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STAFF REPORT:



REPORT TO:	Council
MEETING DATE:	November 25, 2013
REPORT NO.:	CAO.13.11
SUBJECT:	OPP Contract
PREPARED BY:	Troy Speck Chief Administrative Officer

A. Recommendations

THAT Council receive Staff Report CAO.13.11 entitled “OPP Contract” for their information purposes;

AND THAT Council directs that the Province of Ontario and the Ontario Provincial Police be advised of Council’s choice to enter into an amending agreement to extend the term of its previous OPP contract to December 31, 2014, applying the 2003 cost recovery formula for the 2013 year, and the 2013 cost-recovery formula starting January 2014.

B. Background

The Town’s most recent contract with the Ontario Provincial Police (OPP) expired as of December 31, 2012.

On April 8, 2013, the OPP presented Council with four (4) possible options for renewal of an OPP policing contract with the Town.

On August 26, 2013, Council resolved as follows:

THAT Council receive Staff Report CAO.13.07 entitled “Choosing an OPP Policing Option” for their information purposes; and

THAT Council advises the Ontario Provincial Police (OPP) and the Minister of Community Safety and Correctional Services that the Town wishes to proceed with a renewed policing contract with the Ontario Provincial Police (OPP), in accordance with the option that provides for fifteen (15) constables and maintaining the status quo of three (3) officers per shift, as presented by the OPP to Council at its meeting on April 8, 2013 as contract Option # 1;

AND THAT as part of a renewed contract it is the understanding of the Town of The Blue Mountains that, in addition to all by-laws enforced by the OPP under its previous contract with the Town, under the renewed contract Option # 1, the OPP will also enforce all Town by-laws as determined by the Police Services Board in consultation with the Detachment Commander from time to time including, without

limiting the foregoing, all by-law related to restrictions placed upon, and the licensing of, Short Term Accommodations within the Town.

October 4, 2013 letter from the OPP

On October 4, 2013, the Town received a letter from Superintendent Rick Philbin, Commander of the OPP Municipal Policing Bureau. A copy of the letter is attached as Appendix "A" to this report. The letter advised that, despite Council's choice of a contract renewal option, as a result of the ongoing OPP billing process review the Ministry would not be in a position to renew the Town's OPP contract until early 2015. The letter offers 3 options for the Town to maintain its obligations to provide policing service in the interim. The 3 options outlined were:

- 1) Enter into an amending agreement that includes the current cost recovery formula;
- 2) Sign the contract that was recently presented to the Town (ie: the contract renewal option recently chosen by Council), understanding that there are provisions in the contract for cancellation if necessary; or
- 3) Revert the Town to a section 5.1 policing arrangement that includes the current cost recovery formula.

Given the recent discussion regarding OPP policing options, staff advised the OPP that a s. 5.1 option was not desired by the community at this time. Staff requested further information regarding the remaining two options.

In response to a request for further information regarding the remaining 2 options outlined in the October 4, 2013 letter from the OPP, the Town was advised as follows by Staff Sergeant Cathy Bell of the OPP's Municipal Policing Bureau:

Option 1 would be an Amending Agreement remaining with the Full-time Equivalent (FTE) level specified in the town's last contract (which expired on the 31st of December 2012). The Town of The Blue Mountains would remain on the 2003 formula until the 31st of December 2013. January 1st 2014 the Town of The Blue Mountains would remain at the same FTE level, however would be upgraded to the 2013 cost recovery formula.

Option 2 would be to sign the 5-year contract that was presented to council on April 8th 2013. If the Town of The Blue Mountains were to choose this option, the Town would incur the slight FTE increase both in the Uniform and Civilian positions that is included in that contract. For the remainder of 2013, the Town of The Blue Mountains would be on the 2012 cost recovery formula, and when the new 2013 formula is introduced in January of 2014, the Town of The Blue Mountains will be transitioned to that new formula.

November 7, 2013 e-mail from the OPP

On November 7, 2013, the Town received an e-mail from OPP Contract Analyst, Sgt. David Brack, advising of a change to the options outlined in the October 4 letter. A copy of the November 7, 2013 e-mail is attached to this report as Appendix "B".

Per the November 7 e-mail, the option outlined above as **Option 1** would remain the same.

However, the option outlined above as **Option 2** was changed. No longer does the Town have the option of entering into a new 5-year contract on the terms approved by Council on August 26, 2013. Instead, the second option available to the Town is to enter into an Amending Agreement with the OPP, extending the Town's most recent contract (expired December 31, 2012) to December 31, 2014, and amending that contract to increase the FTE levels to those approved by Council on August 26, 2013.

C. Analysis

In simple terms, the differences between the two options are as follows:

	<u>Option 1</u>	<u>Option 2</u>
Contract Duration	To December 31, 2014	To December 31, 2014
Uniform FTEs:		
Inspector	0.25	0.26
Staff Sergeant	0.25	0.26
Sergeant	2.00	2.02
Constables	15.00	15.00
P/T Constables	0.44	0.44
Civilian FTEs:		
Detach. Admin. Clerk	1.00	1.77
Formula to be Applied:	2003 formula to Dec. 31, 2013 2013 formula start Jan. 2014	2003 formula to Dec. 31, 2013 2013 formula start Jan. 2014

Given that the resource levels proposed for Option # 1 are the same as those that existed as of December 31, 2012, and would come at slightly lower cost to the Town, it is recommended that Council choose Option # 1 and simply extend the previous contract with the OPP to December 31, 2014.

D. The Blue Mountains' Strategic Plan

Within "The Blue Mountains Sustainable Path" document, under the Theme of "Our Caring and Safe Community", one of the Goals identified is to: "foster a safe environment for all members of the community considering their particular risk factors and needs".

Maintaining and enhancing fire, security and emergency services and public safety is among the strategies and actions identified to achieve that Goal.

E. Environmental Impact

N/A

F. Budget Impact

The costs for 2013, though not known exactly at this time, should be slightly lower than originally anticipated, given that a slightly lower than anticipated FTE count will be utilized, and a 2003 (rather than 2012) cost recovery formula applied.

G. In Consultation with

Robert Cummings, Director of Finance and IT
Sgt. David Brack, OPP Contract Policing Analyst

H. Attachments

1. Appendix "A" - October 2013 Letter from Superintendent Rick Philbin, Commander of the OPP Municipal Policing Bureau
2. Appendix "B" – November 7, 2013 e-mail from Sgt. David Brack

Respectfully submitted,

Troy Speck, B.A., LL.B.
Chief Administrative Officer

For more information, please contact
Troy Speck
tspeck@thebluemountains.ca
519-599-3131 ext. 234

**Ontario
Provincial
Police** **Police
provinciale
de l'Ontario**



Municipal Policing Bureau
Bureau des services policiers des municipalités

777 Memorial Ave. 777, ave Memorial
Orillia ON L3V 7V3 Orillia (ON) L3V 7V3

Tel: (705) 329-6200 Fax: (705) 330-4191

File #: 613-10

October 4, 2013

Director of Finance / CAO
Town of The Blue Mountains
P.O. Box 310
32 Mill Street
Thornbury, ON, N0H 2P0

Dear Sir/Madam:

The present contract between the Town of The Blue Mountains and the Ministry of Community Safety and Correctional Services (MCSCS) for policing services provided by the Ontario Provincial Police (OPP) expired on December 31, 2012. As you are aware, it is the responsibility of your municipality to provide policing in accordance with the *Police Services Act* (PSA). The Act gives all municipalities several options as to how they may provide policing, including a Section 10 contract or a Section 5.1 billing arrangement with the OPP.

The OPP and MCSCS are actively reviewing the billing process for municipal policing services provided by the OPP. The goal of this review, and of any proposed changes, is to recover costs in a way that is fair and consistent for all municipalities using OPP services.

As a result of this billing process review, the MCSCS will not be in a position to renew Section 10 contracts until early 2015, and we would like to take this opportunity to assist you in fulfilling your obligation under the PSA. As your contract has expired, we are offering your municipality three options. One would be to enter into an amending agreement that includes the current cost recovery formula. The second is to revert your municipality to a Section 5.1 policing arrangement under the PSA and which includes the current cost recovery formula. Lastly, the third option would be to sign the contract that was recently presented to your municipality, with the understanding there are provisions in the OPP contract for cancellation if necessary.

The OPP values its contract relationship with your municipality and you may be assured that we will assist you through this period of change. An OPP Municipal Policing Analyst will contact you in the near future to further discuss this process.

Director of Finance / CAO
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We look forward to meeting with you to establish a new agreement.

Yours truly,



R.A. (Rick) Philbin
Superintendent
Commander
Municipal Policing Bureau

/sm

c: Commander, Central Region
Commander, Collingwood Detachment

Troy Speck

From: Brack, David (JUS) [David.Brack@ontario.ca]
Sent: November-07-13 1:11 PM
To: Troy Speck; John Trude
Cc: Blair, Brad (JUS); Philbin, Richard (JUS); McDonald, T.A. (JUS); Bell, Cathy (JUS)
Subject: Town of The Blue Mountains

Troy,

As per our phone conversation on Monday, I am writing this e-mail to confirm the minor change in relation to option 3 that was included in the letter you had received dated October 4th 2013 from the Municipal Policing Bureau.

The letter dated October 4th 2013 included the following paragraph; "

"As a result of this billing process review, the MCSCS will not be in a position to renew Section 10 contracts until early 2015, and we would like to take this opportunity to assist you in fulfilling your obligation under the PSA. As your contract has expired, we are offering your municipality three options. One would be to enter into an amending agreement that includes the current cost recovery formula. The second is to revert your municipality to a Section 5.1 policing arrangement under the PSA and which includes the current cost recovery formula. Lastly, the third option would be to sign the contract that was recently presented to your municipality, with the understanding there are provisions in the OPP contract for cancellation if necessary."

Option One and two have not changed.

Option One would be to sign an Amending Agreement at your current FTE level. This Amending Agreement would extend the terms and conditions of your expired contract and would be effective from the 1st of January 2013 up to and including the 31st of December 2014. From January 1st 2013 until December 31st 2013 you would remain on the 2003, and effective January 1st 2014 the Town of The Blue Mountains would transition to the 2013 cost recovery formula.

Option Two would be to revert to a 5.1 which would include the 2013 cost recovery formula. As per our discussions, you have indicated that this is not an option that the Town of The Blue Mountains is interested in pursuing.

Option Three originally was to sign a 5 year contract at the proposed level of service presented to council by myself back on the 8th of April 2013. As I informed you on Monday November 4th 2013 the new billing process is anticipated to be implemented in early 2015. Currently the target date is set as the 1st of January 2015. On Friday November 1st 2013 I received information from the OPP Legal Services Branch that we will still offer the FTE levels that had been presented to council on the 8th of April 2013. The change was that the FTE level's would be offered in the form of an Amending Agreement rather than a new 5 year contract. The reason being was that it did not seem appropriate to enter into a 5 year contract anticipating that a year down the road we would have to go through the cancellation process.

To summarize, **option three** would be to enter into an Amending Agreement to extend the terms and conditions of your expired contract and would be effective from the 1st of January 2013 up to and including the 31st of December 2014. January 1st 2013 until December 31st 2013 Blue Mountains would remain at their current FTE level and on the 2003 formula. January 1st 2014 until December 31st 2014 Blue Mountains would be upgraded to the 2013 Cost recovery Formula at the FTE level that council chose from the proposal presentation on the 8th of April 2013.

If you have any further questions or if you would like me to attend at an upcoming council meeting to assist in explain the slight change in Option Three please let me know.

Sergeant Dave Brack #11461
Contract Analyst
Municipal Policing Bureau
Ontario Provincial Police
General Headquarters – Orillia
705-329-6836 - office
705-238-9495 - cell