

THE REGIONAL MUNICIPALITY OF NIAGARA

CORPORATE SERVICES COMMITTEE

REPORT 12-2007

Minutes of a meeting of the Corporate Services Committee held in Committee Room 4, Regional Municipal Building, Thorold, Ontario, on Wednesday, August 29, 2007, commencing at 9:08 a.m.

ATTENDANCE

Committee: Councillors Martin, Co-Chair; Collins, Co-Chair; Partington, Regional Chair; Augustyn; Bentley; Burroughs; Casselman; D'Angela; Greenwood; Heit; Puttick; Saracino.

Staff: Mr. Trojan, Chief Administrative Officer; Mr. Bergsma, Commissioner, Corporate Services; Mr. Nicol, Commissioner, Human Resources; Ms. Pilon, Acting Regional Clerk; Ms. Reilly, Legislative Assistant.

Staff

Part-Time: Corporate Services: Mr. Kaas, Capital Analyst; Mr. Kyne, Director, Legal Services; Mr. Lockyer, Treasurer/Director, Financial and Management Planning; Mr. Macklem, Acting Manager, Property Management; Mr. Murphy, Policy Development; Ms. Rae, Legal Counsel; Mr. Roach, Manager, P.W. Financial Services.

Others: Mr. Gohier, Acting Director, Water and Wastewater Services Division.

Others: Councillor Rigby.

PRESENTATION

265. State of the Infrastructure Report
Water & Wastewater Systems:
Transitioning from Construction to Stewardship

Mr. Bergsma, Commissioner, Corporate Services, commented that the purpose of the presentation before Corporate Services, is to apprise Committee of the many Water and Wastewater issues facing the Niagara Region that need to be addressed and of the substantial financial commitment that would be required in order to develop the policies necessary to achieve sustainable funding for water and wastewater systems over the long term.

Mr. Gohier, Acting Director, Water and Wastewater Services, provided an overview of the State of the Infrastructure Report, Water and Wastewater Services: Transitioning from Construction to Stewardship. He advised that the Region's water and wastewater assets have a replacement value of almost \$2.2 billion. He provided a breakdown of those replacement values per serviced property, based on approximately 110,000 services properties in the Region. Mr. Gohier advised that analyses performed to project the sustainable revenue requirements of the water and wastewater asserts over a 100 year period, indicate that the 2007 average operating and capital revenues fall short of the sustainable revenue requirements.

The Director commented that the first rule of assessment is: If a service is not fully funded, it is not sustainable. If it is not sustainable, it will eventually fail or fall to an unacceptable level. The objective of the report is to identify sustainable funding requirements for the stewardship and sustainability of the water and wastewater systems over the long-term.

Mr. Gohier noted the importance of timely intervention to maintain infrastructure at optimum cost. Graphs showing Wastewater Treatment Plants Life-Cycle Analysis with No Capital Improvements for Maximum Life and Minimum Life were compared. The Region of Niagara's Infrastructure Report Card for Wastewater Collection ('C') and Treatment ('C-') and for Water Distribution ('C+') and Treatment ('C') was reviewed. Increased expenditures required to sustain the infrastructure were illustrated on graphs, and Mr. Gohier emphasized the need to balance Affordability, Risk Management and Level of Service.

Moved by Councillor Bentley
Seconded by Councillor Burroughs

That the presentation from Mr. Leo Gohier, Acting Director, Water and Wastewater Services, regarding State of the Infrastructure Report – Water & Wastewater Systems: Transitioning from Construction to Stewardship, be received.

Carried.

ITEMS FOR CONSIDERATION

266. Chestnut Ridge Subdivision
Water Booster Pumping Station, Town of Pelham
CSD 137-2007 (PWA 136-2007)

Moved by Councillor Augustyn
Seconded by Councillor Burroughs

That Report CSD 137-2007 (PWA 136-2007), August 29, 2007, respecting Chestnut Ridge Subdivision, Water Booster Pumping Station, Town of Pelham, be received.

That a permanent easement interest, described as Part 2 on Plan 59R-13162 be declared surplus and transferred to the Corporation of the Town of Pelham for the construction, operation and maintenance of the Chestnut Ridge Water Booster Pumping Station for consideration of \$1.00.

That a permanent easement interest, described as Part 1 on Plan 59R-13162 be declared surplus and transferred to the Hydro One Networks Inc. for the construction, operation and maintenance of a power supply to the Chestnut Ridge Water Booster Pumping Station for consideration of \$1.00.

That the Regional Chair and Regional Clerk be authorized to execute the necessary documents.

Carried.

(Please note that Report CSD 137-2007 (PWA 136-2007) can be found behind the JNT RPTS Blue Book Tab.)

267. Transfer of Funds – Contract RN 03-38
Rosehill Water Treatment Plant Operational Improvements
Town of Fort Erie
Project ZCW9506/CW0224

CSD 138-2007 (PWA 139-2007)

Moved by Councillor Heit
Seconded by Councillor D'Angela

That Report CSD 138-2007 (PWA 139-2007), August 29, 2007, respecting Transfer of Funds – Contract RN 03-38, Rosehill Water Treatment Plant Operational Improvements, Town of Fort Erie, Project ZCW9506/CW0224, be received.

That previously approved Long Term Financing in the amount of \$375,000.00 be transferred from Project ZCW0204 Capacity Upgrade at Welland Water Treatment Plant to Project ZCW9506/CW0224 Rosehill Water Treatment Plant Operational Improvements.

That payment in the amount of \$375,000.00 be approved for additional construction costs (\$340,000.00) and additional engineering costs (\$35,000.00) for the Rosehill Water Treatment Plant Operational Improvements, Contract RN 03-38, in the Town of Fort Erie.

That these costs be charged against Project ZCW9506/CW0224.

Carried.

(Please note that Report CSD 138-2007 (PWA 139-2007) can be found behind the JNT RPTS Blue Book Tab.)

268. Initiation of Budget and Award for
Tender 2007-T-115 (RN 07-15)
Rosemount North and South Pump Stations Standby
Generator and Electrical/Instrument Upgrades
City of Port Colborne, Project ZSW9403/SW0528
CSD 139-2007 (PWA 140-2007)

Moved by Councillor Bentley
Seconded by Regional Chair Partington

That Report CSD 139-2007 (PWA 140-2007), August 29, 2007, respecting Initiation of Budget and Award for Tender 2007-T-115 (RN 07-15) Rosemount North and South Pump Stations Standby Generator and Electrical/Instrument Upgrades, City of Port Colborne, Project ZSW9403/SW0528, be received.

That Wastewater Capital Reserve Fund financing in the amount of \$250,000.00 be approved for Project ZSW9403 Standby Power for Wastewater Treatment Plants and Pumping Stations included in the 2006 Wastewater Capital Program Budget.

That Tender 2007-T-115 (RN 07-15), Rosemount North and South Pump Stations Standby Generator and Electrical/Instrument Upgrades, City of Port Colborne, be awarded to E.S. Fox Limited at their bid price of \$348,900.00.

That a contingency amount of \$35,000.00 be provided for this project.

That the Regional Clerk be directed to ensure that the appropriate by-laws are prepared for submission to Regional Council authorizing the Regional Chair and Regional Clerk to execute the contract on behalf of the Regional Municipality of Niagara.

That the cost associated with this project be charged against Project ZSW9403/SW0528.

Carried.

(Please note that Report CSD 139-2007 (PWA 140-2007) can be found behind the JNT RPTS Blue Book Tab.)

269. State of the Infrastructure Report
Water & Wastewater Systems:
Transitioning from Construction to Stewardship
CSD 140-2007 (PWA 131-2007)

Moved by Councillor D'Angela
Seconded by Councillor Burroughs

That Report CSD 140-2007 (PWA 131-2007), August 29, 2007, respecting the State of the Infrastructure Report, Water & Wastewater Systems: Transitioning from Construction to Stewardship, be received;

That a sustainable infrastructure reinvestment plan be developed to address the gap between currently forecasted expenditures and the current revenues, starting no later than 2009;

In keeping with the recent water and wastewater rate review, that the current rate structures be further refined to better reflect the split between fixed costs and variable costs, and increase the fixed portion of the water and sewer bills accordingly;

That a public outreach, information and education program be developed to engage the community in discussing the true cost of services and the assets required to provide those services. Include public input in developing and implementing service levels, and, therefore, the required assets, that are in line with public expectations and willingness/ability to pay;

That operating and maintenance practices be reviewed to balance least life-cycle costs against level of service and risk exposure, on a business-case basis, using InfraGuide Best Practices and other industry sources;

That the selection and use of rehabilitation technologies be reviewed on a least life-cycle cost and return-on-investment (ROI) basis;

That regular updates be made to the SOTI Report Card and Analysis; and

That the Infrastructure Reinvestment Policy be developed taking into account the Region's affordability targets.

Carried.

(Please note that Report CSD 140-2007 (PWA 131-2007) can be found behind the JNT RPTS Blue Book Tab)

ITEMS FOR DEBATE

270. **Amendments to Procedural Bylaw No. 120-2005 – Updated
CSD 142-2007**

Moved by Councillor Heit
Seconded by Councillor Bentley

That Report CSD 142-2007, August 28 & 29, 2007, respecting Amendments to Procedural by-law No. 120-2005 – Updated, be referred to staff for further revisions as discussed at Committee and presented to the Corporate Services Committee meeting of September 19, 2007.

Carried.

(A list of revisions as recommended by Committee was provided to Legal for their reference.)

ITEMS FOR INFORMATION

271. Capital Projects, June 2007 Variance Report
CSD 141-2007

Moved by Councillor Burroughs
Seconded by Councillor Augustyn

That Report CSD 141-2007, August 29, 2007, respecting Capital Projects, June 2007 Variance Report, be received for information.

That this report be forwarded to Public Works Committee for information.

Carried.

CORRESPONDENCE

Conflict of Interest

Councillor Collins declared an indirect pecuniary interest with respect to any police matters dealing with remuneration of employees, as he has a family member who is employed by the Niagara Regional Police Services and he therefore took no part in the discussion of, or voting on, these matters.

272. Moved by Councillor Saracino
Seconded by Councillor D'Angela

That the following communications be received:

CSC 37-2007 Gerry Phillips, Minister of Government Services (July 26, 2007) regarding Ontario Public Service (OPS) jobs across the Province and in the Region of Niagara.

CSC 38-2007 Deb Morton, Executive Director, Regional Municipality of Niagara Police Services Board (July 30, 2007) respecting Niagara Police Services Board – Purchasing – Annual Maintenance Contract – FileNet Canada Inc. 134.2007.

CSC 39-2007 Deb Morton, Executive Director, Regional Municipality of Niagara Police Services Board (July 30, 2007) respecting Niagara Police Services Board – NRPS Variance Report – to June 30, 2007 138.2007.

CSC 40-2007 Deb Morton, Executive Director, Regional Municipality of Niagara Police Services Board (July 30, 2007) respecting Niagara Police Services Board – Crisis Negotiation Console/Field Phone Communication system C.165.2007.

Carried.

OTHER BUSINESS

273. Four Year Upload of Ontario Drug Benefits and Ontario Disability Support Program

Councillor Collins apprised Committee of the Ministry's announcement at AMO regarding the Four Year Upload of ODB and ODSP and distributed a copy of the chart presented at the Public Health and Social Services Committee meeting which outlined the total levy impact and the total potential upload over a four year period. It was noted that all levy reductions do not reflect the potential impact of the uploading on the Ontario Municipal Partnership fund grant, which at this time remains unconfirmed.

Councillor Collins suggested that the Budget Review Committee of the Whole meeting be postponed from September 27th until such time as the Region receives a commitment from the Province on this grant.

Mr. Bergsma commented that the Budget Review Committee of the Whole meeting has been scheduled for September in response to the request from Councillors to receive an update on the status of the budget. He commented that it was anticipated that no decisions were to be made on the Operating Budget at that time and that staff would like to bring information forward regarding the Capital Budget.

Committee concurred that the date for the next Budget Review Committee of the Whole meeting could be discussed at the upcoming Regional Council meeting on September 6, 2007.

274. Wind Farm Project, Wainfleet

Mr. Bergsma provided an update on the Wind Farm Project in Wainfleet. He advised that a Partnership Agreement between Rankin Engineering and the Niagara Region is being drafted and is taking longer than expected due to a number of issues that need to be addressed. Mr. Bergsma advised that when further information is available on the Wind Farm project, a report will be presented to Committee and Council.

ADJOURNMENT

Committee adjourned at 11:15 a.m. to meet again on Wednesday, September 19, 2007, at 9:00 a.m. in Committee Room 4, Regional Headquarters.

Doug Martin
Co-Chair

Gail Reilly
Legislative Assistant

Michael Collins
Co-Chair

Janet Pilon
Acting Regional Clerk