

THE CORPORATION OF THE MUNICIPALITY OF LAMBTON SHORES

Regular Council Meeting

Meeting No. 12-2011

Date of Meeting: Tuesday, April 12, 2011

Members Present: Mayor Bill Weber
Deputy Mayor Elizabeth Davis-Dagg
Councillor Dave Maguire
Councillor Doug Bonesteel
Councillor Lorie Scott
Councillor Ruth Illman
Councillor Martin Underwood
Councillor Doug Cook
Councillor John Russell

Staff Present: C.A.O. John Byrne
Clerk Carol McKenzie
Treasurer Janet Ferguson
Director of Community Services Peggy Van Mierlo-West

Media Present: Lynda Hillman- Rapley, Lakeshore Advance
Gord Whitehead – Various Publications

1. CALL TO ORDER

Mayor Weber called the meeting to order at 3:00 p.m.

2. DECLARATION OF PECUNIARY OR CONFLICT OF INTEREST

Mayor Weber asked members to declare any conflict or pecuniary interest they may have and none were declared.

Items 3 – 5 and 7 – 10 on the agenda were not applicable to the budget session.

6. CONSIDERATION OF COMMITTEE MINUTES AND STAFF REPORTS

6.1 C.A.O. Report No. 19-2011 – Status Report on the 2011 Draft Budget

Chief Administrative Officer John Byrne advised that the Management Team has reviewed the draft 2011 budget once again to determine if there were further reductions that could be made that would bring the tax rate down to 0%.

Information was provided in C.A.O. Report No. 19-2011 on issues that were considered for reductions, and it was noted that the budget numbers are very “lean”; taking into consideration the increases for policing, insurance, fuel, etc. and that there is very little flexibility in the numbers should something unexpected occur.

The end result was that there were no areas identified that could be reduced further that would not result in potential problems in the future. (An example cited was the recent incident when the “information link” that operates between Forest, Grand Bend, Northville, and Thedford that is essential for the municipal operations needed to be replaced. The estimated cost for the replacement was \$ 8,000.00 and it is anticipated that the cost can be accommodated; however, any further expense may affect the ability to respond to issues.) Mr. Byrne noted that staff continues to look for savings throughout the year, not just when budgets are being drafted.

The report also provided information on the municipal investment in recreation and leisure services, and Mr. Byrne advised that the community feedback during the drafting of the 2006 Strategic Plan identified a need to reinvest in the provision of these services, as this was identified as key to the quality of life in the community. A comparison of the level of funding for Recreation and Leisure Services in neighbouring communities was provided, and the Lambton Shores spending level is comparable.

Councillor Illman noted that the Business Units have been reviewed, and it is important to remember there are some units that are not intended to break even, such as community centres and there are others, such as the Roads, where there isn't offsetting revenue: however, there are other units, such as planning and building with fees for cost recovery that could be reviewed again to move closer to a full user pay system.

The need to review the amount allocated to reserves for the roads was discussed, as the Road Needs Study suggested an annual contribution of 2 million and the current amount is \$ 1.5 million. Also, it has been discussed that the annual allocation for the fire reserve should also increase. It was suggested that the previous decisions on these issues should be reconsidered.

Reconsideration of a decided matter

**11-0412-01 Moved by: Councillor Illman
Seconded by: Councillor Underwood**

That the Council reconsider previous decisions rendered on planning and building fees and the annual allocation to Fire and Road reserves. Carried

Building Fees

The proposed adjustment for building permit fees and planning application fees outlined in the “Changes to the Core” report were reviewed, and discussed. Including in the discussion was the fact that if the benefitting people are not paying the full cost, the balance is covered in the tax rate, and the benefits from the increased assessment resulting from the construction.

**11-0412-02 Moved by: Councillor Illman
Seconded by: Councillor Underwood**

That the fees for building services increase as per the staff recommendation in the "Changes to the Core". ***Motion defeated.***

**11-0412-02 Moved by: Councillor Illman
Seconded by: Councillor Underwood**

That 50% of the proposed fee increase for building permits be enacted in September of 2011 and the balance enacted in September of 2012. Carried

Planning Fees

**11-0412-03 Moved by: Deputy Mayor Davis-Dagg
Seconded by: Councillor Russell**

That the discussion on the proposed increases in Planning fees be deferred for further review. ***Motion defeated.***

Discussions ensued on the proposed increases, and included the fact that the planning fee was a minimal part of the overall project cost, and that one of the neighbouring municipalities had lower fees than the proposed rates. The information that was available in the BMA report pertaining to fees was also discussed.

**11-0412-03 Moved by: Councillor Underwood
Seconded by: Councillor Cook**

That 50% of the proposed fee increase for planning application fees be enacted in September of 2011 and the balance enacted in September of 2012. Carried

Fire Reserves

Currently, 125,000.00 per year is allocated to the reserves for the Fire Departments. At the most recent Lambton Shores Fire Board meeting, the need to increase the annual contributions to the reserves were discussed. Chief Administrative Officer John Byrne did advise there were other partners that contribute to the funding of the departments and they will need to be advised of any changes in the funding formula.

**11-0412-04 Moved by: Councillor Illman
Seconded by: Councillor Underwood**

That the contribution to the Fire reserve increases by \$ 62,500.00. Carried

It was also discussed that some of the more recent projects, such as the Phragmites and Ice Management haven't been discussed yet. Also, the need to continue to fund the "working reserves" was discussed and that there is some flexibility to move funds from one reserve to another.

Deputy Mayor Davis-Dagg asked to look at ways outside of the tax rate to fund some of these items and it was noted that, with many of the projects completed strategically, through partnerships with foundations, service clubs, grants, that the only projects initiated are those that the municipality can afford.

Chief Administrative Officer John Byrne did advised that this is a tight, pragmatic operating budget but it has a significant capital and project component, and achieves “quality of life” issue without over extention.

Councillor Illman did advise that this was a transition budget from the last budget, and that there still haven’t been the discussions on the strategic priorities of the new Council.

Phragmites

At a previous meeting, discussion took place on phragmites and the eradication plans that are currently underway in the community and Councillor Scott asked for an allocation that would allow for some training and to provide some assistance to the community.

**11-0412-05 Moved by: Councillor Scott
Seconded by: Councillor Russell**

That up to \$10,000 be allocated from the Recreation reserve for use for a phragmites program. Carried

Ice Management

One of the ongoing issues in Port Franks is the Ice Management and flooding issues. These issues were discussed at the open house earlier in the year, and Councillor Scott asked that funds be allocated for Ice Management studies.

**11-0412-06 Moved by: Councillor Scott
Seconded by: Deputy Mayor Davis-Dagg**

That up to \$40,000.00 be allocated from the Recreation Reserve for Ice Management Studies. Carried

Road Reserves

Council has received the Road Needs Study, and it was suggested that the issues be referred to the Strategic Plan, but the motion was withdrawn.

**11-0412-07 Moved by: Councillor Underwood
Seconded by: Councillor Bonesteel**

That an additional \$50,000.00 be allocated to the road reserves. Carried

It was noted that the increases to the reserve would translate to a 1.92% increase.

6.3 C.A.O. Report No. 21-2011 Re: Status Report on the YMCA Contract to Operate the Suncor Wellness Centre at the Shores Recreation Centre.

Several questions had been raised regarding the YMCA contract, and answers were provided in C.A.O. Report No. 21-2011. Councillor Bonesteel asked that the issue be referred to the Recreation and Leisure discussions and the Strategic Plan review.

**11-0412-08 Moved by: Councillor Bonesteel
Seconded by: Councillor Underwood**

That the issues pertaining to operation of the Suncor Wellness Centre be referred to the Recreation and Leisure discussions and the Strategic Plan review. Carried

6.2 C.A.O. Report 20 -2011 Re: Status Report on the Legacy Centre

C.A.O. Report No. 20-2011 provided a financial update from the Treasurer that shows the Legacy project is still on budget, and it is anticipated that there would be a surplus at the end of the project.

A status report was also given on other project issues, such as the photo voltaic system, asphalt and drainage, concession booth, hall and kitchen accessories, and the donor recognition signage.

It was noted that the number in the budget is the net to be financed, and that this can be adjusted down at the end of the year. The difference between the number in the budget and the financing portion was explained, the need to track the expenditure number as opposed to the financing number and that it would not be accurate to add the two numbers together.

Mr. Byrne advised that the project was developed within an extremely tight time frame in 2009 when the Federal and Provincial Stimulus Funds were announced. As a result, some of the components were left out of the scope of the project. One item that was not included was repairs to the existing roof over the ice surface, which is leaking. Repairing the roof would likely be less than the anticipated surplus, and would extend the life of the roof by 10 years.

Updates were also provided on additional issues, such as the Photo Voltaic system, which is a standalone component of the total project, designed to generate energy from a roof top array of solar panels, feeding power generated feed back into the grid. The project is dependent on Provincial approval for a FIT (Feed in Tariff) program, and currently, all applications are on hold.

Also, as this was a building project, the plans did not include paving the lot or landscaping. Also, the original plans did not include a concession stand; however, the feedback received by the fundraising committee was that people were not in favour of vending machines only.

The project also did not include the cost of replacing the tables and chairs for Thomas Hall, and unless directed otherwise, all equipment from the former facility will be used.

Also not included in the budget was a donor recognition plaque to prominently display the names of the contributors, which will be part of the fundraising efforts.

The total to complete all the above issues would be approximately \$116,490.00

Discussion ensued on the benefits of proceeding with the additional issues and the impacts of deferring some of the projects.

**11-0412-09 Moved by: Councillor Underwood
Seconded by: Councillor Illman**

That all items noted as outstanding for the completion of the Legacy Centre as outlined in C.A.O. Report No. 20-2011 be completed, and the funds taken from the reserves and gas tax.

Carried

A motion was proposed to remove the “kitchen accessories” from the resolution, but failed as it did not get a seconder.

Councillor Russell reported that the Lake Smith Conservationists would be providing the play ground equipment for the nursery school.

It was also noted that the Grand Bend Optimist Club were looking for confirmation of the approval of their project at the 81 Crescent Street Park so that they can proceed with arranging of the balance of the funding.

**11-0412-10 Moved by: Councillor Scott
Seconded by: Councillor Cook**

That the funding for the improvements at the 81 Crescent Park proposed by the Grand Bend Optimist park and approved in the draft budget be confirmed.

Carried

C.A.O. John Byrne reviewed the 2011 capital program, and noted that there needed to be some adjustments, such as the Grand Bend treatment plant and collection systems which have been tabled until the review by the Ad Hoc committee. It was confirmed that when the capital was approved, it was not for any of the items from 2012 onwards, however, the items need to remain in the future forecasts as these projections will be used to determine the lifecycle water and sewer rates and development charges.

Further discussions ensued on the ramifications of leaving the projections in and or removing them.

A motion was proposed to suspend the inclusion of the Grand Bend Sewage Treatment Plant and the collection systems from the 2011 budget, but failed as it did not get a seconder.

Discussion Period

Gord Whitehead asked what the 1.8% translates to in dollars, and the total operating expenditures.

Ernie Lewis commented that the Source Water Protection Act was not in tandem with the Municipal Act regarding mandatory septic inspections, and noted that the Source Water Committee does not indicate that there are any issues in our area. A question was also asked as to whether or not the tendering of the Sewage Treatment Plant had been approved, and was advised that the tendering was approved previously, and direction had been given by the GBSTP Board to proceed.

Mr. Barnsley questioned the impact of the budget changes on the average homeowner, and was advised that information would be provided.

John McPherson asked when the issue of the YMCA will be brought forth, and was advised that it would be discussed at the Strategic Plan meetings. He asked that Council consider a full report that included the enrolment numbers etc.

11-0412-11 Moved by: Councillor Scott
Seconded by: Councillor Underwood

That the meeting adjourn at 5:50 p.m.

Carried