

THE REGIONAL MUNICIPALITY OF NIAGARA

COMMITTEE OF THE WHOLE

REPORT COTW 3-2009

The Municipal Council of the Regional Municipality of Niagara met in Committee of the Whole in the Council Chamber, Regional Municipal Building, Thorold, Ontario, on Thursday, March 26, 2009 commencing at 4:35 p.m.

ATTENDANCE

Council: Regional Chair Partington; Councillors Augustyn; Badaway; Baty; Bylsma; Casselman; Cordiner; D'Angela; Forster; Gabriel; Goulbourne; Greenwood; Heit; Henderson; Hodgson, Lepp; Marshall; Martin; Puttick; Rigby; Saracino; Smeaton, Timms.

Staff: Messrs. Trojan, Chief Administrative Officer; Bergsma, Commissioner, Corporate Services; Robson, Commissioner, Integrated Community Planning; Hutchings, Commissioner, Community Services; Brothers, Commissioner, Public Works; Dr. Sider, Associate Medical Officer of Health; Ms. Gilroy, Regional Clerk; Ms. Pilon, Deputy Regional Clerk.

Staff
(Other): Messrs. Roach, Manager, Public Works Financial Services; Ritner, Associate Director, Water and WasteWater Maintenance; Roberts, Executive Officer to the Regional Chair; Steele, Associate Director, Strategic Business Management; Pilon, Associate Director, Service Quality & Improvement; Ms. Rae, Legal Counsel-Real Estate; Ms. Isajiw, Legal Counsel-Real Estate; Ms. Williams, Senior Financial Analyst; Ms. Khoury, Manager, Corporate Records and Archives Services.

CALL TO ORDER

37. Regional Chair Partington called the meeting to order at 4:35 p.m.

PRESENTATION

38. Water and Wastewater Rate Setting and Cost Recovery Review

Mr. Jim Bruzzee of BMA Management Consulting Inc. provided Committee of the Whole with a presentation that included Water and Wastewater Rate Setting and Cost Recovery Review's Terms of Reference; Goals and Objectives; Background; Analysis and Recommended Approach.

The Committee discussed the affects of conservation on the volumes and the assets, which respectively increase the rates and extend the life of the assets.

The Committee also discussed Niagara Region's uniqueness, as the Niagara Region wholesales to the area municipalities and the varied billing practices among the municipalities. It was suggested that it may be prudent for the Niagara Region to investigate a uniformed method of billing.

ITEMS FOR CONSIDERATION

39. 2009 Water & Wastewater Rate Setting and Cost Recovery Review and Uniform Wholesale Rates and Area Municipal Requisitions
CSD 40-2009/ PWA 19-2009

Moved by Councillor Rigby
Seconded by Councillor Goulbourne

That Report CSD 40-2009/ PWA 19-2009 (February 25, 2009) respecting 2009 Water & Wastewater Rate Setting and Cost Recovery Review and Uniform Wholesale Rates and Area Municipal Requisitions, be received for information.

Carried.

40. 2009 Water & Wastewater Rate Setting and Cost Recovery Review and Uniform Wholesale Rates and Area Municipal Requisitions Update from March 5, 2009 Referral
PWA 34-2009/ CSD 57-2009

Moved by Councillor Rigby
Seconded by Councillor Smeaton

That Report PWA 34-2009/CSD 57-2009 (March 26, 2009) respecting 2009 Water & Wastewater Rate Setting and Cost Recovery Review and Uniform Wholesale Rates and Area Municipal Requisitions - Update from March 5, 2009 Referral, be received;

That the recommendations presented in Regional CSD 40-2009/PWA 19-2009 be approved with the following revisions:

1. That Recommendations A) 2. and 3 be deleted and replaced with:
 - A) 2. That 25% of 2009 and 2010 Regional Water costs be recovered from area municipalities based on their proportional share of the Region's prior year water flows;
 - A) 3. That 75% of Regional water costs be recovered from area municipalities based on actual metered water flows in 2009 and

2010 multiplied by the Region's annually set uniform water rate for the respective year;

A) 4. That an increase in fixed apportionment be considered when setting the rate structure in 2011;

2. That Recommendation B) in total be deleted and replaced with:

B) 1. That the uniform rate charged to the area municipalities for actual consumption of water be established at \$0.472 per cubic meter for the period March 1, 2009 to February 28, 2010;

B) 2. That the area municipal water consumption charge be billed monthly based on actual monthly volumes;

B) 3. That \$10,198,612 representing 25% of Regional 2009 water costs, be apportioned to each area municipality based on their proportionate share of the Region's prior year's water flows as detailed in recommendation "B4";

B) 4. That the following 2009 apportionment of Regional water cost be requisitioned to the area municipalities as follows:

2009 Water Requisition

Niagara Falls	\$	2,593,065
Port Colborne	\$	507,282
St. Catharines	\$	3,012,769
Thorold	\$	417,726
Welland	\$	1,233,474
Fort Erie	\$	795,230
Grimsby	\$	425,893
Lincoln	\$	385,401
NOTL	\$	463,234
Pelham	\$	249,778
West Lincoln	\$	114,760
Totals	\$	10,198,613

B) 5. That the Regional water cost identified in Recommendation "B4" be requisitioned to the area municipalities in twelve equal monthly billings effective March 1, 2009.

Councillor Martin noted that the model that is recommended in the report is allocated based on one prior year and Niagara Region could allocate it based on three prior years, it was therefore;

Moved by Councillor Martin
Seconded by Councillor Augustyn

- A) 2. That 25% of 2009 and 2010 Regional Water costs be recovered from area municipalities based on their proportional share of the Region's **three prior year average** water flows;
- B) 3. That \$10,198,612 representing 25% of Regional 2009 water costs, be apportioned to each area municipality based on their proportionate share of the Region's **three prior year average** water flows as **recalculated for** recommendation "B4";

Committee of the Whole recessed at 6:05 p.m.

Committee of the Whole reconvened at 6:45 p.m.

Moved by Councillor Timms
Seconded by Councillor Marshall

That the consideration of Report PWA 34-2009/CSD 57-2009 (March 26, 2009) respecting 2009 Water & Wastewater Rate Setting and Cost Recovery Review and Uniform Wholesale Rates and Area Municipal Requisitions - Update from March 5, 2009 Referral, be deferred for three weeks.

Defeated.

Upon a vote being taken, the Regional Chair declared the amendment to the motion, carried.

Committee of the Whole recessed at 7:00 p.m.

Committee of the Whole reconvened at 7:41 p.m.

Upon a recorded vote being requested, the Committee of the Whole voted on the motion **as amended**, as follows:

Voting for the Motion:

Councillor Augustyn	Councillor Katzman	
Councillor Baty	Councillor Lepp	
Councillor Bentley	Councillor Marshall	
Councillor Burroughs	Councillor Martin	
Councillor Casselman	Councillor Puttick	
Councillor Cordiner	Councillor Rigby	
Councillor Gabriel	Councillor Smeaton	
Councillor Goulbourne	Councillor Timms	
Councillor Heit	Regional Chair Partington	(19)
Councillor Henderson		

Voting against the Motion:

Councillor Badawey	Councillor Greenwood
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Councillor Bylsma
Councillor D'Angela
Councillor Forster

Councillor Hodgson
Councillor Saracino

(7)

Upon the recorded vote being taken, the Regional Chair declared the motion **as amended**, carried.

Moved by Councillor Gabriel
Seconded by Councillor Smeaton

That staff be directed to develop a Memorandum of Understanding (MOU) / Utility Model / other model to investigate and develop a common rate structure for implementation within all municipalities, wholesale and retail;

That the draft Memorandum of Understanding or draft model be presented to Regional and Area Municipal Councils for approved and execution;

That the findings and recommendations be presented to Regional and Area Municipal Councils for direction and next steps.

That staff report back outlining the process and the timeframe.

Carried.

(Refer to Councillor Information Requests)

ITEMS FOR INFORMATION

41. **Water and Wastewater Rate Setting and Cost Recovery Review**

Moved by Councillor Burroughs
Seconded by Councillor Heit

That Water and Wastewater Rate Setting and Cost Recovery Review, be received for information.

Carried.

COUNCILLOR INFORMATION REQUESTS

Staff was requested to:

- report back on whether there was a way of breaking down what applies to development charges, and if there is a way, if Regional Council could have that information it would be helpful. (Councillor D'Angela) Refers to Minute Item 40
- report back on whether there is a presentation on what of the \$49M has been spent, as the detail would be helpful. (Councillor D'Angela) Refers to Minute Item 40
- look at a pay as you use program (Councillor Augustyn) Minute Item 40
- report back on how Niagara Region values assets for local municipalities (Number & Quality) (Councillor Burroughs) Minute Item 40

ADJOURNMENT

The Committee of the Whole meeting adjourned at 8:40 p.m.

Peter Partington
Regional Chair

Janet Pilon
Deputy Regional Clerk

Pam Gilroy
Regional Clerk