

THE REGIONAL MUNICIPALITY OF NIAGARA

CORPORATE SERVICES COMMITTEE

REPORT 6-2009

Minutes of a meeting of the Corporate Services Committee held in Committee Room 4, Regional Municipal Building, 2201 St. David's Rd., Thorold, Ontario, on Wednesday, April 29, 2009 commencing at 9:08 a.m.

ATTENDANCE

Committee: Councillors Augustyn, Co-Chair; Partington, Regional Chair; Bentley; Burroughs; Bylsma; D'Angela; Greenwood; Heit; Henderson; Puttick.

Councillors

Other: Councillors Marshall.

Staff: Mr. Trojan, Chief Administrative Officer; Mr. Bergsma, Commissioner, Corporate Services; Ms. Reilly, Legislative Assistant.

Staff

Others: Corporate Services: Mr. Diakow, Director, IT Solutions; Ms. Garrett, Manager, Accounting & Reporting Services; Mr. Inman, Associated Director, Energy Management; Mr. Kyne, Director, Legal Services; Mr. Lockyer, Treasurer/Director, Financial Management & Reporting; Mr. Moffatt, Manager, Property Management; Ms. M. Murphy, Associate Director, Current & Capital Budgets; Mr. Pilon, Associate Director, Service Quality & Improvement; Ms. Rae, Legal Counsel; Mr. Roach, Manager, Public Works Financial Services; Ms. Rosset, General Accounting Analyst; Ms. Stranges, Capital Assets Analyst; Ms. Williams, Senior Financial Analyst.

Administration: Mr. McQueen, Director, Administration; Mr. Roberts, Executive Officer to Regional Chair.

Integrated Community Planning: Mr. Robson, Commissioner, Integrated Community Planning; Mr. Bendell, Financial Analyst; Mr. Weaver, Director, Community & Corporate Planning.

Public Works: Mr. Cousins, Director, Transportation Services; Ms. Matthews-Malone, Director, Water & Wastewater Services; Mr. Pollock, Director, Waste Management Services; Mr. Steele, Associate Director, Strategy Business Management.

Others: Mr. Gedge, CEO, Niagara Economic Development Corp. (NEDC); Mr. Teichroeb, V.P. Business Development & Services (NEDC); Ms. Clark, Chief Communications Officer, Niagara Health System (NHS); Ms. Kain, Chief Planning Officer, NHS; Ms. Zangari, Chief Financial Officer, NHS.

Quorum

There being a lack of ordinary quorum at the meeting, the Committee Chair determined that the ordinary quorum for the meeting be reduced to six members, pursuant to Section 22.10 of the Procedural By-law 96-2007.

PRESENTATION

99. Canadian Award for Financial Reporting

Councillor Augustyn apprised Committee of The Canadian Award for Financial Reporting which has been awarded to the Regional Municipality of Niagara, by the Government Finance Officers Association of the United States and Canada for its Annual Financial Report for the year ended December 31, 2007.

The Canadian Award for Financial Reporting Program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports. Its attainment represents a significant accomplishment by a government and its management.

The Canadian Award for Financial Reporting Achievement has been awarded to the individuals designated as primarily responsible for preparing the award-winning report.

Councillor Augustyn, together with Regional Chair Partington and John Bergsma, Commissioner, Corporate Services, presented the award, with the appreciation of Committee and Council, to Brenda Garrett, Manager, Accounting & Reporting Services, Nicole Rosset, General Accounting Analyst, Denise Papaiz, Senior Manager, Corporate Communications, Debbie Williams, Senior Financial Analyst, and Richard Bendell, Financial Analyst.

A quorum was met at 9:16 a.m.

ITEMS FOR CONSIDERATION

100. Niagara Economic Development Corporation (NEDC) – Action Plan
CAO 2-2009

Moved by Councillor Puttick
Seconded by Councillor Heit

That Report CAO 2-2009, April 29, 2009, respecting Niagara Economic Development Corporation (NEDC) – Action Plan, be received.

That Regional Council endorse the draft action plans as outlined in this report, and;

That Regional Council endorse the updated 2009-2012 Economic Growth Strategy document and the accompanying 2009 Integrated Work Plan for the Economic Growth Strategy, and;

That this report be forwarded to the Niagara Economic Development Board for endorsement.

Carried.

101. Moved by Councillor Bentley
Seconded by Councillor D'Angela

That Report CSD 75-2009 Amended, April 29, 2009, respecting Niagara Health System – Update to Council, be lifted from the agenda and moved forward to be dealt with by Committee at this time.

Carried.

102. Niagara Health System – Update to Council
CSD 75-2009 Amended

Moved by Councillor Burroughs
Seconded by Councillor Heit

That Report CSD 75-2009 Amended, April 29, 2009, respecting Niagara Health System – Update to Council, be received, **as amended**.

That the Region's funding commitment of \$21 million, for **new** Regional Health Programs (**Comprehensive Cancer Centre; Regional Longer-Term Mental Health Centre; Regional Cardiac Catheterization Centre**) to be housed within the NHS's new Health Care Complex, be approved.

That the amount be funded in 2011 through a combination of \$5.6 million in cash, plus the equivalent of \$15.4 million financed with annual payments of \$1 million per year for 30 years, commencing in 2011 as outlined in this report, and

That these arrangements be formally communicated to the Niagara Health System.

Carried.

(Refer to Councillor Information Requests.)

103. Initiation of Projects in the 2009 Facilities Capital Program
CSD 65-2009

Moved by Councillor Burroughs
Seconded by Regional Chair Partington

That Report CSD 65-2009, April 8, 2009, Initiation of Projects in the 2009 Facilities Capital Program, and **memorandum from John Bergsma, April 24, 2009 regarding Further Details – Facilities Capital – ZGD0901 – CSD 65-2009**, be received.

That financing in the amount of \$2,739,623 gross and net be approved and initiated from the Facilities Capital Program.

That approval be given to fund the Facilities projects with financing consisting of \$2,739,623 Capital Levy Reserve.

That the Regional Clerk be directed to ensure that the appropriate by-law(s) are prepared for presentation to Regional Council.

Carried.

104. Appointment of Municipal Energy Conservation Officer (MECO)
CSD 69-2009

Moved by Councillor Henderson
Seconded by Councillor Greenwood

That Report CSD 69-2009, April 29, 2009, respecting Appointment of Municipal Energy Conservation Officer (MECO), be received, **as amended**.

That the Associate Director of Energy Management be appointed Municipal Energy Conservation Officer (MECO) for the Regional Municipality of Niagara.

That this report be circulated to Area Clerks for distribution to local municipal Councils and staff.

Carried.

105. Initiation of Project ZRD0901 Drainage Assessments
CSD 70-2009 (PWA 47-2009)

Moved by Councillor Bentley
Seconded by Councillor Bylsma

That Report CSD 70-2009 (PWA 47-2009), April 29, 2009, respecting Initiation of Project ZRD0801 Drainage Assessments, be received.

That Capital Levy financing in the amount of \$100,000 gross and net be approved from the 2008 Roads Capital Program for Project ZRD0801 Drainage Assessments;

That approval be given to pay The Town of Fort Erie the amount of \$12,048.80 for Niagara's share of the net assessment related to the construction costs of Bertie Bay Municipal Drain works; and

That the Regional Clerk be directed to ensure that the appropriate by-laws are prepared for submission to Regional Council.

Carried.

(Please note that Report CSD 70-2009 (PWA 47-2009) can be found behind the Joint Reports Blue Book Tab)

106. Cash Management Activities for the Fourth Quarter
And Year 2008
CSD 72-2009

Moved by Councillor Heit
Seconded by Councillor D'Angela

That Report CSD 72-2009, April 29, 2009, respecting Cash Management Activities for the Fourth Quarter and Year 2008, be received for information.

Carried.

107. Year End Results and Final Report on Required Transfers
For the Year Ended December 31, 2008 – Current Operations
CSD 73-2009

Moved by Councillor Heit
Seconded by Councillor D'Angela

That Report CSD 73-2009, April 29, 2009, respecting Year End Results and Final Report on Required Transfers For the Year Ended December 31, 2008 – Current Operations, be received, **as amended, to exclude recommendation 10.**

That Corporate Services Committee recommend to Council that:

- 1) Of the Tax Account surplus of \$3.054 million,
 - a. \$1.4 million be transferred to the Prior Year Surplus Reserve to fund the "Prior Year Surplus" amount in the approved 2009 budget,
 - b. \$1.2 million be transferred for the Reserve for Future Hospital Contribution (to complete the second year of the targeted annual funding of \$1.7 million), and
 - c. An amount of \$0.392 million be transferred to the Year End Transfer Reserve to provide for the 2009 operations of Niagara Specialized Transit;
- 2) The one time OMPF reconciliation surpluses of \$2.681 million from 2006 and 2007, reported during budget discussions, be transferred to the Year End Transfer Reserve to partially fund the 2009 OMPF shortfall of \$4.559 million;
- 3) Of the investment revenue surplus of \$6.554 million,
 - a. \$1.878 million be transferred to the Year End Transfer Reserve to fund the remainder of the 2009 OMPF shortfall (referred to in 2) above),
 - b. \$1.139 million be transferred to the Year End Transfer Reserve to fund the previously proposed expenditure for the 2009 Police Interim Facilities Plan (\$0.668 million) and the previously approved 2009 Regional Business Cases requiring "one-time" funding (\$0.472 million), and
 - c. the remaining amounts of \$2.0 million and \$1.0 million be transferred to the Contingency Reserve, as a further provision against unforeseen developments during the current economic downturn, and to the Reserve for Prior Year Adjustments respectively;

- 4) \$2.0 million of surplus arising from Social Assistance and Employment Opportunities (SAEO) and Provincially Operated Programs be transferred to the Social Assistance Reserve to further supplement the reserve for purposes of the withdrawals expected to occur during the economic downturn in 2009 and 2010;
- 5) \$0.8 million of Seniors Homes' surplus be transferred to the Seniors' Capital Reserve to mitigate the use of debt for future capital spending requirements;
- 6) \$0.483 million and \$0.231 million of unspent funding, relating to SmartGrowth and approved Council Business Plan/Community Improvement Plan expenditures, be transferred to the SmartGrowth Reserve and Year End Transfer Reserves respectively;
- 7) \$0.434 million be transferred from the Winter Maintenance reserve to offset Winter Control overspending due to heavier than normal snowfall in 2008;
- 8) \$0.203 million in Public Health program surplus be transferred to the Health Bus Reserve and Year End Transfer Reserve for purposes of an additional provision for the ultimate replacement of the Health Bus (\$0.066 million) and to defray increasing financing charges associated with the new Welland Health Unit (\$0.137 million);
- 9) \$1.6 million of Niagara Regional Housing surplus be transferred, as requested by the Board, to
 - a. A new NRH Reserve Fund for Rent Supplements, to be applied to extend the duration of Rent Supplement Programs that would otherwise end during the current economic downturn (\$1.0 million), and
 - b. The NRH Reserve for Owned Units, to mitigate the use of debt for future capital spending requirements (\$0.6 million);
- 11) As in prior years, the net results from various long-term spending areas or rate funded programs, be transferred to or from the appropriate reserves or reserve funds as indicated by final operating results.

Carried.

(Councillor Bentley wished to be recorded as opposed to the foregoing motion.)

Moved by Councillor Heit
Seconded by Councillor Bylsma

That Corporate Services Committee recommend to Council that:

That Recommendation 10) as contained in Report CSD 73-2009, as follows, be deferred pending the outcome of the Ontario Civilian Commission on Police Services (OCCOPS) hearing.

- 10) \$1.128 million from Niagara Regional Police surplus be transferred, as requested by the Board, to
- a. Police Contingency Reserve (\$0.324 million),
 - b. Police Sick Leave Reserve (\$0.455 million), and
 - c. Police Capital Reserve (\$0.349 Million)

Defeated.

Moved by Councillor Puttick
Seconded by Councillor Bentley

That Corporate Services Committee recommend to Council that:

- 10) \$1.128 million from Niagara Regional Police surplus be transferred, as requested by the Board, to
- a. Police Contingency Reserve (\$0.324 million),
 - b. Police Sick Leave Reserve (\$0.455 million), and
 - c. Police Capital Reserve (\$0.349 Million)

Carried.

(Councillor Heit wished to be recorded as opposed to the foregoing motion.)

(Refer to Councillor Information Request.)

108. Budget Approval, Initiation and Transfers for Police Project
ZPO0910 Wireless Broadband System
CSD 74-2009

Conflict of Interest

Councillor Heit declared an indirect pecuniary interest with respect to CSD 74-2009, Budget Approval, Initiation and Transfers for Police Project ZPO0910 Wireless Broadband System, as he is employed with a Wireless Company, and he therefore, took no part in the discussion of, or voting on this matter..

Moved by Councillor D'Angela
Seconded by Councillor Bentley

That Report CSD 74-2009, April 29, 2009, respecting Budget Approval, Initiation and Transfers for Police Project ZPO0910 Wireless Broadband System, be received.

That an exception to the capital management policy be allowed for an addition to the 2009 Police Capital Budget of Project ZPO0910, Wireless Broadband System and that the project be initiated with a gross and net budget of \$900,000.

That ZPO0706 MWS Data Radio system be initiated with a budget of \$400,000 in long-Term debt (1-10 years) and that the full amount be transferred to ZPO0910.

That \$500,000 of long-term debt (1-5 years) be transferred from PO0607 AVL/GIS to ZPO0910.

That the Regional Clerk be directed to ensure that the appropriate by-law(s) are prepared for presentation to Regional Council.

Carried.

CORRESPONDENCE

109. Moved by Councillor Burroughs
Seconded by Councillor D'Angela

That Communication CSC 18-2009, respecting Memorandum from John Bergsma, Commissioner (April 28, 2009) regarding 2008 Standard & Poor's Credit Rating Review, be received.

Carried.

MINUTES

110. 3-2009 (JAC)

Moved by Councillor Henderson
Seconded by Councillor Bentley

That Report 3-2009 (JAC), minutes of the Joint Advisory Committee on Water & Wastewater Servicing Project meeting of March 30, 2009, be received.

Carried.

(Please note that Report 3-2009 (JAC) can be found behind the Joint Reports Blue Book Tab)

111. 2-2009 (AC)

Moved by Councillor Henderson
Seconded by Councillor Bentley

That Report 2-2009 (AC), minutes of the Audit Committee meeting of April 8, 2009, be received.

Carried.

OTHER BUSINESS

112. Moved by Councillor D'Angela
Seconded by Councillor Burroughs

That staff prepare a list detailing projects/programs/initiatives that the Region has a cost-sharing partnership with the local municipalities and forward the list to local municipalities for distribution to their staff and local politicians and to Regional Councillors for information.

Carried.

ITEMS FOR INFORMATION

113. Oral Report:
Re: Update – Infrastructure Stimulus Fund Applications

Mr. Trojan, Chief Administrative Officer, advised that the purpose of the oral report was to bring the latest information to the Corporate Services and Integrated Community and Planning & Public Works Committees for discussion and better understanding of the complexity of the infrastructure program. The Niagara Region's project list was prepared to meet the Region's infrastructure needs, the Provincial and Federal criteria and reflects the feedback from C.A.O.s and staff of local municipalities. Mr. Trojan requested further feedback from the Committee to determine if there is a cause for some re-prioritizing before the May 1st deadline.

Mr. Steele, Associate Director, Strategy Business Management, distributed a copy of the latest version of the Region's list of staff-recommended infrastructure projects that form the Region's application under the Infrastructure Stimulus Fund. This list was developed based on consideration of Regional infrastructure needs, Federal funding criteria, advice from the Region's consultants (OEB), visits to key Federal/ Provincial Ministers (Baird, Smitherman and others) and discussions with Regional Councillors and local CAOs.

Mr. Steele advised that this list has been a work in progress as the stimulus funding guidelines have evolved over time. As a result, information has been updated as better intelligence was received.

The list distributed is the most up-to date version and incorporates the latest project information as of the Federal Government's April 14th ISF program announcement.

The following are the most salient points:

- The project completion deadline is March 31, 2011.
- Continued strong preference for hard infrastructure.
- Municipalities have an unlimited number of program submissions.
- Projects should not be bundled under themes or groupings (e.g. Environmental Stewardship).
- Similarly, bundling of Regional or local Area Municipal projects is not advised.
- A signed "incrementality" attestation is required: project could not have proceeded over the next 2-years without Federal funds.
- Projects underway or tendered before approval are ineligible (After April 14, 2009).
- Applicants can apply for the same projects under both ISF & Building Canada Fund (BCF-MIC).
- Applicants will be advised of results by mid-June.

Mr. Steele highlighted the recommended eligible projects under Transportation, Waste Management and W&WW categories for a total project application of \$202,960,000 with cost sharing 1/3-1/3-1/3 (Regional share - \$67,653,333; Federal share - \$67,653,333; Provincial share - \$67,653,333).

Acting Commissioner Joe Cousins and Directors Betty Matthews-Malone and Andy Pollock were in attendance to answer any questions on this recommended Infrastructure Stimulus Fund project list.

Moved by Regional Chair Partington
Seconded by Councillor Greenwood

That the Oral Reports regarding the Update – Infrastructure Stimulus Fund Applications and Summary of Niagara Region’s Project List under the Infrastructure Stimulus Fund (ISF), be received.

Carried.

CLOSED SESSION

114. Moved by Councillor Bylsma
Seconded by Regional Chair Partington

That this Committee do now meet in Closed Session for purposes of receiving information of a confidential nature relating to the Proposed Acquisition of Land by the Municipality, NHS Facility Transfers and A Matter of Security of the Property of Niagara Region and Litigation or Potential Litigation Affecting the Municipality.

Carried.

115. Proposed Acquisition of Land by the Municipality
City of Port Colborne
City of Niagara Falls
City of Welland
Town of Fort Erie
Town of Niagara-on-the-Lake
NHS Facility Transfers
CSD 76-2009 Confidential

Moved by Councillor Henderson
Seconded by Councillor Heit

That Confidential Report CSD 76-2009, April 29, 2009, respecting Proposed Acquisition of Land by the Municipality, City of Port Colborne, City of Niagara Falls, City of Welland, Town of Fort Erie, Town of Niagara-on-the-Lake, NHS Facility Transfers, be deferred to the next Corporate Services Committee meeting of May 20, 2009.

Carried.

116. A Matter of Security of the Property of Niagara Region and Litigation or Potential Litigation Affecting the Municipality CSD 77-2009 (PWP 23-2009) Confidential

Moved by Councillor D'Angela
Seconded by Regional Chair Partington

That Confidential Report CSD 77-2009 (PWP 23-2009), April 29, 2009, respecting A Matter of Security of the Property of Niagara Region and Litigation or Potential Litigation Affecting the Municipality, be received for information.

Carried.

(Refer to Councillor Information Request.)

Moved by Councillor Henderson
Seconded by Councillor Greenwood

That this Committee do now rise with report.

Carried.

COUNCILLOR INFORMATION REQUESTS

That staff:

- (i) Prior to the 2011 payment date, examine alternative financing options and the possibility of a shorter amortization period. (Committee members) Refer to minute 102.
- (ii) Clarify net deficit of approximately \$0.5 million as shown on Page 9 of Report CSD 73-2009 under "Corporate Services" heading. (Bentley) Refer to minute 107.
- (iii) The Director, Legal Services be authorized to confirm with the Media that Report CSD 77-2009 (PWP 23-2009) was regarding Abitibi. (Kyne) Refer to minute 116.

ADJOURNMENT

Committee adjourned at 11:35 p.m. to meet again on Wednesday, April 29, 2009, at 9:00 a.m. in Committee Room 4, Regional Headquarters.

Dave Augustyn
Co-Chair

Gail Reilly
Legislative Assistant

Janet Pilon
Acting Regional Clerk