



**The Corporation of the City of Temiskaming Shores
Special Meeting of Council
Thursday, January 15, 2020
6:00 P.M.
City Hall – Council Chambers – 325 Farr Drive**

Agenda

1. Call to Order

2. Roll Call

3. Approval of Agenda

Draft Motion

Be it resolved that City Council approves the agenda as amended / printed.

4. Declaration of Special Council Meeting

Draft Motion

Be it resolved that the Council of the City of Temiskaming Shores declares this meeting a “Special Meeting of Council” in accordance to Section 7 of Procedural By-law No. 2008-160.

5. Disclosure of Pecuniary Interest and General Nature

6. New Business

a) Presentation – 2020 Budget Presentation

Draft Motion

Be it resolved that the Council of the City of Temiskaming Shores hereby acknowledges the presentation of the 2020 Budget by City Manager, Chris Oslund and Treasurer, Laura-Lee MacLeod.

b) Administrative Report No. PW-001-2020 – Water and Sewer Rate Standardization

Draft Motion

Be it resolved that the Council of the City of Temiskaming Shores hereby acknowledges receipt of Administrative Report No. PW-001-2020; and

That Council directs staff to implement Option 1 or Option 2 as outlined in the analysis section of Administrative Report No. PW-001-2020.

7. Adjournment

Draft Motion

Be it resolved that City Council adjourns at _____ p.m.

Mayor – Carman Kidd

Clerk – David B. Treen

2020 BUDGET CAPITAL

2020 General Capital Overview

Department	Total Project Cost	Funding/ Partners	Borrowing	Reserves	City Cost
Corporate Services	55,000	1,650	0	6,050	47,300
Fire & Emergency Management	0	0	0	0	0
Public Works	2,610,000	2,319,190	0	120,000	170,810
Recreation	702,000	422,000	0	0	280,000
Property Maintenance	3,085,000	0	1,000,000	0	2,085,000
Fleet	365,485	0	310,000	16,500	38,985
Transit	624,367	595,345	0	29,022	0
Total Capital	7,441,852	3,338,185	1,310,000	171,572	2,622,095

2020 Environmental Capital Overview

	Project Cost	Funding	Borrowing	Reserves	City Cost
Environmental Projects	2,750,000	1,026,620	0	0	1,723,380

NOTE:

Equipment/Asset purchase operating costs and the borrowing for new equipment/assets has a direct impact on the City's operating budget.

- Fuel
- Insurance
- Principle and Interest
- Maintenance

Corporate Services

Project	Total Cost	Funding	Reserves		City Cost
Website Upgrades	55,000	1,650a	6,050	1	47,300
a - POA - 33%					
1 - Environmental Reserve					

Public Works

Project	Total Cost	Funding		Borrowing	Reserves		City Cost
2020 Roads Rehabilitation Program	1,000,000	1,000,000	1				-
2020 Roads Conversion Program	1,000,000	984,871	1/2				15,129
Roy Bridge (Uno Park Road)	250,000	250,000	3				-
Rorke Ave/Lakeshore Rd Pedestrian Crossings	85,000						85,000
West Road Culvert Lining	125,000	84,319	3				40,681
Ditching Project	30,000						30,000
Grant Drive Extension	45,000				45,000	a	-
Landfill Expansion	75,000				75,000	b	-
Capital Projects Recommended	2,610,000	2,319,190		-	120,000		170,810
1 - Federal Gas Tax							
2 - One Time Efficiency Funding							
3 - OCIP Formula Based Funding							
a - Community Development Reserve							
b - Landfill Reserve							

Available Funding Sources

- OCIP Formula Based Funding
 - \$334,319
- Federal Gas Tax – 2020
 - \$601,871
- Federal Gas Tax – One Time Funding
 - \$662,500
- One-Time Modernization Funding
 - \$720,500
- Total Available
 - \$2,319,190

Roads Program

Levy								
2019	2020	2021	2022	2023	2024	2025	2026	2027
13,451,197	13,706,770	13,967,198	14,232,575	14,502,994	14,778,551	15,059,343	15,345,471	15,637,035
Levy Increase	255,573	516,001	781,378	1,051,797	1,327,354	1,608,146	1,894,274	2,185,838
Expenditures:		2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Revenues:								
Federal Gas Tax		625,000	625,000	625,000	625,000	625,000	625,000	625,000
Capital Levy		771,574	781,378	1,051,797	1,327,354	1,608,146	1,894,274	2,185,838
		1,396,574	1,406,378	1,676,797	1,952,354	2,233,146	2,519,274	2,810,838
Annual Shortfall/Surplus		603,426	593,622	323,203	47,646	- 233,146	- 519,274	- 810,838
Net Shortfall/Surplus		603,426	1,197,048	1,520,251	1,567,897	1,334,750	815,476	4,638

Recreation

Project	Total Cost	Funding	Borrowing	Reserves	City Cost
Recreation Master Plan	40,000				40,000
Splashpad	522,000	422,000 a			100,000
Hlby Arena Dehumidifer	60,000				60,000
Gym Equipment	10,000				10,000
NL Tennis Court Multi Purpose Resurfacing	70,000				70,000
Capital Projects Recommended	702,000	422,000	0	0	280,000
a - Rotary Club - \$100,000					
a - One Foot Forward - \$50,000					
a - Frog's Breath Foundation - \$25,000					
a - Smart & Caring Fund - \$7,500					
a - Ontario Trillium Fund - \$150,000					
a - Donations/Sponsors - \$89,500					

Property Maintenance

Project	Total Cost	Funding	Borrowing	Reserves	City Cost
Fire Station #1	1,500,000				1,500,000
NL Library Relocation	1,000,000		1,000,000		0
Hlby Arena Roof Replacement	585,000				585,000
Capital Projects Recommended	3,085,000	0	1,000,000	0	2,085,000
a - ICIP					

Fleet

Project	Total Cost	Funding	Borrowing	Reserves	City Cost
1/2 Ton (carry over)	38,985				38,985
Loader	310,000		310,000		
Blower for Trackless	16,500			16,500 a	0
Capital Projects Recommended	365,485	0	310,000	16,500	38,985
a - Fleet Reserve					

Transit

Project	Total Cost	Funding	Borrowing	Reserves	City Cost
Transit Bus	457,000	457,000 a			0
Other Transit Projects	167,367	138,345 b		29,022 1	0
Capital Projects Recommended	624,367	595,345	0	29,022	0
a - ICIP Funding					
b - Provincial Gas Tax					
1 - Transit Reserve					

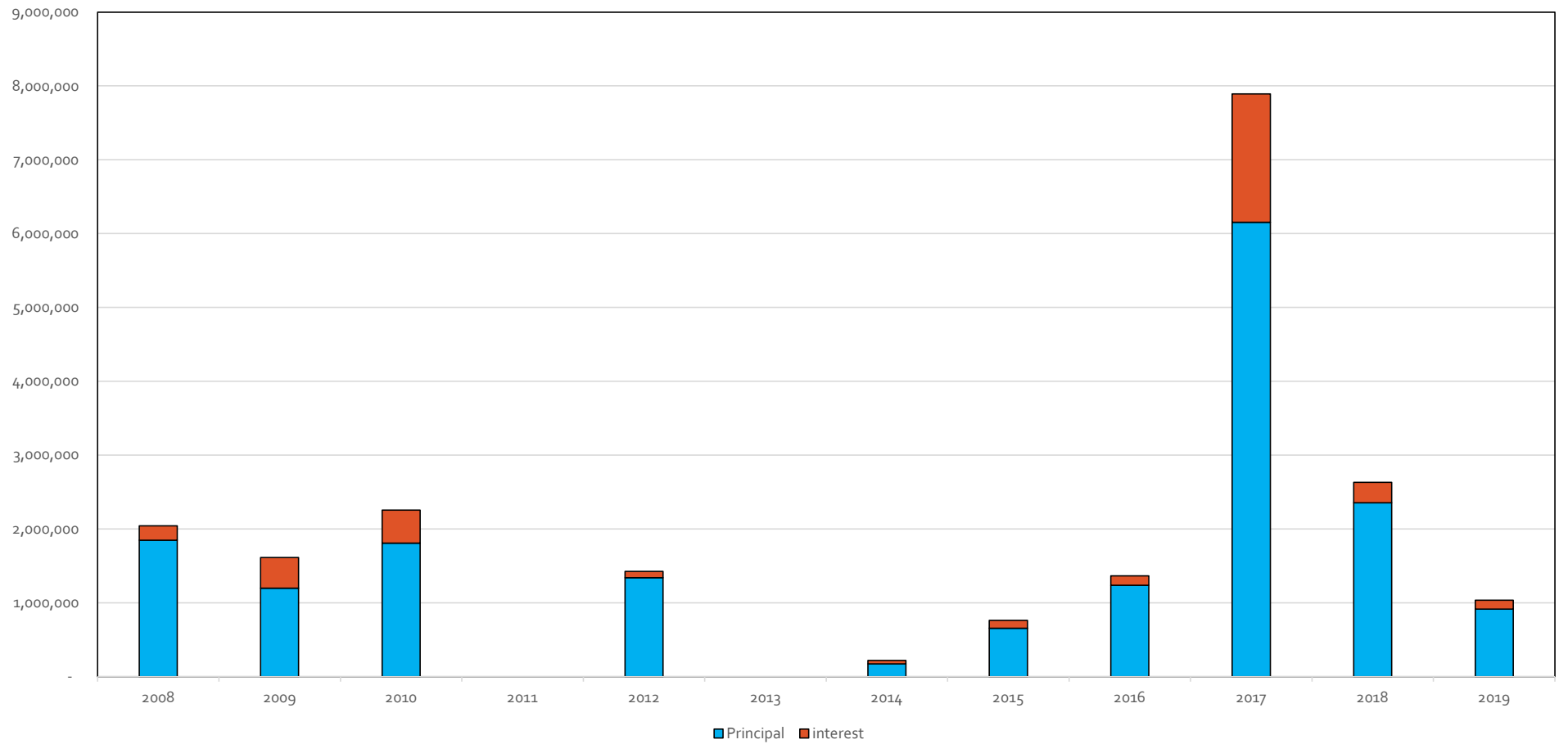
Deferred Projects

Project	Total Cost	Funding		Borrowing	Reserves		City Cost
NL Arena Accessibility Upgrades	1,590,929	1,166,628	a				424,301
LED Decorative Lights	200,000						200,000
Hlby MC Parking Lot Upgrades	100,000						100,000
NL Community Accessibilitiy Upgrades	1,400,000						1,400,000
Fire Rescue Truck (Station #2)	300,000						300,000
Garbage Truck	80,000						80,000
a - OCIP							

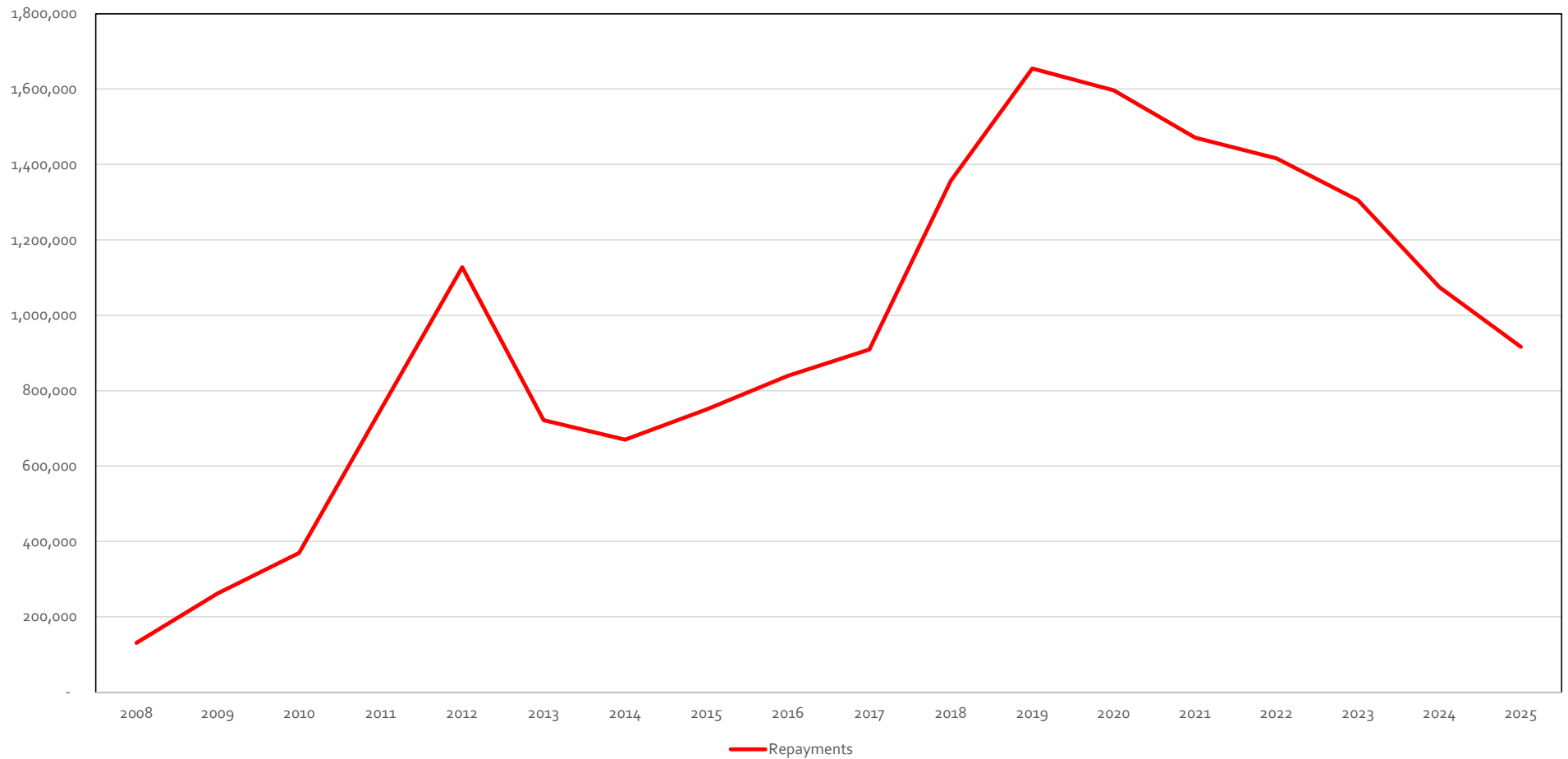
Environmental

Project	Total Cost	Funding		Borrowing	Reserves		City Cost
ICI Water Meter Program	250,000						250,000
Dymond Looping Phase 2&3	1,100,000						660,000
Hlby WWP Rehabilitation Capital Projects	1,400,000	1,026,620	a				373,380
Recommended	2,750,000	1,026,620		-	-		1,283,380
a - ICIP							
Multi Year Project (2021): Hlby WWP Rehabilitation	1,300,000	953,290		-	-		346,710

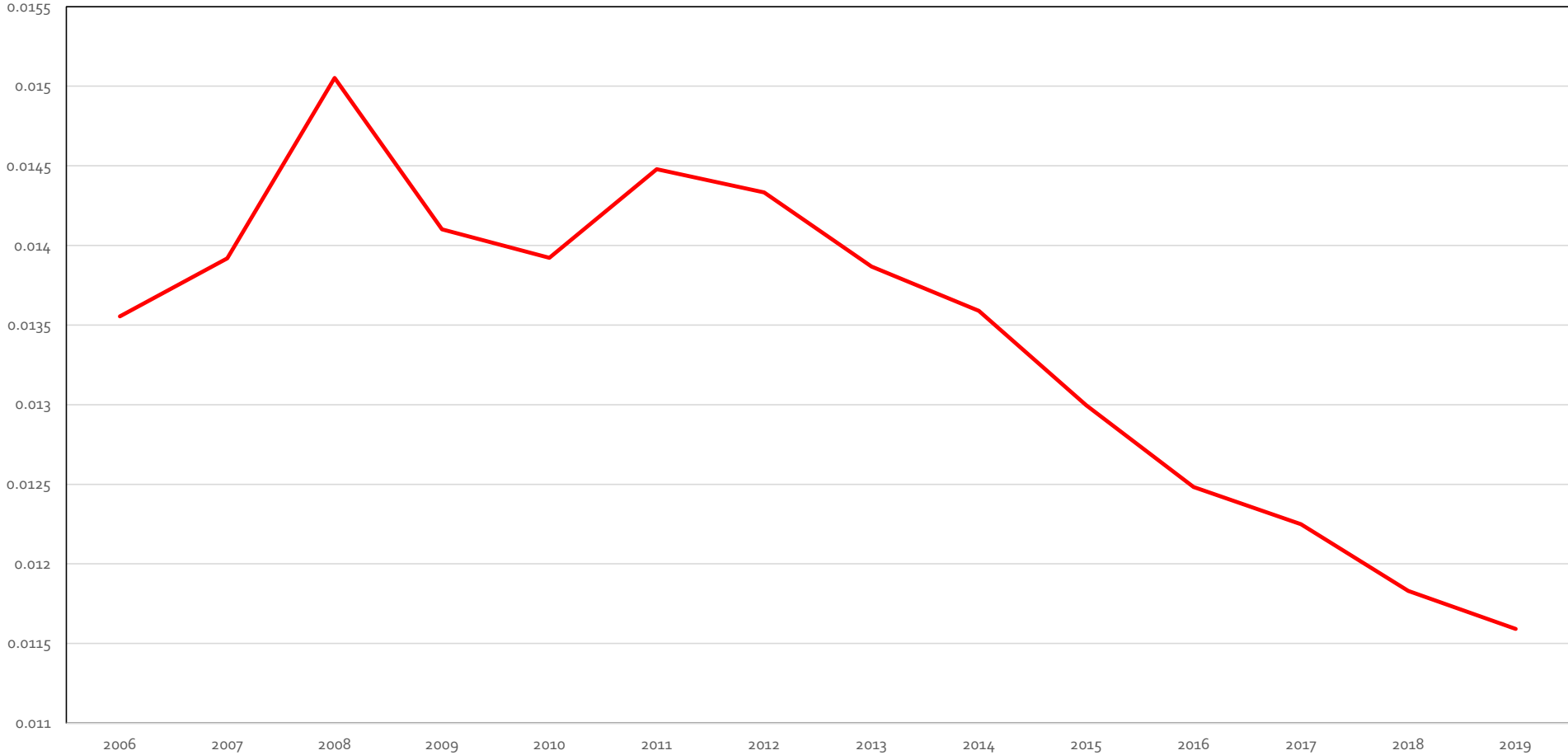
BORROWING BY YEAR (PRINCIPAL & INTEREST)



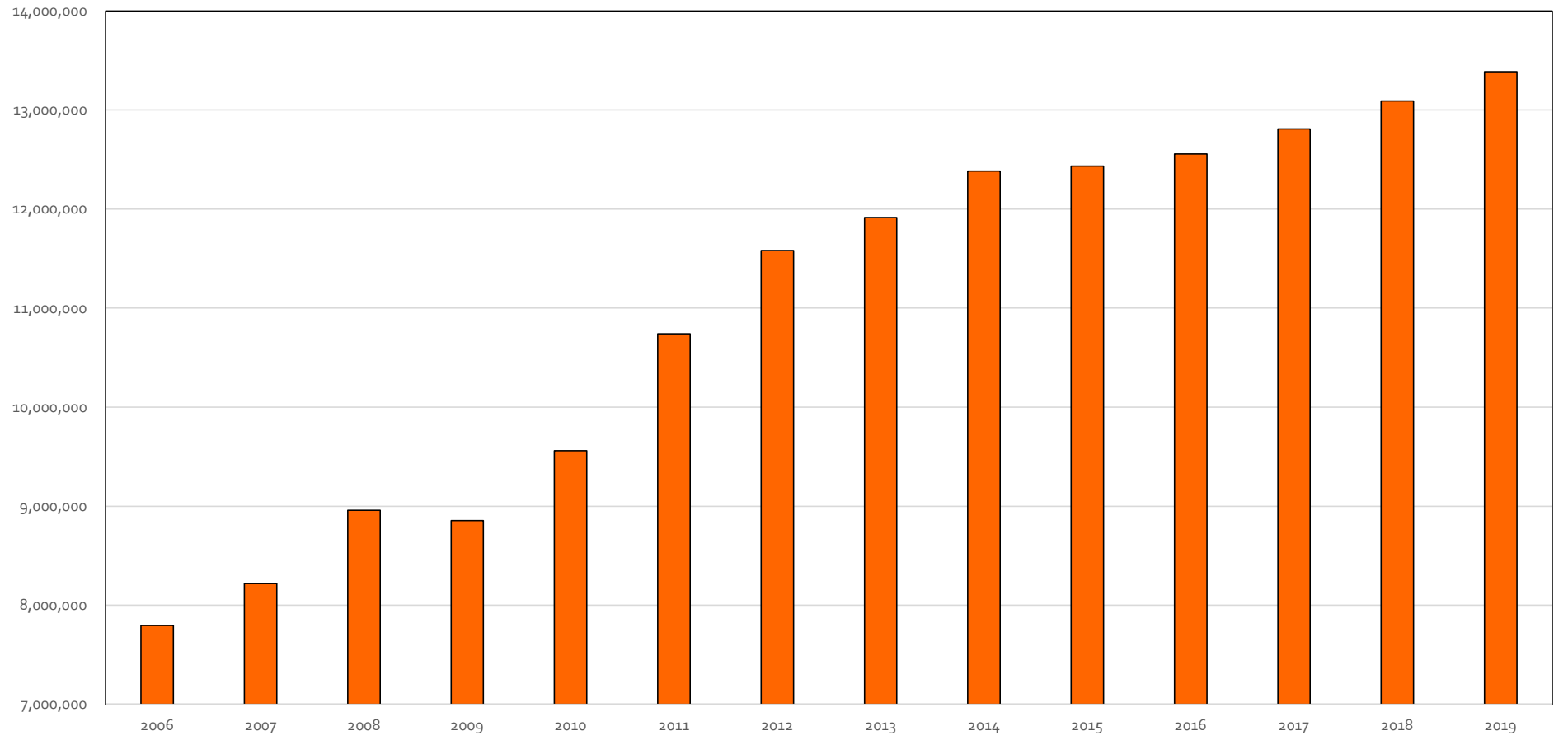
PRINCIPAL & INTEREST REPAYMENTS BY YEAR



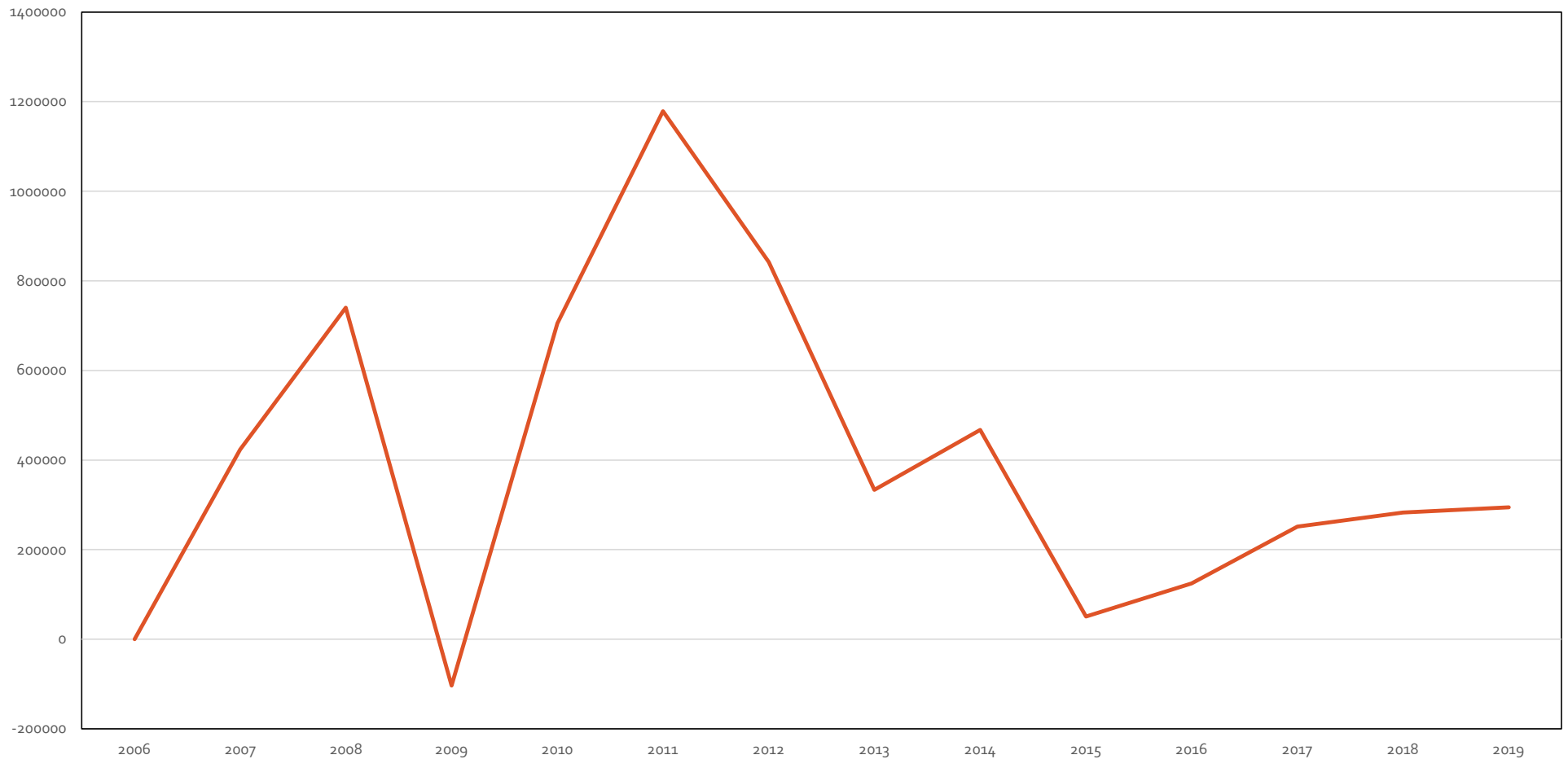
TAX RATES



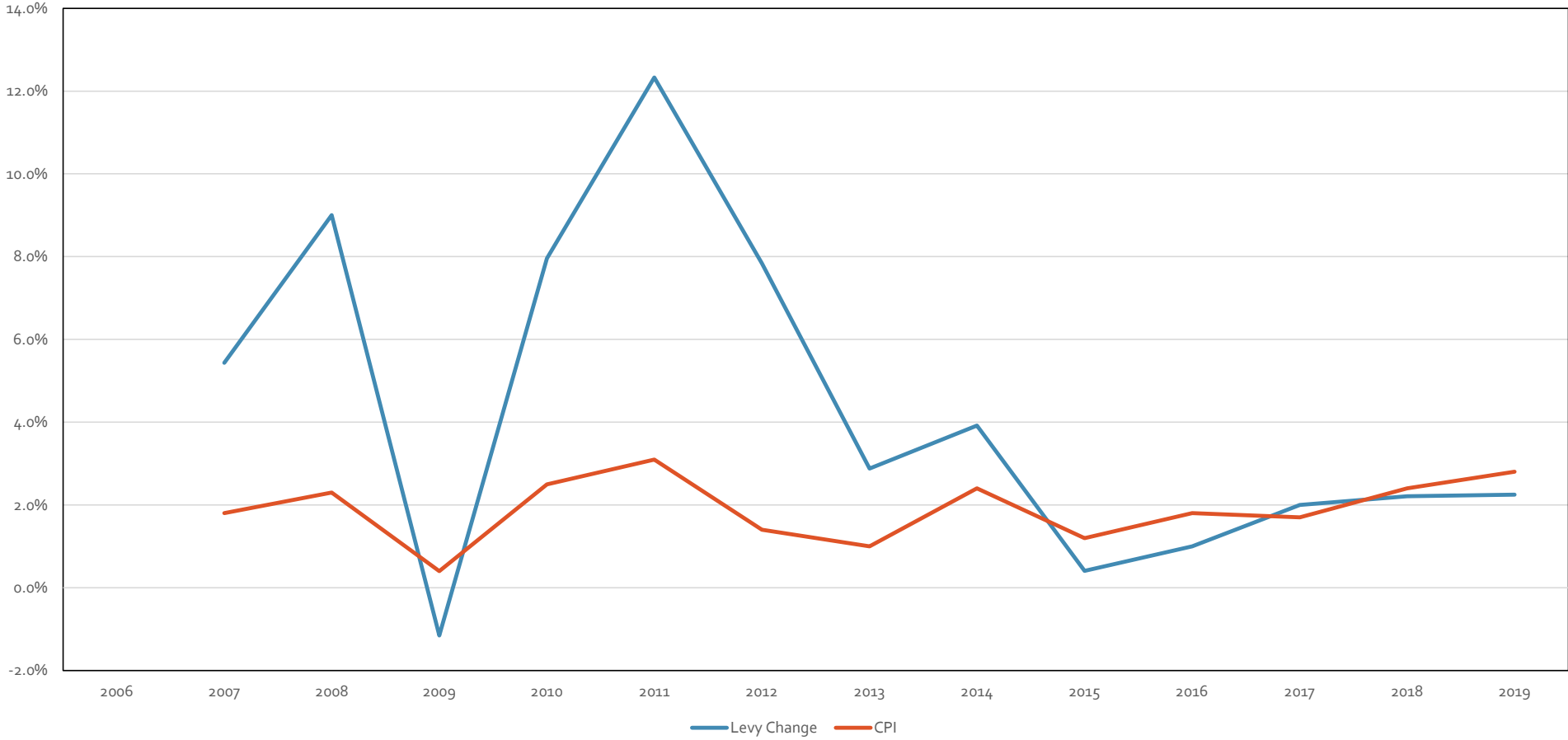
TAX LEVY



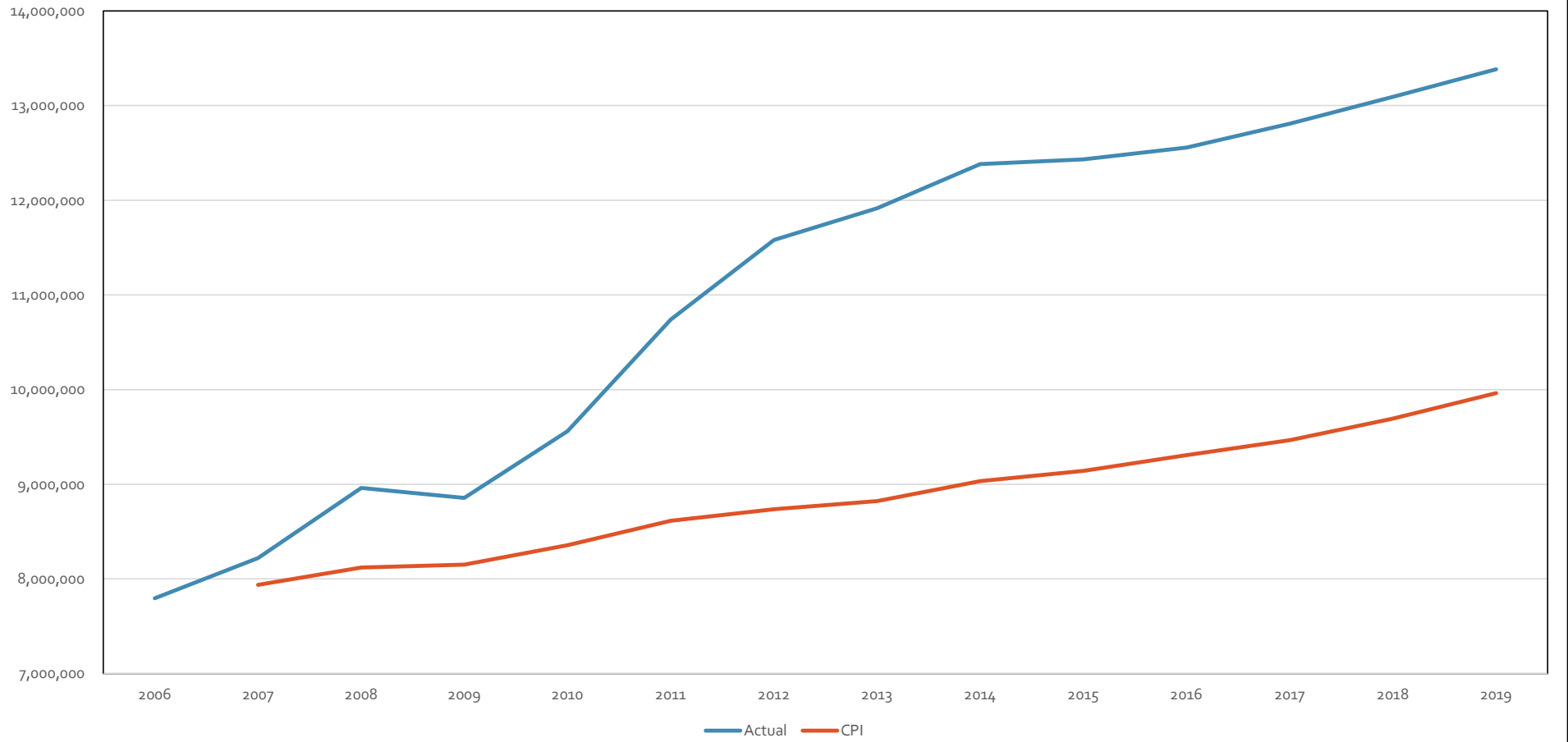
LEVY CHANGE BY YEAR (\$)



LEVY CHANGE VS CPI



ACTUAL LEVY (%)VS ESTIMATED CPI LEVY (%)



Subject: Water and Sewer Rate Standardization

Report No.: PW-001-2020
Agenda Date: January 16, 2020

Attachments

None.

Recommendations

It is recommended:

1. That Council for the City of Temiskaming Shores acknowledges receipt of Administrative Report No. PW-001-2020;
2. That Council directs staff to implement Option 1 or Option 2 as outlined in the analysis section of this report.

Background

At the Regular Council Meeting held on September 3rd, 2019, Council was presented with Administrative Report No. PW-026-2019 which provided water usage data obtained from the 1-year Water Meter Pilot Project for restaurants and hotels throughout the City. This data outlined the need to standardize the current Water and Sewer Rates and resulted in Council directing staff to include the implementation of an Industrial, Commercial and Institutional (ICI) Water Meter Program as a Capital Project for Council's consideration during the 2020 Budget process.

Within the Alternatives section of Administrative Report No. PW-026-2019, two alternatives were outlined which are as follows:

Alternative No. 1

Utilize the results of the Water Meter Pilot Project to establish standardized flat rates for the ICI sectors. Note: Actual water usage will still remain unknown which may result in inequalities within the different sectors.

Alternative No. 2

Remain status quo. This alternative is not recommended.

Analysis

Staff have met recently on numerous occasions to discuss the 2020 operational and capital budgets. Within the capital budget discussions, specifically the ICI Water Meter Project, it was identified that the need to standardize how multi-residential establishments are being charged for water and sewer should be taken into account. To include multi-residential establishments with 5 or more units in the ICI water meter program, an increase of \$ 100,000.00 is required to the capital project for a total of \$ 350,000.00. As a result, it was decided that 2 options be presented to allow

for Council to make an informed decision on how to proceed with the standardization of the Water and Sewer Rates.

Option 1 – Implementation of a Modified Flat Rate System for ICI and Multi-residential establishments with 5 or more Units:

Many discussions throughout the years, at various committees, have taken place on the implementation of a modified flat rate system for ICI and multi-residential establishments to standardize the water and sewer rates throughout the City.

Although water meters provide the most accurate means of providing water usage data for billing purposes, data collected from the recent water meter pilot project has provided staff with valuable information. This data has allowed staff to develop a modified flat rate system to satisfy the required standardization of the current water and sewer rate system.

In addition to the pilot project data, the recent submission of the servicing report associated with the Temiskaming Senior Housing Corporation project has provided staff with accurate estimates associated with water usage for multi-residential establishments. This information has been utilized for the development of a modified flat rate system for multi-residential establishments with 5 or more units.

With the implementation of this option, there will still be a requirement for a water meter program, however will be limited to large industrial, some institutional and high commercial water users of which most are within the current water meter program. An adjustment to the rate to reflect accuracy will be required as well as repair/replacement of existing meters. This cost is estimated at \$ 50,000.00. Future operating costs is limited to maintenance of 10-15 water meters and normal administrative duties.

Option 2 – Implementation of a Water Meter Program for Industrial, Commercial and Institutional Sectors as well as Multi-residential Establishments with 5 or more Units:

As mentioned above, water meters provide the most accurate means of providing water usage data for billing purposes.

The estimated cost for the implementation of option 2 is \$ 350,000.00 which includes the installation of water meters in multi-residential establishments with 5 or more units. Various sized water meters equipped with remote reading capabilities would be installed in approximately 110 establishments. Additional costs include annual software licensing fees of \$ 1,200 - \$ 1,700, additional staff time for meter reading and billing purposes, and water meter maintenance costs.

Relevant Policy / Legislation/City By-Law

- By-law No. 2019-054, Water and Sewer Service rates
- By-law No. 2016-083, Water Works System Use
- Safe Drinking Water Act, 2002 - Ontario Regulation 453/07 – Financial Plans

Consultation / Communication

- Corporate Services Committee Meeting – March 3, 2016
- Public Works Committee Meeting – March 24, 2016
- Public Works Committee Meeting – April 28, 2016
- Corporate Services Committee Meeting – May 2, 2016
- Public Works Committee Meeting – May 26, 2016
- Public Works Committee Meeting – June 23, 2016
- Public Works Committee Meeting – July 26, 2016
- Public Works Committee Meeting – August 25, 2016
- Public Works Committee Meeting – October 6, 2016
- Public Works Committee Meeting – November 10, 2016
- Public Works Committee Meeting – January 19, 2017
- Corporate Services Committee Meeting – February 2, 2017
- Corporate Services Committee Meeting – April 6, 2017
- Public Works Committee Meeting – June 25, 2019
- Corporate Services Committee Meeting – July 23, 2019

Financial / Staffing Implications

This item has been approved in the current budget: Yes No N/A

This item is within the approved budget amount: Yes No N/A

Alternatives

Option 1 – Implementation of a Modified Flat Rate System for ICI and Multi-residential establishments with 5 or more Units. (Recommended)

Option 2 – Implementation of a Water Meter Program for Industrial, Commercial and Institutional Sectors as well as Multi-residential Establishments with 5 or more Units.

Submission

Prepared by:

Reviewed by:

Reviewed and submitted for
Council’s consideration by:

“Original signed by”

“Original signed by”

“Original signed by”

Steve Burnett
Technical & Environmental
Compliance Coordinator

G. Douglas Walsh, CET
Director of Public Works

Christopher W. Oslund
City Manager