

Town of Whitby

Staff Report

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Report Title: Review of Animal Sheltering Options for the Town of Whitby

Report to: Committee of the Whole

Date of meeting: September 18, 2023

Report Number: LS 04-23

Department(s) Responsible:

Legal and Enforcement Services
Community Services Department

Submitted by:

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Legal and Enforcement Services/Town
Solicitor

John Romano, Commissioner of
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**Acknowledged by R. Saunders,
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1. Recommendation:

1. That Report LS 04-23 be received for information;
2. That staff be directed to proceed with the detailed design for Option 1B for the new Animal Services Centre and Enforcement Services Facility at McKinney Road and Broadleaf Avenue;
3. That a new capital project, in the amount of \$1,300,000, be established for the Design, Contract Management, and Project Management of the joint Animal Shelter/Enforcement Services facility (Option 1B) funded from the Asset Management Reserve;

4. That staff be authorized to negotiate with McCallum Sather Associates and award a single source contract, subject to budget, for the detailed design and contract management work for this project;
5. That staff be directed to report to Council for capital budget approval, following finalization of design, prior to tendering the work;
6. That staff investigate the sale of 4680 Thickson Road North to offset the cost of a new Animal Services Centre in accordance with Confidential Memorandum LS 04-23; and,
7. That staff will continue to make improvements to the operations of the Animal Services section to improve efficiencies, improve animal care and conditions, increase revenue, and reduce operational impacts.

2. Highlights:

- The Animal Services section of the Town's Legal and Enforcement Services Division provides enforcement for animal complaints and sheltering for impounded animals for the Town, this service is currently operating out of the Whitby Animal Services Centre ("WASC") at 4680 Thickson Rd. N.
- Over the next 10 years, the existing shelter requires significant capital improvements that total approximately \$1.5 to \$1.6 million.
- Staff have undertaken a review of animal sheltering options for the Town including providing services for its own use, partnering with other municipalities and sheltering services provided by external agencies.
- After a detailed review of the available options, and the service impact to the community, staff do not recommend outsourcing the sheltering component of Animal Services to alternate municipalities nor private agencies.
- Staff recommend that a new joint WASC & Enforcement Services facility be constructed, at the south-west corner of McKinney Drive and Broadleaf Avenue, to co-locate all enforcement staff in a single location and Animal Services staff to continue to provide sheltering services in Whitby.
- As noted in Reports LS 08-21 and LS 22-08, Staff have and will continue to make improvements to the operations of the Animal Services section to advance efficiencies, improve animal care and conditions, increase revenue, and reduce operational impacts.

3. Background:

Overview of Services

The 2021 Report LS 08-21 provided a comprehensive review of the Town's Animal Services section, which included the following:

- services provided;

- current staffing levels;
- 5 year overview of complaints;
- 3 year review of animal intake;
- A breakdown of what the facility can currently accommodate;
- Assigned fleet for the section;
- A fulsome breakdown of financial costs for the Whitby Animal Service's Centre including utilities, building and grounds expenses, equipment, waste removal and staffing for basic upkeep of animal care, being 1 full-time Animal Shelter Coordinator and 1 part-time Animal Services Officer.
- A fulsome breakdown of all revenues generated from by the WASC including animal adoptions, animal licencing, donations, pound and services fees, and other municipal recoveries;
- Staff also noted a major portion of the operating costs for the are offset by the municipal recoveries line which acknowledged the sheltering agreement with the Town of Ajax;
- The steps/changes implemented by staff to reduce the sections operating expenses and improve animal care and programs for the community;
- The potential challenges faced attempting to accommodate the sectional staff in other Town of Whitby facilities.

The 2022 Report LS 08-22 contained a comprehensive financial analysis of the Town's Animal Services Centre, which included the following:

- The budgetary impacts from Ajax terminating the sheltering agreement with the Town of Whitby results in the Town's Animal Service division costing approximately \$139,000, annually.
- Even with the closure of the WASC, the Town's Animal Service division costs would be approximately \$55,000, annually, for the enforcement-related (vs. sheltering) aspects of the division.
- Provided an overview of estimated and confirmed costs to outsource the sheltering of animals vs. continuing the operation internally.
- An overview of the associated capital budget costs for the current Animal Services Centre from 2022-2032, which included \$1.5 million in projects aimed to improve and maintain the facility; this includes \$0.6 million for the accessibility renovation which has been included in the budget since 2018 and an additional \$0.8 million for the expansion of the facility in 2030.
- A recommendation based on the financial analysis and annual operating cost of the WASC, staff do not recommend that the Town of Whitby proceed with outsourcing of sheltering of animal found at large in Whitby. Included as part of the recommendation of staff is the positive changes that have been implemented by staff to date, which will continue to result in increased revenue further, reducing the net annual impact of the WASC.
- identified the need to continue discussions with neighbouring municipalities about shared sheltering facilities.

As a part of the discussion at Council regarding Report LS 08-22, Council sought additional information regarding the options for animal sheltering services in the Town. Council passed the following Resolution #179-22,

Resolution # 179-22

1. That Report LS 08-22 be received for information;
2. That Animal Services continue to operate as an in-house service of the Town, including sheltering and enforcement; and,
3. That staff continue to investigate opportunities to provide animal control services with other municipalities in the immediate vicinity of the Town and animal sheltering services with Humane Society of Durham Region (HSDR).

In accordance with Recommendation #3 of the resolution above, Staff provide the following report.

4. Discussion:

Overview

Utilizing the metrics, analysis and information from Reports LS 06-21 and LS 08-22 staff reviewed 4 separate options/sheltering partnerships. The proposals also account for the Town's growth for future sheltering needs.

In keeping with Recommendation #3 of Council Resolution #179-22, staff provide the following analysis regarding the options for sheltering services within the Town. A detailed summary of each option is included as **Attachment # 1** to this Report.

In 2022, the Town retained McCallum Sather Associates (MSA), to provide a feasibility study and costing analysis for a new animal shelter facility. MSA was chosen given their expertise with animal sheltering facilities and their detailed knowledge of the site, as the Prime Consultants that completed the Operations Centre Expansion Feasibility Study and are currently working on the design of the Parks Operations Expansion and Fire Training Facility. The Operations Centre is located on McKinney Avenue directly across the street from the proposed animal shelter. The proposed location of the new facility will create a municipal campus and improve efficiencies for the delivery of services, secured storage of municipal vehicles and installation of electrical vehicle charging stations.

Subject to Council approval of this report, staff would plan for tendering for the construction of all three projects at McKinney Drive and & Broadleaf Avenue (i.e., the Animal Shelter, Operations Parks Expansion, and Fire Training Tower), as one projected to ensure efficient and functional design of the overall site and

benefit from economies of scale and lower mobilization/demobilization costs. The construction would be phased to minimize impact to the existing neighbourhood and facilities. Due to the complexity of the project (three buildings, including a detailed phasing strategy) staff would also recommend retaining a Project Management Firm to manage the projects on behalf of the Town. The estimated cost to retain a Project Management firm for all three projects (over multiple years) is estimated at \$900,000 (approximately \$300,000 per project).

Town staff have continued discussions with other agencies and municipalities to explore options for sheltering services for the residents of the Town. To that end, the Town has obtained a detailed proposal from the Humane Society of Durham Region for the provision of sheltering services within the Town.

Staff have reviewed various Animal Sheltering options for the Town

Option 1A: Construction of a new Animal Services Centre at the Whitby Operations Municipal Campus

The Town owns a vacant parcel of land at the south-west corner of McKinney Drive and Broadleaf Avenue, across from both the Operations Centre and McKinney Recreation Centre. With this option, the Town would construct a new, state of the art shelter as a net zero building on the vacant parcel. This option would be a continuation of a central municipal operations campus with the Town's Operations Centre and Fire Department Headquarters directly across the street. This option includes the potential for a future second floor expansion to accommodate additional office space, which could allow for all of Enforcement Services to be located in one facility. This location is ideal as it is bordered by Elexicon Energy Office and Saint Charles Garnier secondary school. The facility could be designed in a manner that would mitigate impacts to neighbouring properties by using the building and landscaping to shield potential sound, odour and visual concerns.

The consultant recommended against the staggered construction of a shelter and second floor office space, as it would be disruptive to the operation of the Animal Services Shelter, would distress the animals sheltered during construction (or require that they be relocated). As a result, this option is not recommended.

A conceptual site plan, floor plan and renderings for this option is contained in **Attachment # 2** to this report. Costing for this Option is contained in **Attachment #1**.

Option 1B: Construction of a new Enforcement Services Facility at the Whitby Operations Municipal Campus

Option 1B is similar to the Option 1A and would be located on the vacant land at the south-west corner of McKinney Drive and Broadleaf Avenue; however, this design proposes a second floor with office space that could be used to accommodate all of Enforcement Services at one location. The ground floor would house the Animal Services Shelter, while the second floor would contain office space, meeting space, washrooms and a kitchen space. Both Option 1A and Option 1B would allow the Town to control and maintain both its service levels and costs related to sheltering services for its residents.

As Option 1B would allow for Parking and By-law Services Sections to be co-located with Animal Services, it would also allow for space at the Town's leased space at 3050 Garden Street to be reduced and/or eliminated. Further, capital funds that would have otherwise been used to fund the repair/renovation of the existing WASC over the next 10 years could otherwise be allocated towards a new facility. A conceptual site plan, floor plan and renderings for this option is included in **Attachment # 3** to this report. Costing for this Option is contained in **Attachment # 1**.

Option 2 - Partnership with the Humane Society of Durham Region ("HSDR") and the Ontario Society of the Prevention of Cruelty to Animals ("OSPCA")

This option entails partnering with the HSDR and OSPCA through an animal sheltering agreement similar to the Town of Ajax. The HSDR and OSPCA have provided a proposal included as **Attachment 4** to this Report. This option would eliminate animal sheltering services being provided by the Town, and animals caught or seized by the Town's Animal Services Officers being sheltered by the HSDR at 1505 Wentworth St in Whitby. This option was also reviewed in detail in Report LS 08-22. This option would result in at least one layoff (1.0 FTE) of the Town's existing Animal Services staff complement.

The HSDR and OSPCA proposal is for a two-year contract valued at \$180,000 for both years, with a CPI increase in the second year. The value of the contract is based on the Town's current animal intake numbers, and additional animals would result in additional fees. As per the financial analysis contained in Report LS 08-22, this option would result in potential savings of approximately \$1.5-1.6 million in capital investments to the WASC. The potential capital savings for this option would be partially offset by capital improvements to another facility to provide office facilities for the Town's existing complement Animal Services Officers. This option would also require the Town to maintain a separate contract for the disposal of deadstock (i.e. roadkill). Despite the capital investment savings, the Animal Services operating budget would increase based on the HSDR and OSPCA quotation: the 2023 Animal Services budget is \$157,260 (net cost) vs. \$180,000 HSDR proposal for sheltering + Town's remaining enforcement costs

(approximately \$55,000), which would result in a net operating cost of approximately \$235,000.

While the HSDR and OSPCA have an up-to-date facility and are well known for the services they provide to the Durham Region community, staff are concerned that this option would result in the Town being captive to an external agency for the provision of animal sheltering services for its residents. Should the Town no longer provide sheltering services, the time, cost and effort required to reincorporate sheltering services could make it prohibitive in the future. As a result of the above and other factors included in **Attachment # 1**, this option is not recommended.

Option 3 – Sharing Sheltering Services with Neighbouring Municipalities

Town Staff have met with staff from neighbouring municipalities to determine if there is interest in sharing facilities. As those discussions were confidential amongst staff and are the subject of negotiations, the discussion of this option is contained in the Confidential Memorandum accompanying this report.

Regardless, should the Council decide to proceed with Options 1A or 1B, staff are confident that a new proposed facility could accommodate animals from our neighbouring municipalities.

Option 4 – Maintain and Update the Existing WASC Facility at 4680 Thickson Road North

While notionally this is an option, as staff have continued operations at the existing facility, the existing facility's age and size would make it difficult to continue operations at this location as the Town grows. The Town has updated the facility to comply with animal care requirements set out by the Province; however, as the facility continues to age, staff are concerned that the facility will no longer be able to meet the appropriate standards for animal care.

As the Town was considering options for animal sheltering, Town staff have maintained the existing shelter but have not yet proceeded with scheduled upgrades related to accessibility and heating, ventilation and air conditioning to the existing Animal Services shelter at 4680 Thickson Road North. The expected capital cost to maintain the existing facility is approximately \$1.5 to \$1.6 million over the next 10 years. As a result of the above noted items, this option is not recommended.

Maintaining sheltering services through the construction of a new WASC allows the Town to continue to control costs and maintain existing service levels

In reviewing all of the options, staff recommend that there are multiple benefits of maintaining the provision of animal sheltering services internally, retaining the ability to monitor and control costs related to providing sheltering services. It also allows the Town to manage the current and future demands related to providing this service within the municipality. Staff have made operational changes to control expenditures while maintaining a similar quality of service and have utilized services like DocuPet to streamline pet licensing while offsetting the costs of operating the WASC.

5. Financial Considerations:

Details of the financial implications for each option are included in Attachment 1.

The feasibility study and preliminary design noted in this report, totaling approximately \$55,000, has been funded from Capital Project # 30211305 – OPC – Expansion Phase 2. Projected costs to move to detailed design with the assistance of an external project manager is estimated to be \$1,300,000. Subject to Council approval to proceed with detail design of Option 1B, it is recommended that a new capital project, in the amount of \$1,300,000, be established for the Design & Contract Management, and Project Management of the joint Animal Shelter/Enforcement Services facility (Option 1B) funded from the Asset Management Reserve. Staff will proceed with a public procurement of the Project Management services. Due to MSA's work on the feasibility study and other projects on the municipal campus (e.g. Operations Centre, and Fire Training Facility) noted above, it is recommended that staff be authorized to negotiate with McCallum Sather Associates and award a single source contract, subject to budget, for the detailed design and contract management work for this project. The single source award is being made pursuant to the provision of the Town's Procurement Policy which allows for limited tendering when the extension of an existing contract would prove to more cost-effective/ beneficial or if the change of supplier would cause significant inconvenience or duplication of costs.

Preliminary cost estimates for the construction of a new facility, under Option 1A and 1B, are \$4.8 million and \$9.6 million, respectively. Under both options:

- the capital costs could be partially offset by proceeds from the sale of the existing WASC facility and underlying land located at 4680 Thickson Road North;
- a new WASC facility will remove the requirement to spend approximately \$1.5 to \$1.6 million over the next 10 years to renovate/expand the current WASC (includes planned kennel renovation, a planned expansion in 2030, HVAC, signage, and paving in the interim).

Construction cost estimates will be further refined through the detailed design stage of the project and staff will request Council capital budget approval for the construction phase of the project. At that time, staff will also recommend funding for the new facility, which may include re-allocating and advancing the capital

funds from planned work at current WASC planned for the next 10 years and utilizing proceeds from the sale of the existing WASC property.

Further, with Enforcement staff relocating from Garden Street to the new facility under Option 1B, it is estimated that the Town's leased space at Garden Street may be reduced. This may result in annual operating budget savings of approximately \$70,000 (subject to incremental operating costs of the new facility).

6. Communication and Public Engagement:

Staff have not engaged in public consultation on this matter.

7. Input from Departments/Sources:

Enforcement Services and Community Services staff have worked closely with Financial Services in the development of the above noted options. Additionally, staff have had discussions with our neighbouring municipalities and with the HSDR and OSPCA.

8. Strategic Priorities:

This review of the services offered by the WASC, the analysis of the options of partnering and the recommendation to continue offering sheltering services in-house addresses and advances the following Community Strategic Priorities:

Whitby's Government

4.4 Ensure fiscal accountability and responsibly plan for growth

4.4.1 Deliver services that respond to community needs while balancing the impact to taxpayers

Proceeding with Option 1B allows for the Town to plan responsibly for future growth while maintaining and expanding current levels of service for Enforcement Services in general, and in particular Animal Services and sheltering.

9. Attachments:

Attachment # 1 – Detailed Summary of Animal Sheltering Options

Attachment # 2 – Feasibility Study for Option 1A

Attachment # 3 – Feasibility Study for Option 1B

Attachment # 4 – Sheltering Proposal from the HSDR and OSPCA (Option 2)