
HALDIMAND COUNTY

Report BME-03-2020 Preparation of Building Division Property Files for Digitization Update



For Consideration by Council in Committee on December 8, 2020

OBJECTIVE:

To seek approval from Council for funding to support the staffing needed to complete the preparation of Building property files for digitalization.

RECOMMENDATIONS:

1. THAT Report BME-03-2020 Preparation of Building Division Property Files for Digitalization Update be received;
2. AND THAT the funding to support the staffing needed to complete the Digitalization Project as outlined Report BME-03-2020 be approved;
3. AND THAT the Revised Capital Budget as outlined in Report BME-03-2020 be approved;
4. AND THAT the additional staffing costs of \$221,000 (4.5 FTE) as identified in Report BME-03-2020 be include in the 2021 Tax Supported Operating Budget as a One-time Council Approved Initiative, along with the associated funding from the capital project of \$221,000, resulting in a zero net levy impact.

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Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Building and Municipal Enforcement Services Division has hired additional staffing resources, funded through the Building Stabilization Fund, to prepare the building files for digitalization. Currently, the Building files from the former Caledonia and Hagersville Satellite office areas have been prepared and sent to the vendor for digitalization. The files from the former Dunnville Satellite office area, old Health Unit septic files from the former Region and Commercial and Industrial files commonly referred to as Ontario Building Code "Part 3" files all still need to be prepared for digitalization. In order to complete the project, additional funding of \$221,000 is required to extend the current contract staffing complement to December 31, 2021.

BACKGROUND:

Report CAO-01-2017 Digital Innovations and Customer Service Enhancements identified a number of initiatives that had been launched that utilize technology to better connect with both residents and

visitors to the County. Digital collaboration was one of the focuses of the report, specifically using technology to move from a paper based system to a digital system.

Since the 2017 report, the technology continues to be implemented and is moving the Building and Municipal Enforcement Services Division from a paper based system to a digital system. The technology includes upgrading existing software; purchasing of additional or “add-on” modules including CityView mobile and Online Portal; implementation services for the software (including validation and refinements and end user training); and hardware such as large monitors (32”) to allow Building staff to view large electronic plans/drawings, including upgrading and migrating the existing software solution, CityView, to the latest version, of “CityView Workspace”. This particular report focuses on the extension of staffing support to the digitalization of all Building property files which serves as a foundational component of the larger initiative noted above.

In December 2019, Report BME-04-2019 staff requested funding to assist with the preparation of the property files. Staff have completed the preparation of the documents from the former Caledonia Satellite Office (CSO) and Hagersville Satellite Office (HSO). These files were sent to the vendor in February 2020 and September 2020 respectively to undertake the required document conversion, scanning and digitization of these property files.

Staff have since turned their attention to the property files from the former Dunnville Satellite Office as well as old Regional plumbing and septic files and Ontario Building Code “Part 3” files. This collection of files remaining to be processed represents slightly more than half of the total number of files within the County. As contracts of temporary staff and funding of same are set to run out in the coming weeks, additional funding and contract extensions will be required to ensure the project is completed to assist in achieving the goal of moving to 100% digital file management.

Section 3.03 of Procurement Policy 2013-02 provides the parameters for reallocating budgeted funds for capital projects to address budget deficits as follows:

4.03 Authority to Reallocate approved Budget Funds

Capital budget

- The shortfall cannot exceed 20% of the project budget to a maximum of \$75,000;
- General Scope of work or service delivery method cannot be changed;
- If reallocating funds from a capital project/component, the capital project/component in which funds are being transferred from must already be an awarded project/component;
- Revised bid award form must be completed when funds are reallocated;
- The funding source must be the same for all accounts affected by the reallocation.

Staff has identified a project which will exceed the \$75,000 threshold, with no other available projects from which to reallocate funds. Therefore, a report to Council is required to seek approval to amend the budget to cover the budget shortfall.

ANALYSIS:

During the digitalization preparation process, staff have discovered that the files in each of the previous satellite offices were organized quite differently and that historic purging practices (to reduce duplication and unnecessary documents in the files) were very dissimilar across area offices. In particular, the files from the former Dunnville office have distinct and somewhat inconsistent organization and contain large numbers of excess/unnecessary documents (i.e. those that should have been purged years ago as was done in the other offices). The point of this is that the number of documents that need to be reviewed, disposed and processed are substantially more from the former Dunnville office files than the other offices.

When the project was initiated, staff's hypothesis in forecasting the volume of the work included the time required to accomplish the digitalization, by averaging a number of documents per file in the Caledonia office. This assumed that practices and file content would be similar across offices. That has proven to not be the case and the complexity of files has stepped up in each subsequent stage – i.e. moving from Caledonia to Hagersville and now from Hagersville to Dunnville. Further, the overarching file complexity—including those from the Caledonia office—was a challenge to fully predict making it difficult to accurately estimate the number of total project hours. The point of all of the above is simply: this is an unprecedented project that has proven very difficult to predict in terms of level of effort required and total time commitment necessary.

Now that staff have completed approximately half the work, and have an in depth understanding of the complexity and volume of the remaining files, there is a confidence in forecasting the remaining level of effort and time commitment, which allows for an accurate request for remaining funding. With the experience of preparing the files for digitalization in both Caledonia and Hagersville, there is a better understanding that the older documents take more time to analyze and prepare. Many documents are pre-amalgamation, with poor organizational and record keeping practices which require more in-depth research by the staff team. This includes challenges such as the fact that most of the older permits do not reference a municipal address or roll number. Reference to a municipal address or roll number is critical in the scanning process so that the software can identify the permits and associate them to the proper property folder. For the past 7 years, staff have been using a common filing practice which ensures consistency across staff and accuracy in filing. Given this was not the historical practice, or at least was not aligned across offices (with Hagersville, and especially Dunnville, being inconsistent) it has resulted in more time to prepare a file for digitalization.

Other challenges that have confronted the project are:

- the requirement to physically inventory, box and move all of the files from the Hagersville and Dunnville offices to HCAB and then unpack them upon arrival – this task required 4 weeks of staff time that otherwise could have been spent on digitalization; the digitalization project was put on hold during the office closure with the team going on leave of absence from March to July.

Despite all the challenges in 2020, staff have successfully sent all the former Caledonia office and Hagersville office property files to digitalization and are now working on the former Dunnville office files, the former Region files and Part 3 files.

The chart below indicates the approximate percentage of files for each former area which demonstrates the project is approximately 43% completed.

Former Area office	# of files
Caledonia	30%
Hagersville	13%
Dunnville	33%
Former Regional Plumbing and Septic Permits	17%
Part 3 Files	7%

FINANCIAL/LEGAL IMPLICATIONS:

Staff have completed 43% of the files which represent former Caledonia and Hagersville files and have 57% remaining which represents the former Dunnville office area, the plumbing and septic permits from the former Region and Part 3 building files. Based on staff's experience to prepare the former Caledonia

and Hagersville building files, and an assessment of the Dunnville files, staff forecasts that it will take approximately 8,190 additional hours in 2021, representing 4.5 FTE, to prepare the remainder of the building property files.

The chart below identifies an estimated number of hours to complete the preparation of Building Property files from the former Dunnville office and Regional plumbing files, the time expected to take to prepare these files and the funds needed to maintain staff to complete the digitalization of the files. Estimated cost is based on the assumed extension of the four temporary, full-time employees currently on this project. Extension is dependant on employee acceptance and union concurrence since, in at least one case, this will result in a total temporary assignment of greater than twenty-four (24) months. Should staff be unsuccessful in extending current contracts recruitment will take place which, if successful, is not anticipated to impact the estimated cost significantly.

Hours estimated to complete project	FTE	Estimated Cost
8,190	4.5	\$221,000

The 2018 Tax Supported Capital Budget included \$223,500, inclusive of non-rebateable HST, related to the Building File Digitization Project software, scanning and implementation, with funding from the Building Permit Cost Stabilization Reserve. The budget was subsequently increased by \$117,500 via report BME-04-2019 for 2.6 FTE in staffing needs related to file preparation to occur in 2020.

For the reasons noted in this report, staff propose an additional revision as follows:

	Current Approved Budget	Proposed Revised Budget
Expenditures:		
291005 Building File Digitization – software, scanning and implementation	\$223,500	\$223,500
291005 Building File Digitization – staffing expense transferred from operating (2020) – BME-04-2019	\$117,500	\$117,500
291005 Building File Digitization – staffing expense transferred from operating (2021) – BME-03-2020		\$221,000
Total Expenditures:	\$341,000	\$562,000
Financing:		
291005 Building File Digitization – Building Permit Cost Stabilization Reserve	\$341,000	\$562,000
Total Financing:	\$341,000	\$562,000

If approved, the staffing expenses will be included as a Council Approved – One Time initiative in the 2021 Tax Supported Operating Budget to reflect the FTE impact, offset by funding from the capital project. Staff recommend that the associated cost be funded from the Building Permit Cost Stabilization Reserve which at the end of 2019 has a balance of \$5,369,727. Where available, salary gapping dollars within the Building & Municipal Enforcement Services Division will be used to fund the continuation of the project to reduce the overall impact to the Building Permit Cost Stabilization Reserve.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

1. None.