



MINUTES

**Special Committee of the Whole
Thursday, February 2, 2023
City Hall Council Chambers
5:00 p.m.**

Live Stream Recording: <https://kenora.civicweb.net/Portal/>

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**With** Mayor A. Poirier in the Chair, Councillor B. Bernie, Councillor G. Chaze, Councillor L. Koch, Councillor B. Manson, Councillor K. Van Belleghem

**Regrets** Councillor L. Moncrief

**Staff:** Kyle Attanasio, CAO, Roberta Marsh, Director of Human Resources, Risk & Insurance, Stace Gander, Director of Economic Growth & Recovery, Marco Vogrig, Acting Director of Engineering & Infrastructure, Ryan Marsh, Director of Finance, David Pratt, Director of Fire & Emergency Services, Kelly Galbraith, Deputy Clerk/Customer Services Manager

## **A. Call to Order**

Mayor Poirier called the meeting to order at 5:00 p.m.

## **B. Blessing & Land Acknowledgment**

### ***Delivered by Councillor Chaze***

As we gather, we recognize that we are on Treaty Three Lands which are steeped in rich Indigenous history and home to many First Nations and Metis people today. We continue to be thankful for the partnerships with Indigenous people.

We give thanks for the many blessings we enjoy in the City of Kenora. We seek wisdom in our minds, clearness in our thinking, truth in our speaking and always love in our hearts, so that we may try always to unite the Citizens of Kenora. Let these principles guide us in our decision making.

## **C. Public Information Notices as per By-law Number 160-2022**

Mayor Poirier then read the following notices:-

As required under Notice By-law #160-2022, Council hereby advises the public of its intention to adopt the following at today's meeting:-

N/A

## **D. Declaration of Pecuniary Interest & General Nature Thereof**

Mayor Poirier then asked if any Member of Council had any Declarations of Pecuniary Interest and the General Nature Thereof pertaining to any items as follows:-

- i) On Today's Agenda or from a previous Meeting
- ii) From a Meeting at which a Member was not in Attendance

Councillor Manson declared indirect pecuniary interest on all matters relating to NOHFC funding as her child manages the NOHFC funding program.

### **1. DRAFT 2023 Budgets**

Council reviewed the capital budget projects page by page with staff, providing approval on individual capital projects by department.

It was questioned if the Keewatin Medical Centre roof replacement could have any solar panels integrated at the time of the replacement similar to the Muse. Stace Gander, Director of Economic Growth and Recovery shared that the Muse roof replacement project had received NOHFC funding. The Muse roofing project came in under budget and the City requested an amendment from NOHFC to incorporate solar panels into the project. Keewatin Medical is strictly a roof membrane replacement.

The SCBA replacement was discussed. It was asked if this item could be deferred by one year. Dave Pratt, Director of Fire and Emergency Services advised Council the current equipment dates back to pre-amalgamation time and is past its lifetime of twenty years. Repairs to maintain the equipment are quite costly. Council agreed equipment for First Responders is essential and they are not willing to jeopardize their safety.

GIS equipment is currently on a five year rotation. Marco Vogrig, Acting Director of Engineering and Infrastructure previously suggested that Council may want to consider shortening the cycle to three years to give more current information and mapping. On the current rotation it will come forward again in 2028. This item may want to be considered in future budget discussions for earlier replacement. Development over the next few years will be a good indicator of when we may want to upgrade the equipment.

Council asked if the Canada Community Building Fund monies in 2024 for the Keewatin Channel Bridge Repainting, Study, Design, Tender and Construction was confirmed. Staff confirmed the funding is secured. The Canada Community Building Fund (formerly the Federal Gas Tax) has been committed as the bridge funding source. In 2020 the City was informed the work on the bridge would need to be completed no later than 2025.

The Portage Bay Bridge Study, Design, Tender and Reconstruction project was driven from the 2020 bridge audit. The City has just finished the 2022 bridge audit and the results will be brought forward to the February 8<sup>th</sup> Regular Committee of the Whole Meeting. In 2020, the Portage Bay Bridge fell into the one to five year bracket and

that is why it was brought forward to the 2025 budget. It was questioned if the 2022 audit shows the project can be push back a year so, is inflation and increase in construction supplies taken into consideration. The City relies heavily on the consulting engineers to look at the current costs. When they look at the condition and scope of work they are looking in the current year. High level estimates are round figures, not detailed estimates or quantities of work. They are table top exercises doing their best to scope the work after reviewing the bridge in a short amount of time. The work could cost more and could cost less. There are various external pressures put on contractors and the way they price things. There have been a large number of grants offered and there are high demands for contractors. Timing of tenders is critical. These bridge projects attract specialty contractors from outside of the Kenora area.

Council was reminded that anything outside of 2023 will be brought forward for decision again. The net tax levy on capital is balanced across all five years. There is not going to be a disproportionate increase.

Bridge Rehab has place holders in the budget to make sure we don't lose sight of bridges. With the complexity and the amount of bridges Kenora has we want to make sure we are in the forefront and don't miss anything. When we look at the engineering works we try to coordinate work. A year before we start construction we hire a consultant to do the work; to get the tender ready for the following construction year. It's almost impossible to start when the budget is completed and passed, to hire a consulting firm and go out in the middle winter to assess the bridge, get a tender ready for March and start construction in the spring. Council will most likely always see there is a cost for engineering, design and tendering and then the following year an associated project for a bridge.

Paved Roads were discussed. It was asked if the projects can be phased over a multi-year period. Ninth Street North is the chosen roadway and from an engineering perspective it would be hard to break this project into sections. It is a long stretch of road spanning from Houghton Road to Scramble Ave making it hard to mesh old and new sections with drainage, catch basins and sidewalk elevations, etc. Typically when doing a roads project or water and sewer it best to go block to block. Sometimes when you phase things in you experience higher costs. It was asked if there are any water and sewer upgrades being done at the time of the road works project. There is one storm pipe replacement across Ninth Street at Houghton Road.

Dock upgrades slated for 2023 were discussed. It was asked if the work can be stretched over 3 years. The project is tied to NOHFC funding and the current envelope needs to be expended in 2023. The net tax levy implications are \$31,000. For an \$180,000 investment, the City received \$480,000 to put into docking. Docking maintenance was questioned and it was noted maintenance would fall under the operating budget.

At the February 1st Special Committee of the Whole Meeting Council asked staff to consider alternate options from the net tax levy for the Office Renovation project.

Staff provided the option of debt financing, borrowing internally from the Prosperity Trust Fund at a rate of 3%. There are a number of reserves that could be tapped into but given the circumstances staff feel strongly that the debt financing would relieve pressure on the net tax levy. Council asked what the impacts would be to staff if this project were to be deferred or phased in. The impacts to staff and organizational roles are considerable. The building was built in 2005 and the City has seen substantial growth since that time. It was asked if debt financing is an open term, staff confirmed it is. The purpose of the Prosperity Trust Fund was discussed. Council weighed the pros and cons of debt financing versus using reserves for the project. The group agreed they would like to move forward with the project in 2023 using reserve funds. Staff will review reserve options and present them to Council. With the use of reserve funds it will reduce the net tax levy by \$242,000 as well as reduce servicing costs.

Light Fleet includes vehicles such as SUVs, crew cabs, etc. The City tries to keep vehicles current. As vehicles age they are handed down to get more life out of them. Costs of parts and time spent in the mechanic bays are all taken into consideration as the vehicles age. Fire and Emergency service would like to remove a 1985 pumper apparatus from their fleet adding an additional crew cab. Council requested that staff keep electric vehicles in mind when looking at the five year plan. It was noted the strategic plan includes the investigation of electric vehicles.

Downtown Revitalization was discussed and it was recommend the project be pushed further along into the five years. It is not a priority for community at this point in time. Council agreed this should be deferred to 2027.

It is staff's recommendation to move forward with the Harbourfront Development Plan Detailed Design. The City is in an agreement with FEDNOR and NOHFC, if the project were to not move forward the City would need to determine how it will repay those funds. Once the detailed design plan is complete it does have a good shelf life which means we would be able to pick it up at a future date. There is not any significant servicing such as water and sewer work. Council requested that a placeholder be kept for 2025 for the actual Harbourfront Business Development Plan.

Staff has tracked changes to the items discussed today and the finalized capital budget will be brought forward to the February 8<sup>th</sup> Committee of the Whole meeting and further to the February 15<sup>th</sup> Council meeting.

At the end of February 1<sup>st</sup> Special Committee of the Whole Meeting the group landed at a proposed tax increase of 8.01%. With the changes to the capital budget from today's meeting it reduces that amount to 7.16%. An overview of how administration got to the 7.16% was provided. Four items in the unfunded list were identified, they include the Community Safety and Well-Being Coordinator, \$75,000 operating budget for the Sustainability Advisory Committee, Council's direction on the compensation review, and an increase of \$150,000 to Kenora District Services Board land ambulance. It was asked if the operating budget can be sent back to staff to look for further reductions to get the tax rate down further. The operating budget was discussed at length by the group. After much deliberation the majority of the group

(four to two) were in favor of proceeding with operating budget as is without going back to staff for further reductions however, the operating budget will not come forward to the February 8<sup>th</sup> Committee of the Whole meeting. Council is anticipating some information from outside agencies that will have a positive impact on the net tax levy. Council requested their travel and professional development budget be provided so they can review and see if any reductions can be found.

## **2. Motion to Adjourn to Closed Session**

**Moved by Councillor R. Bernie, Seconded by Councillor L. Koch & Carried:-**

That pursuant to Section 239 of the Municipal Act, 2001, as amended, authorization is hereby given for Committee to move into a Closed Session at 8:12 p.m. to discuss the following items:

- Labour Relations – (1 matter – Staffing Salaries)
- Education & Training Members of Council (1 matter – CAO Update)

## **3. Return to Open Session With Any Reports**

Council reconvenes to open session at 8:58 p.m. with no reports from its closed session.

## **4. Adjournment**

Meeting adjourned at 8:58 p.m.