

Minutes - Finance and Administration



MEETING DATE: April 17, 2007, 2:00 pm
LOCATION: The Blue Mountains Council Chamber
PREPARED BY: Stephen Keast, Clerk

A. Call to Order

- Chair Gamble called the meeting to order with all persons in attendance.
- Also in attendance were CAO Paul Graham, Acting Director of Finance Rob Cummings, Director of Engineering and Public Works Reg Russwurm and Director of Recreation Shawn Everitt
- The Committee then dealt with the following Resolution:
Moved by: John McKean Seconded by: Michael Martin
THAT the Agenda of April 17, 2006 be approved as circulated, including any items added to the Agenda, Carried.
- No member present declared a potential Pecuniary Interest with any matter as listed on the Agenda
- The Committee then dealt with the following Resolution:
Moved by: John McGee Seconded by: John McKean
THAT the Agenda of March 20, 2006 be approved as circulated, including any items added to the Agenda, Carried.

B. Deputations / Presentations

Next as Jill Miller of the Collingwood 2008 Ontario Winter Games Organizing Committee was in attendance it was the Committee's pleasure to hear her regarding organizational efforts.

Jill then requested the Committee consider provision of in-kind municipal sports facilities for the Winter Games for use as event venues, adding it was proposed to hold the 2010 and 2012 Games as well.

Jill noted area municipalities were supporting the program as a partnership of communities in presenting the Games events, including Borden, Wasaga Beach, Collingwood, Owen Sound and the Blue Mountain Village, adding it was proposed that weightlifting and women's hockey would be held in the Beaver Valley Community Centre, with perhaps a third event added.

John then questioned if a proposal had ever been made to area vets to operate in the building on a multi-year contract, Deb replying not to her knowledge, Doug noting the proposal was based on other area shelter operations.

John then noted there may be more cost-effective ways in delivering the service, for example contracting with a vet to locate within the facility.

Deb then noted area vets did not come forward with such a proposal during preliminary discussions of the project.

John then noted the 285 animals currently in care and questioned how long they would have been with the Society, Deb noting some briefly and some for many months in foster homes, adding other than cases of aggression or injury, the CDHS has a “no-kill” policy.

Deb noted the tremendous increase in the area cat population alone means a facility is required to provide care to animals.

Councillor McGee then questioned affiliation with the Ontario Society for the Prevention of Cruelty to Animals, Deb the CDHS was not affiliated but the Society had no objection to CDHS operations.

John then questioned what services the Town would access, Deb noting boarding of animals under animal control services, John noting concern with the open-ended cost of ongoing boarding, Deb noting the animal control officer would drop-off animals for pick-up by owners.

Councillor Martin questioned other municipal support, Doug noting the CDHS had met with Wasaga Beach Council who are now in budget deliberations and a meeting will be scheduled with Clearview Township.

Chair Gamble then referred to the Business Plan and questioned reference to “temporary housing”, Deb clarifying the reference to mean foster care, an existing trailer facility or a rental property in Clarksburg.

Bob then questioned wildlife rehabilitation, Deb noting essentially feral cats.

Bob then noted a reference to the CDHS supplying enhanced services to residents and visitors and questioned what might be expected from The Blue Mountains in terms of future operating costs.

Deb stated it was proposed that the CDHS Shelter would provide the same animal control service as currently accessed by the Town at the same cost.

Bob then noted a reference to agreements with participating municipalities, Deb noting that would follow initiation of construction.

Bob then noted that animals given shelter would originate from non-participating municipalities, Deb noting animals know no boundaries.

Councillor Martin then questioned if the \$100,000.00 annual vet care cost represented a salary, Deb noting it was the cost of general care, adding the CDHS was very active in fund-raising and a permanent facility would assist in fundraising and access to foundation funding.

Michael then questioned if an animal was delivered from a municipal animal control program would there be a surcharge to the municipality, Deb noting these costs would be calculated once the shelter program was initiated.

Deb and Doug then thanked the Committee and retired from the meeting.

Next as Director of Special Operations Chris Fawcett, Acting Director of Finance Rob Cummings and Teresa Oakley, Manager of Finance were in attendance it was the Committee's pleasure to hear them regarding additional information on the proposed Town water supply and wastewater treatment fees.

Rob first distributed a previously forwarded e-mail response to various questions Council had from the initial presentation on April 11, 2007.

Regarding peak demand days and resulting service levels, Rob noted the major servicing infrastructure components are paid through development charges and capital charges with some pressure for a higher fixed cost component of the fees to support future peak demand service levels, cautioning if the fixed portion is too high, water conservation may not be promoted.

Rob then noted a 30% fixed component of estimated fees would provide some cost-recovery while providing an incentive to conserve.

Rob then noted a 50% fixed component with the first 15 cubic metres at no cost would actually reduce annual bills for users in the 175 to 250 cu.m. range.

Rob then noted some proposed billings appear excessive due to outside influences, including system cost increases from 2006 and 2007.

Councillor McGee then noted his own proposed billing would increase approximately \$1,000.00 under one model, adding a more conservative approach may be needed, starting with a combination of a fixed rate portion and encouragement of conservation.

Councillor McKean then noted perhaps the Town has been under-charging for the provision of municipal services over time, Rob noting if total fixed rate bills were retained they would still be \$815.00 in 2007.

Teresa then distributed costing models containing fixed rate components and showing cost based on consumption.

Councillor Martin then noted in a billing based on consumption only, water could be sold as a commodity at a unit cost with recovery of costs built in, a penalty charge to apply at a pre-determined level of use to encourage conservation.

Councillor McKean questioned if a unit charge for water would recover plant capital costs, Michael noting a charge could be built in.

Chair Gamble then noted a part-time resident would yield insurance savings from fronting the water distribution system.

Councillor Martin then noted a basic charge of \$100.00 could be applied similar to a utility billing, Bob noting new system testing requirements could be considered a fixed cost to the Town.

Rob noted essentially all costs associated with the water system are fixed costs save perhaps energy costs, a portion of the billing that was to be fixed perhaps called a delivery or service charge.

Councillor McGee then noted concern that Hemson Consulting did not take into consideration the seasonal aspect of the Town or the distribution of charges within the proposed rate structure.

Town CAO Paul Graham then noted it is important to change people's nature if conservation is not occurring and there may be a period of transition.

Councillor Martin concurred any new fee structure will be a transition, adding Council must do something versus continuing with a complete flat rate which is in effect a subsidy.

Councillor McKean then suggested Staff prepare a brochure to accompany future billings to suggest methods of conservation within their home.

Paul then noted transfer to a fixed component and consumption charge would shift weighting from commercial users to residential which would more closely resemble municipal trends.

Councillor McKean then noted there is a tremendous difference in flow capacity between a 5/8 inch residential service and a four inch commercial, Rob noting a commercial entity would usually have a much larger water meter and likely a higher fixed rate.

Paul then noted once metered rates are in place, water use will decrease.

Councillor Martin then questioned if the Recommendation adopted by Council including the Hemson Option No. 3, 25% asset replacement and Alternative No. 2, Tiered Rates was in any way grossly unfair.

Chair Gamble then stated he believed the fixed rate portion should be a minimum of the former \$281.00 flat rate, as a fixed rate portion of \$180.00 would represent \$100.00 of free water charges which is in effect a subsidy from permanent residents.

Councillor Martin then noted concern that the previous flat rate amount which was deemed unsatisfactory is being brought back with consumption billing above that, again noting support for a per unit cost of water with an increase in the unit cost based on consumption.

Councillor McGee then noted concern in proceeding with at least three alternative consumption charges without any knowledge of the impact across the municipality as well as consideration of a shift from commercial to residential to counter previous subsidies without further analysis.

John clarified Council needs to encourage conservation rather than demand it overnight and to reconsider the commercial use of water for profit versus those users who need it for basic life, both matters worthy of debate.

Moved by: Michael Martin

Seconded by: John McKean

THAT Council receive and approve the 2007 Grey Sauble Conservation Authority Operating Budget as approved by the GSCA Board of Directors in the total amount of \$1,975,955.00 with the Town of The Blue Mountains levy portion being \$207,838.04, representing a levy of 10.15 cents per \$1,000.00 of Modified Current Value Assessment of Town land contained within the GSCA Watershed, Carried.

Chair Gamble then noted he believed conservation authorities should confine their activities to conservation efforts.

E.2 Leming Street Lane purchase request

Moved by: Michael Martin

Seconded by: John McGee

THAT Council authorize the Clerk to forward correspondence to landowners abutting a lane south from Leming Street as their interest in purchasing the portion abutting their properties should the subject lands be declared surplus to the needs of the municipality, Carried.

The Committee then considered the following item as an addition to the Agenda.

E.3 Performance Appraisal System

Moved by: John McGee

Seconded by: John McKean

THAT Council authorize the Performance Appraisal System proposal as submitted by David Creech for Town CAO evaluation contained in covering correspondence dated April 18, 2007 at an estimated upset cost of \$2,500.00, Carried.

F. Next Meeting Date

May 15, 2007, 2:00 pm or at the call of the Chair.

G. Adjournment

Moved by: Michael Martin

Seconded by: John McGee

That this meeting do now adjourn to meet again May 15, 2007, 2:00 pm or at the call of the Chair, Carried.