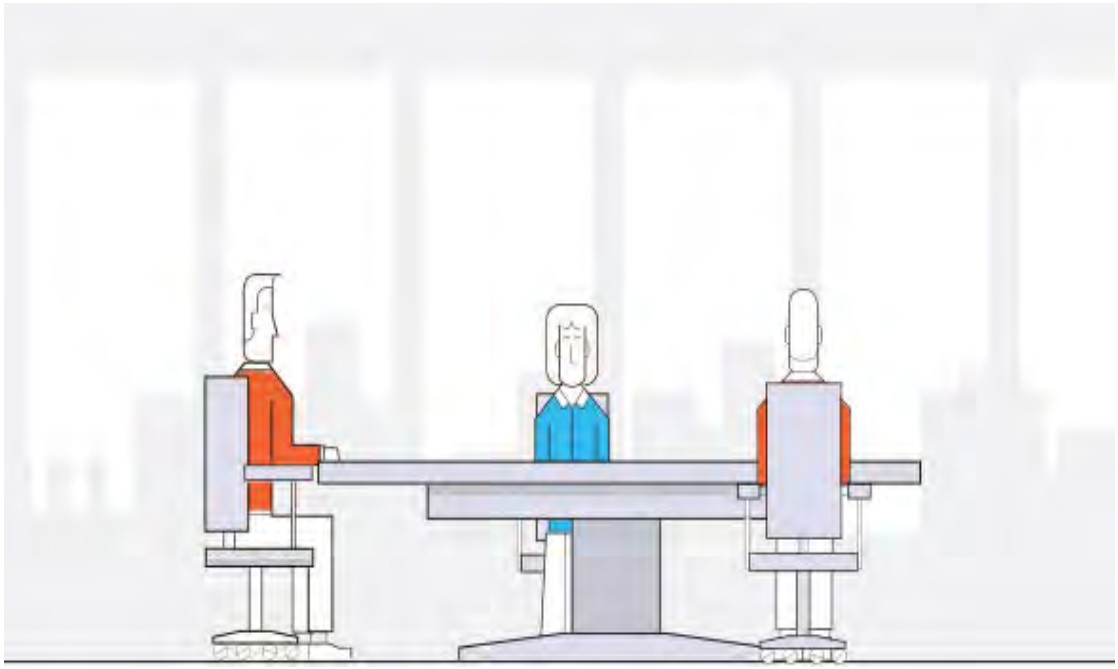
An audit trail shows the details behind any given workflow or business process. It shows the participants in the workflow and the specific actions taken, along with time and date stamps for those actions. Within the context of an approval process, an audit trail would show who made the initial request, who provided the ultimate approval, and what intermediate steps were taken. This is possible because the automated system allows the tracking and capture of all these events.

Companies with automated finance processes can use audit trails to verify their regulatory compliance when hit with a regulatory audit. In addition, any deviations from complete submission can be easily observed and corrected for future audits.

Increased Transparency

To ensure efficiency and eliminate bottlenecks in finance processes, the company needs to review those processes from a bird's eye view. Automation allows transparency into each workflow, so any participant can immediately check on any particular request or active status. On a larger scale, automation enables the reporting that allows management to view overall trends in finance operations. When there is a sizeable potential discrepancy between planned spend and actual spend, reports and forecasts can ensure the company is empowered to take corrective action.

Now that we have seen the many ways automation can reduce risk in your company's finance operations, the next step is seeing how process automation can work with your internal controls.



Section 05

Managing Internal Controls with Automation

Introduction

Finance operations are being transformed by process automation in numerous ways. One of the most important facets of this transformation is in the area of internal controls. Modern finance teams can now strengthen their internal controls with automation, enabling them to enforce a standardized framework for all their processes. This allows the internal controls to function as intended—as safeguards against financial risks and losses.

To understand this shift, we need to answer a few questions. What exactly do we mean by internal controls? What are the challenges in maintaining a system of controls? How can automation be used to enforce internal controls? And what are the overall benefits of automated controls for finance teams? We address these questions below.

What Do We Mean by Internal Controls?

Internal controls can generally be understood as policies and procedures that are operative within the company and create safeguards against damage or loss. For finance operations, internal controls are critical for maintaining financial wellbeing and regulatory compliance. The three main types of internal controls are detective, preventative and corrective.

Detective

Detective controls are meant to detect any errors or irregularities in finance operations after they have occurred. They can identify missing assets, as well as detect errors or inconsistencies in transactions. Examples include reconciliation, internal audits, inventory assessments, and financial reporting.

Preventative

Preventative controls are intended to prevent adverse events from occurring in the first place. Such controls include authorization requirements, segregation of duties, and backups of server files.

Corrective

Corrective controls are implemented to correct any deficiencies found by detective controls. They can include new policies, software patches, disciplinary action, or independent reviews.

All of these controls need to be implemented consistently to be effective. Unfortunately, any framework of internal controls will face some common challenges.

Challenges with Internal Controls

A system of internal controls will tend to face the ongoing challenge of human error and fraud. This is especially true when manual processes are in place. There is constant potential for irregularities with manual processes; there is also a lack of transparency into finance operations from a high-level perspective.

Internal controls can also reduce efficiency. If a control slows down the natural flow too much, it may not be worthwhile to implement or enforce. For every internal control, a finance team needs to balance efficiency with risk reduction.

The reduction of speed and efficiency by internal controls can lead to another issue--- employees cutting corners. If an employee feels pressure to complete tasks faster, they may circumvent the control. This increases the risk for the finance team and undercuts the purpose of implementing the internal control in the first place.

Impact of Process Automation on Internal Controls

The everyday challenges of internal controls listed above are increased drastically with manual processes. When processes are digitally automated, internal controls can be built into the system in ways that cannot be bypassed. Just as significantly, process automation will increase speed and efficiency to the extent that the internal controls will no longer hinder streamlined operations.

There are several main areas where process automation will strengthen internal controls in finance operations.

Rules-Based Forms and Process Routing

For most finance processes, two key components are the collection of information and the routing of workflows. Consider some standard processes in finance operations, such as invoice approvals or capital expenditure (CapEx) requests. These processes will need information to be collected that is critical to the decision-making process. Then those processes, which typically require several layers of review and approval, will need to be routed through the appropriate personnel. So how can automation help?

Automated online forms can be used to gather information in a standardized format. Finance teams can use such features as required fields and dropdown menus to ensure no essential information is missing or filled out incorrectly. Accordingly, internal controls can be enforced at the initiation of the process.

When the workflow routing is also automated, additional internal controls are easily brought into play. If an invoice approval or CapEx request has to be directed to a higher level above a specific dollar amount, the automated system can ensure it happens. And without needing to rely on the standard methods of non-automated processes (emails, phone calls, messaging, etc.), the overall efficiency of the process will increase while the internal controls are strengthened.

Real-Time Visibility and Transparency

With many finance processes requiring complex workflows and multiple levels of review and approval, it is often difficult to determine the status of any particular action. Automated workflows allow for real-time visibility into a process by providing a centralized platform where any stakeholder can determine who is involved and any steps remaining. In this way, bottlenecks are more easily identified, and processes can be refined over time.

Decreased Risk from Employee Turnover

Employee turnover poses its own challenges to the internal controls of a finance team. When employees are familiar with enforcing internal controls, any particular employee's departure increases the risk of mistakes and internal controls not being followed. Fortunately, an automated process with built-in controls for offboarding can mitigate or eliminate this risk.

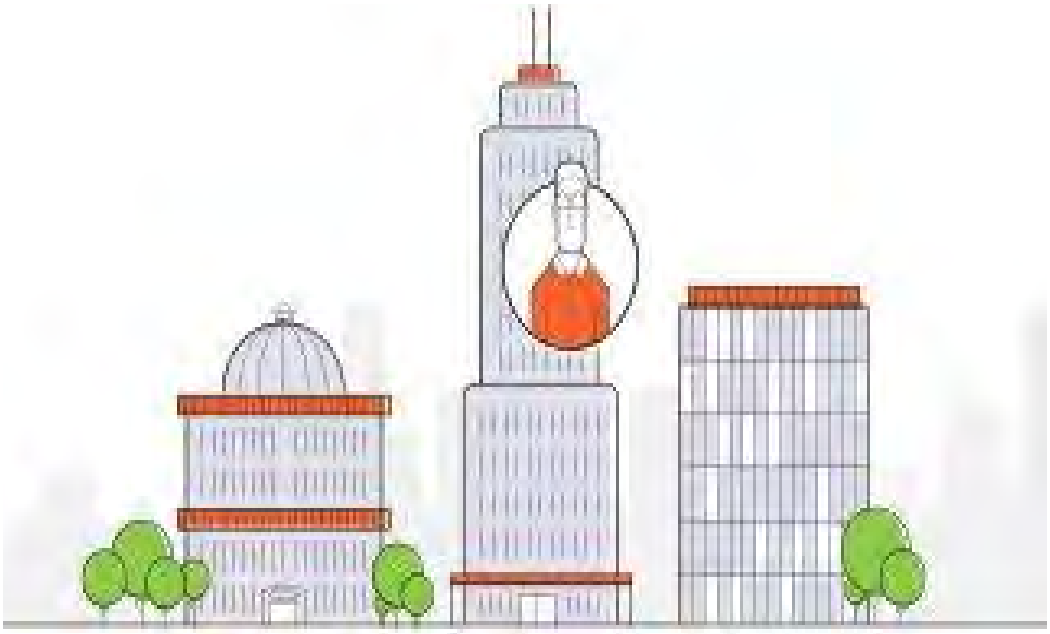
Auditing with Process Automation

For its internal controls to be successful, a finance team must also effectively complete audits of its activities. Whether it is an internal audit or a response to a regulatory agency, one of the primary purposes of controls is to make these audits easy to comply with.

Process automation fulfills a critical role here. With workflow automation, audits of activities and events are drastically streamlined. Audit trails are effectively self-generating since every step in the process is automatically recorded on a centralized platform—no more sifting through emails, spreadsheets, or documents from different sources. The audit trail can identify every participant in the process, the actions taken, and the date and time stamps.

Strengthen Your Internal Control Framework with Process Automation

With the right workflow automation software in place, the internal controls of your finance operations can be maintained and strengthened. By providing a framework for all processes, an automated platform can ensure your controls act as the safeguards they need to be. Instead of skimping on control enforcement in the service of speed, your finance team can increase efficiency and accuracy, with its internal controls becoming airtight.



Section 06

How to Take Control Over Regulatory Compliance with Automation

Introduction

Multiple advantages of workflow automation will boost your finance department's compliance efforts.

Of all the hassles faced by finance teams, regulatory compliance is one of the standouts. Your finance department needs to ensure the company complies with government regulations — such as Sarbanes-Oxley, FINRA, and more — while also preparing for regulatory audits. There is an ever-present risk of noncompliance and potential fines, but ongoing compliance efforts can also burden your team. This is especially true if your finance operations still rely on manual processes.

Fortunately, automated workflows can take the pain out of regulatory compliance. Multiple advantages of automation will boost your finance department's compliance efforts. The following are some of the most significant benefits of automation in this area.

Transparency Helps with Ongoing Compliance

Manual processes in finance operations increase regulatory risks in numerous ways. Lack of transparency is one of the biggest culprits.

Complete visibility is almost impossible when finance workflows are based on spreadsheets, emails, and paper documents. Which activities have been completed, which are pending, the status of any specific action — the finance department is in the dark about all of these questions without a deep dive into manual records. This makes regulatory compliance even more difficult.

Automated processes provide the transparency that manual processes do not. An automated platform allows your team to continuously monitor finance operations, allowing you to see potential compliance pitfalls on the road ahead. Identifying compliance problems and taking corrective action is also faster and easier. Easing these burdens also allows the finance department to spend more time monitoring the regulatory landscape – a key function since regulations are in constant flux.

Internal Controls Can Be Enforced

Another key feature of automated systems is their ability to enforce internal controls — the finance department's policies and procedures designed to protect against the risk of financial loss, damage, or other negative outcomes. Internal controls are critical tools for effective regulatory compliance, and automation makes these tools more effective.

There is a heightened risk of internal controls not being followed due to simple human error with manual processes. Furthermore, the internal controls may slow down the workflow so much that they do more harm than good.

On the other hand, automated systems simplify the enforcement of internal controls. Information can be collected with automated online forms, forcing the user to input all the necessary data. The approval workflow is also followed automatically. This means there are no oversights with approval requests that need to be escalated to higher levels, directed to alternate approvers, or sent along other contingency pathways. When the rules are consistently followed, internal controls can do their job in ensuring regulatory compliance.

Audit Trails Generated by Automated Platforms

Automated platforms also help with regulatory compliance by easily generating audit trails. By providing a chronological history of all the events that occurred in any workflow, audit trails act as a backbone of compliance. If a company needs to generate compliance reporting or pass an internal or external audit, the audit trails will serve as the roadmap.

If a company's finance workflows are based on paper memos and spreadsheets, all sorts of problems arise. Those memos could lack the appropriate approvals, pose storage issues, and be challenging to locate.

On the other hand, an automated system can quickly generate audit trails with all the critical information. So if the finance department needs to find out how a capital expenditure was initiated and ultimately approved, the automated platform can provide that data. This data will include every user who took some action for that expenditure, the precise action, and a date and time stamp.

Automated audit trails can take a considerable burden off finance departments by providing detailed information in quickly-generated reports. Not only do they provide a defense for compliance purposes, but they also ensure user accountability. This accountability will ensure that future compliance efforts will be more effective.

Increase Speed and Accuracy with Automation

One of the most essential ways automation helps with regulatory compliance arises from one of the most basic benefits of automation — it increases speed and accuracy.

Speed and Accuracy Problems with Manual Processes

Manual processes provide many opportunities for human error. A paper memo or email can easily include mistakes or oversights. One simple error in a spreadsheet could carry over to many other calculations, reports, and spreadsheets without being caught. These errors and missing information will inevitably result in a higher risk of internal controls not being followed and non-compliant events occurring.

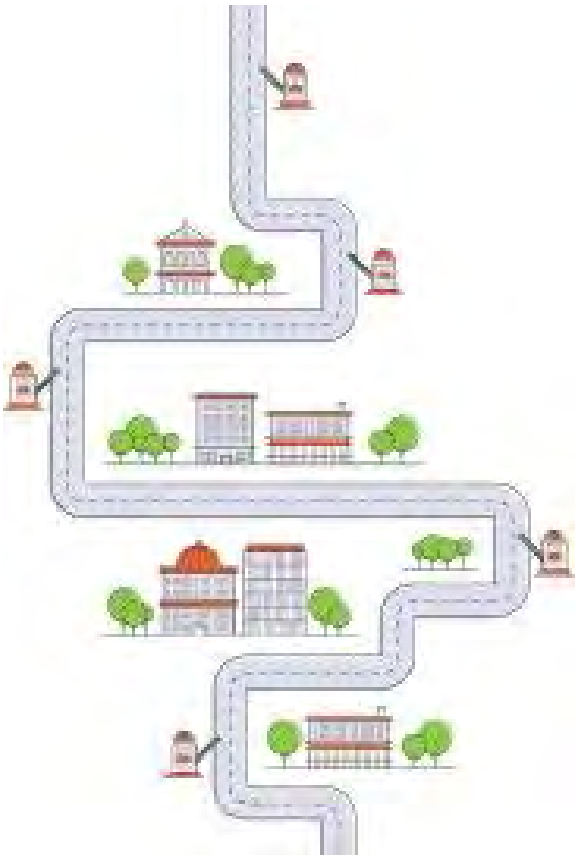
In addition, manual workflows slow down the compliance process. For example, a finance team using manual systems may need to complete reconciliations and risk management controls throughout the closing process. This creates considerable inefficiencies in the company, creating more risk of non-compliance. In effect, the manual systems create a downward spiral of increasing compliance dangers.

How Automated Workflows Improve Speed, Accuracy, and Compliance

Contrast the problems outlined above with the features of automated workflows. All forms and approval requests can come in standardized formats, which the user must follow. The system will not allow actions to be taken without the necessary information or supporting documentation. And an automated system can actually perform calculations and spot errors. No more dreading the inevitable spreadsheet error that results in a big miss on the quarterly report.

Then there are the twin aspects of speed and efficiency. Automated workflows can be conducted on a centralized portal, decreasing the risk of duplicate or inconsistent requests. Status inquiries can be made by viewing a dashboard. Approvals can be done with the click of a button, even on a mobile device, instead of with a signature on an easily misplaced paper memo.

The net effect? Automation results in fewer mistakes and faster processes, leading to better compliance with internal controls and regulatory requirements.



Section 07

Finance Operations Use Cases

Finance Processes That Should Be Automated ASAP

When a business switches from manual processes to automation for its finance operations, one difficulty is knowing where to start. Theoretically, any financial process that can be broken down into a series of discrete tasks could be automated. But with so many approaches to choose from within finance operations, where do we begin?

To help answer this question, we list here seven finance processes where automation could reap immediate benefits.

Capital Expenditure Requests

Capital expenditure (CapEx) requests are one of the main facets of finance operations that can be bogged down by manual processes. Manual spreadsheets are bound to lead to errors. When multiple layers of approval are required, bottlenecks in the workflow will repeatedly form. And suppose you need an overview of your company's overall CapEx request workflow. In that case, manual operations do not easily provide this perspective.

With an automated CapEx request process, error-prone spreadsheets are eliminated. Requests can be automatically routed to the correct approver or even multiple approvers, whether those approval workflows are sequential or parallel. Requests that meet specific criteria, such as a certain dollar amount, can be elevated to higher-level approvers. And approval can be provided by non-traditional means, such as mobile phone or email.

Visibility and reporting are other key benefits of CapEx automation. The system can provide real-time status updates on any particular CapEx request. Audit trails can be automatically generated for any request, allowing for easier regulatory compliance and enforcement of internal protocols. Automated reporting can help identify bottlenecks and allow for long-term planning and improvement.

Invoice Approvals

Invoice approvals are another area of finance operations where manual processes can gum up the works. Invoices can be easily lost and misplaced when relying on paper and email forms. Payment requests are often missing essential information, leading to time-consuming follow-ups. And lengthy approval cycle times often result in late payments and cash flow issues.

An automated invoice approval system will speed up every element of this process. Invoices can be submitted at the click of a button, and the system can prompt for all necessary information. As with CapEx requests, invoice approval requests can be automatically routed to the correct approver or series of approvers. Moreover, the approvers can also perform their functions at the click of a button by either approving, rejecting, or sending the request back for more information.

Employee Reimbursement Requests

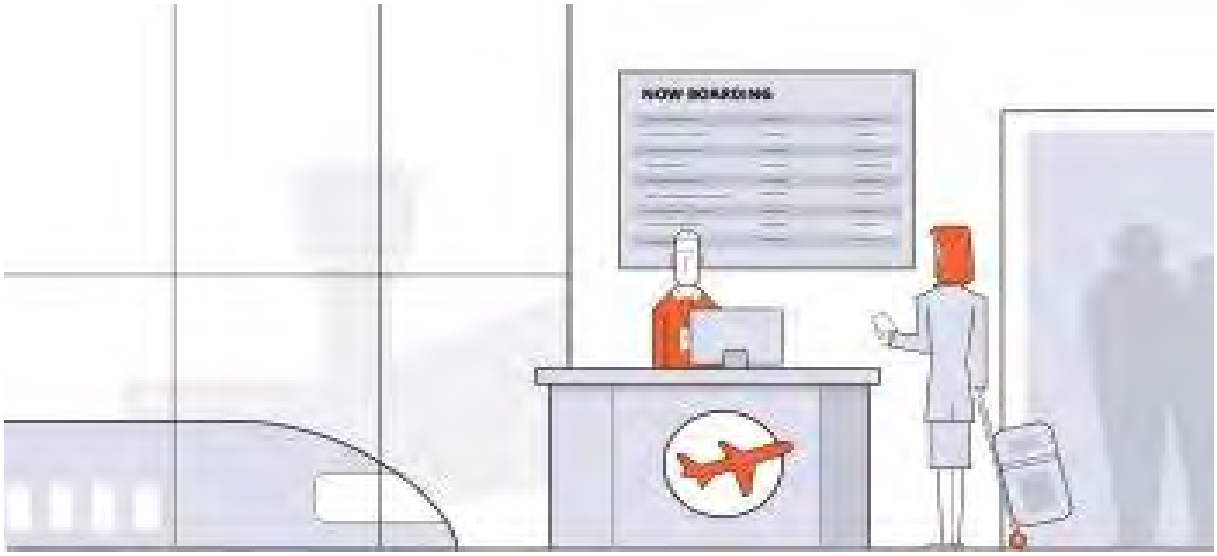
Payment of reimbursable expenses incurred by employees is yet another facet of finance operations that can be streamlined. But here, the burden of an inefficient manual process does not fall on the shoulders of the finance team alone. Instead, the employees submitting the expenses must also deal with the administrative hassle and potential frustration of delayed reimbursement.

With automation in place, the traditional paper-based expense report can become a thing of the past. The result? Payments are processed with greater speed, with a less administrative burden on everyone involved--- employees submitting expenses, approvers, and finance teams.

New Vendor Requests

A manual process can be particularly time-consuming when any new vendor is vetted for approval to work with the company. The steps here can be relatively demanding, including filling out contracts, checking qualifications and licensing background checks, and more. Any mistakes or other reasons for delay can result in the company failing to receive vital services or supplies when they are needed.

An automated vendor contract system can allow vendors to initiate contracts by completing online forms efficiently. If the vendor request requires more information, it can be bounced back to the vendor through the portal. And accompanying paperwork is readily available on the system, obviating the need for follow-up phone calls or emails.



Travel and Entertainment Approvals

Managing expenses for travel and entertainment is critical to most companies' financial wellbeing. Suppose travel expenses are not pre-approved in time. In that case, important events or business development activities may need to be canceled or delayed. At the same time, the company wants to control its spending, minimize errors, and guard against potential fraud.

With manual travel and entertainment approvals, errors are common, and the process is tedious and time-consuming for employees. When requests can be made through multiple channels (physical forms in an inbox, email, fax, etc.), there is more room for inconsistent formats and missed requests. And the burden on accounting and finance teams can be immense due to the high volume of these requests.

Automated systems can provide a centralized portal to ensure consistency, streamline the request and approval process, and minimize errors and fraud risk. When approvals are obtained within hours instead of days or minutes, critical delays are avoided. Finally, every single request can be tracked and managed on the portal. At the same time, employees, management, and finance teams all sidestep the administrative headaches.

Journal Entries

Journal entries are one of the essential elements of a company's accounting. But with manual journal entries, there are opportunities for errors at every step. Journal entries are manually keyed, then they need to be manually reviewed. The system relies on emails and printed-out hard copies. Workflow bottlenecks lead to rushed approvals and an even higher chance of mistakes. Add in the lack of real-time transparency and the potential for fraud, and manual journal entries become less and less desirable.

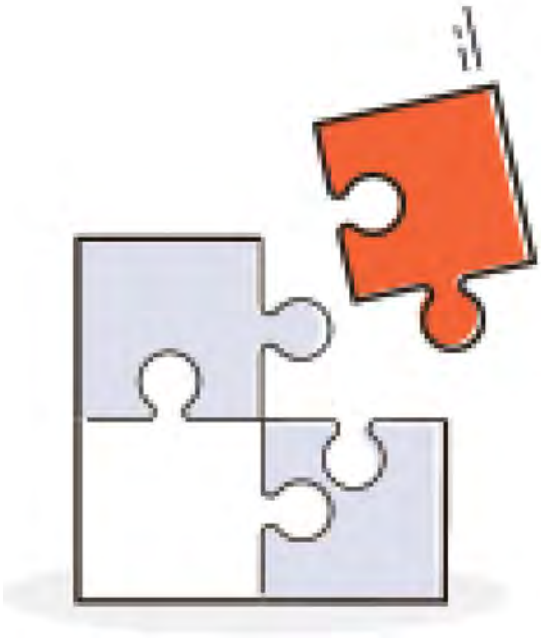
An automated journal entry process solves these problems. Entry creations are automated, and approvals are streamlined, reducing errors and drastically increasing efficiency. The system can allow for real-time visibility, and there is less risk of fraud.

Financial Reporting

Automated financial reporting allows a company to generate reports and minimize errors quickly. Instead of searching through paper trails and multiple systems for data, your finance team can rely on the automated system to pull together the necessary data from various sources. The report approval process is streamlined. Additional benefits are increased transparency and easily generated audit trails.

Implement Automation Software for Your Top Finance Processes

The list above is only a partial one since automation can revolutionize many different finance processes. No matter which finance processes you choose to automate, be sure to implement automation software that confers the benefits discussed here. In addition, make sure your software can handle as many different finance processes as possible so that over time you can expand your finance team's shift toward automation and the digital future.



Section 08

Next Steps

5 Questions to Ask a Workflow Management Vendor

There are a lot of software vendors out there that can help you with workflow. However, there are some key questions you should be prepared to ask before making a shortlist of vendors. We offer five questions you might want to lead with.

What are the integration options?

Vendors have different approaches to integration. Here are a few that you're likely to run across:

- The solution will integrate exclusively with enterprise applications like Microsoft SharePoint or specific HRIS systems, which is good if you plan on sticking with those systems.
- The solution will integrate with a handful of enterprise applications based on limited partner relationships with those vendors.
- The solution will provide an open system with standalone Web services that allow process integration with almost any system. Some custom work may be required.
- The solution will offer a broad variety of integrations through middleware, where the solution connects to a third-party service which then connects to a wide variety of applications.

Follow Up Question: What Types of Data Is Typically Integrated?

Integration examples could include a variety of data or task-related activities:

- Launching processes from an external system
- Viewing the status of a process externally
- Creating/synchronizing users
- Pushing data to an external reporting tool
- Moving files between systems
- Synching data tables

Decide what's best for your organization and find a solution that integrates with what you have and what you may have in the future.

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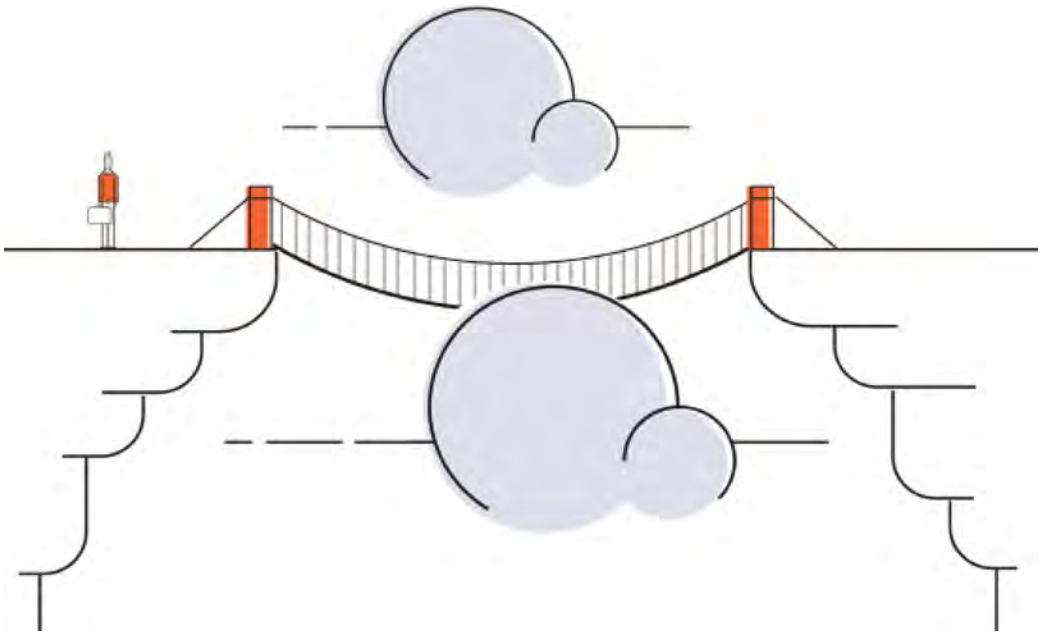
How long will it take to implement?

Most software (SaaS or otherwise) purchasers expect to see a return on their investment fairly quickly, with the folks that approved the purchase likely expecting it even more quickly. Rapid implementation isn't always possible depending on the complexity of the solution, the number of people to train, the integrations that need to be set up, etc. However, if the vendor doesn't offer professional services, you're on your own to either figure it all out or hire'an outside consultant to help you 'uild and implement your workflows.

Vendors that offer professional services should be able to provide a good estimate of when the solution will be rolled out publicly (or at least to a pilot group) because, while every situation is unique, established vendors have seen pretty much everything and will have a frame of reference from which to draw. They may also have a variety of prototypes or proof of concept options that can be leveraged prior to signing a contract. These will give you both an idea of the vendor's capabilities and the likely timeline for rollout.

Keep in mind that sometimes the biggest torpedo in the side of an implementation project will come from internal sources. Here are some tips for ensuring a successful project:

- → Focus on the real issues. It can be tempting to investigate and try to include a lot of bells and whistles when evaluating vendors as well as when building out your workflow. Don't get sidetracked by too many "what if's" and shiny objects with your first project.
- → Keep internal communications as open as possible with stakeholders and let them know the timeframe and what you expect of them.
- → Document, document, document. Make sure that all the relevant processes are documented and validated with internal stakeholders before any building starts.
- → Define your metrics. What do you expect a new, automated workflow to deliver in terms of performance improvement? This will help determine your KPIs and, subsequently, your reports and dashboard metrics.



How Easy the System to Use?

Thanks to the rise of the "Citizen Developer," some vendors have focused on making their tools easier to use when creating forms and processes. This means a lot of visual, drag-and-drop tools as well as pre-built templates that allow you to hit the ground running without having a degree from MIT.

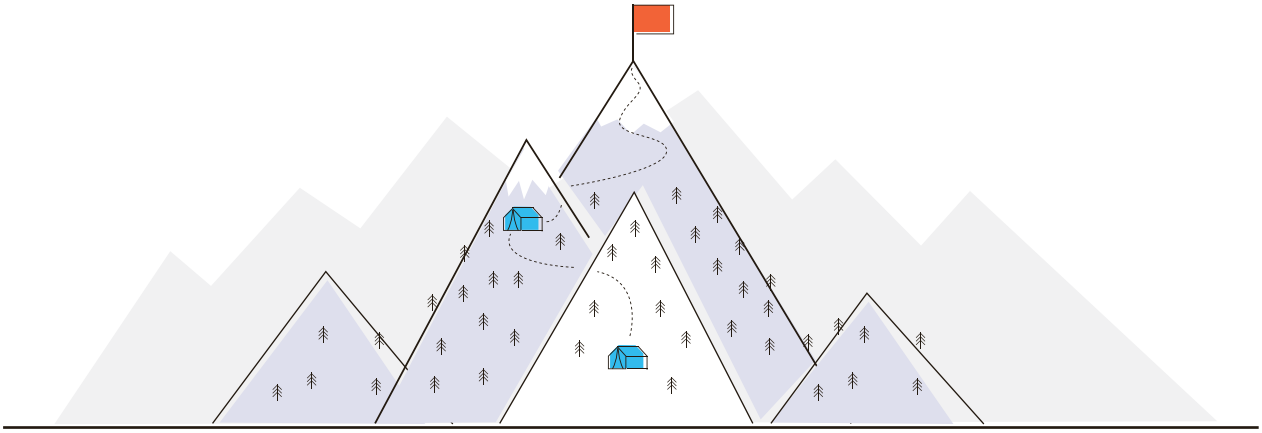
You can get a sense of how easy a system is to use from watching a live or recorded demonstration but a better approach is to request a trial account with a pre-built process you can reference. This will give you a chance to share the actual working environment with anyone who may be using it. Put yourself in the mindset that you have already purchased the system and you need to get things done in it. How hard is it to use? How does the interface make you feel, considering you and others may spend a lot of time in it? Check out the Help site as well. Vendors who value user experience will leave you feeling secure and confident.

You Say It's Flexible. HOW Flexible?

Most workflow management vendors will say they're flexible, customizable, configurable, etc. but get a demo and ask to see how workflows are actually built within the system. Ask questions about alternate methods/options for performing certain workflow tasks and if custom programming is possible. For instance, using javascript in a form to add additional functionality. If the system is a "walled garden" you're stuck with what the vendor thinks you need.

Some workflow management companies provide pre-built workflows as part of a "service catalog." While these solutions sound logical on the surface, the reality is that pre-built workflows are usually more trouble than they're worth. Most organizations have very specific, custom ways of handling requests and pre-built workflows invariably need to be customized to fit those methods. Often it's faster to simply build from scratch than to modify automated workflows that have been designed for wide adoption.

Hopefully, that helps you in your workflow management vendor search. With the search we hope that you go to Integrify to ask these questions and allow us to give you a demo of our platform. We have many resources and Integrify experts that are ready to help you get all of your automation needs up and running.



Section 09

Why Choose Integrify

Integrify is really robust and can help you automate anything from a HR title request, a marketing routing issue, a CapEx process and more. The sky is the limit when it comes to what you can build in your Integrify platform.

Integrify can handle a wide variety of workflows, requirements, and types of users. With little code or no-code experience you will be able to jump into our system and use our drag and drop system almost immediately. We have a seasoned team of professionals who will help you along the way and get your team up and running with automating your company's workflow needs.

For more information or to see Integrify in action – be sure to schedule a demo with us!

Our Mission

For over ten years, Integrify has been a leader in request and workflow management. Launched in 2001, with headquarters in Chicago, we've built a reputation for creating software with the customer in mind. Users value simplicity and integration. That has always been the focus of our product. Rapid distribution, broad scalability, and high ROI are goals that we are constantly reaching, only to again set the bar even higher.

We believe that our job is to ensure customer success by helping them to do more with more efficiency. We are constantly innovating to provide compelling solutions that are simple to use and adopt. We believe that we can work together with customers to build solutions to buck the status quo and make organizations more productive.

The Integrify Automation Platform Advantage

- Costs are reduced and employee productivity is increased by reducing approval cycles, minimizing processing errors and streamlining business processes.
- An intuitive Web-based interface reduces the learning curve and extends the administrative capabilities to any area within a company.
- Minimal training is required for using the system so employees can begin using the processes immediately, and business analysts can quickly deploy and modify business processes without understanding programming or database systems.
- Integrify leverages existing systems, extending their reach to provide error-free data collection, tracking, reporting, and visibility.
- Integrify can handle many types of workflow processes at either the department or enterprise level and will manage requests and approvals in HR, IT, Finance, or any other area within a company.

Want to discuss your workflow management needs? We'd love to talk!

Get a Demo of Integrify

Use Our ROI Calculator

Download More Workflow Management Resources

integrify

November 16th, 2023

Council, Town of Creston
Town Hall
Creston
VOB 1G0

Subject: Request for Letter of Support for ETSI-BC RTE Application

Dear Council,

I am writing to request a letter of support from Town Council for the Economic Action Partnership's funding application to the ETSI-BC RTE Fund. We have submitted a funding application for a study to be conducted to explore the feasibility of a shared transport solution for the Creston Valley's non-market housing community.

In the attached document, you will find detailed information about this project, including its objectives, expected deliverables, and linkage with the economic development goals of Creston Valley-Kootenay Lake.

Thank you for your time and attention to this matter. Your endorsement would significantly bolster our chances to secure funding for this project, which has the potential to bring about positive change for the residents of Creston Valley-Kootenay Lake.

Sincerely,

Leandri Kleinhans

Manager
Creston Valley-Kootenay Lake Economic Action Partnership

Memorandum: CV-KL EAP's funding application to ETSI-BC RTE Fund

Funding opportunity: RTE 1 - Planning & Partnership Development (https://www.etsi-bc.ca/funding-streams/regional-transportation-enhancement-rte/)

Project title: Feasibility Study for Non-Market Housing Community Shared Transportation in the Creston Valley

Project synopsis:

The CV-KL EAP is pursuing funding to conduct a study to investigate the feasibility of a shared transport solution for the non-profit housing community.

Non-market housing developments in the Valley are currently home to roughly 155 households managed by 8 non-profit societies. The residents of these units include some of the most vulnerable members of our community, including:

- seniors
- seniors with disabilities
- women and children fleeing violence
- persons with disabilities
- low-income families
- persons identifying as LGBTIQA+
- and single parent households

As was noted in the Town of Creston's Multi-Modal Transportation Plan, mobility in Creston is heavily dependent on private car usage. A substantial portion of tenants of the Creston Valley's non-market housing units, however, do not have access to a private vehicle. For individuals and households who don't own their own vehicle, the lack of sufficient and adequate transportation options in the Valley has a severe and negative impact on their ability to access employment, education, health care, and recreation to name but a few transportation functions.

Project objectives:

The proposed feasibility study would include a comprehensive assessment of the transportation needs of the non-market housing community in the Creston Valley, as well as an analysis of a number of shared transportation models, in order to make an informed recommendation as to whether a shared transport solution would be viable.

Strategic importance of project:

This project would complement the Town of Creston's Multi-Modal Transportation Plan in so far as supporting efforts to decrease reliance on private vehicle usage.

Within the Economic Action Partnership, this project addresses goals identified within the following pillars:

- **Quality of Life/Resident Attraction:** Affordable housing is very hard to come by in our area. The parallel lack of transportation only exacerbates this problem, making it exceedingly difficult for those without a private vehicle to access education, gainful employment, health care or other

services. An added, and very significant concern is the non-market housing community's ability to respond to emergency evacuation orders. Especially when such orders are made with no, or very little, lead time, there would not be enough time to coordinate with other members of the community to assist an evacuation effort with their private vehicles, and no bus is available for this purpose.

Advocating for quality of life policy changes and supporting improved services and infrastructure for Creston Valley residents are key points of priority for the EAP, and supports the goal of resident attraction.

- **Local Business Matters:** A major challenge for Creston Valley businesses is recruiting and retaining enough workers to meet operational needs. Enhanced transportation options in the Valley would help to mitigate this challenge.

- **Agriculture:** A demand-driven transportation solution for the non-market housing community could assist with workforce attraction for this essential sector.

Conclusion:

As has been well-documented by ETSI-BC's Regional Transportation Study, the lack of adequate transportation has an especially debilitating effect on residents' ability to access employment and education opportunities, thereby perpetuating the cycle of poverty in many vulnerable households. By taking steps to address the significant gaps that exist within the current transportation network in the Valley, residents of the non-profit housing community will enjoy improved educational, employment and, overall, economic outcomes.