



**MINUTES**  
**SPECIAL**  
**COMMITTEE OF THE WHOLE**

**March 15, 2016**  
**8:00 a.m.**  
**City Council Chambers**

**Present:**           **Mayor D. Canfield**  
                          **Councillor R. McMillan**  
                          **Councillor S. Smith**  
                          **Councillor D. Reynard**  
                          **Councillor L. Roussin**  
                          **Councillor M. Goss**  
                          **Councillor C. Wasacase**  
                          **K. Brown, CAO**  
                          **L. D'Argis, Corporate Services**  
                          **R. Perchuk, Operations**  
                          **T. Skene, Emergency Services**  
                          **A. Glassco, Community & Development Services**  
                          **C. Neil, Recreation Services (arrived at 8:55 a.m.)**  
                          **H. Lajeunesse, Deputy Clerk**

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**Call Meeting to order**

**Public Notices**

Take Notice that as required under Notice By-law #144-2007, Council intends to adopt the following items at this Special Meeting of Council:

N/A

**Declaration of Pecuniary Interest & General Nature thereof**

- i)       On Today's Agenda
- ii)     From a Meeting at which a Member was not in attendance

**Deputations**

Approximately five (5) minutes per person/group.

## **Items:**

### **1. External Budget Request – Kenora Area Health Care Working Group**

Dennis Wallace, Don Parfitt, Dr. Brad Kyle and Anita Cameron were present on behalf of the Kenora Area Health Care Working Group with a funding request to Council to assist with physician recruitment in Kenora. The group is requesting \$25,000 per year for three years to support a physician recruiter contract position to focus on recruiting specialists to Kenora. As a result less patients will be referred to other communities for care, and as practices expand other positions are created which is economically good for the City. It is hopeful that funding partnerships with local governments and agencies and First Nation organizations will support the position at an annual cost of \$125,000 with some already committed. Dr. Kyle explained how most of the medical care provided in Kenora is handled by family doctors, including administration which makes things even more difficult. There are few specialists and there is nothing in place for recruitment for succession planning, and just too few physicians to do it all. Funding is decreasing from the province as well. Dr. Kyle explained how the Lake of the Woods Development Commission's study confirms the need for a physician recruiter and referenced other communities with these positions in place that have been successful in recruiting more physicians. The safety and delivery of health care is important and people and residents will invest in our community if we have a full complement of physicians to deliver ongoing health care, and will essentially have a fully functioning health care campus. The group shared that Council's work has already helped advance patient services in Manitoba and that recent collaborations have brought some validity to concerns amongst LHIN and Ministry of Health members.

Council thanked the group for their presentation and they left the meeting at 8:40 a.m.

### **2. External Budget Request – Lake of the Woods Development Commission**

Commission members Mike Greaves and Teresa Gallik presented the LOWDC's budget to Council along with staff member Tourism Development Officer Heather Gropp. Mike stated that it was fitting that the LOWDC follow the health care working group as some of its members sit on the working group and the Commission is fully engaged with and supports the group's request. For the LOWDC 2016 budget request, the primary focuses are healthcare, tourism and value added forestry. Mike explained that the budget was built around their primary focuses and sectors and the aim is higher with tourism and special events for this year. Visitors are increasing every year and we are building a destination community based on the brand promise. The request for 2016 for Economic Development is \$30,000 and Brand Leadership is \$25,000 which remain unchanged from 2015. There is a request for an additional \$5,000 for the operating expenses of the Board as these costs have been taking away from project dollars. It is anticipated that Economic Development will leverage \$30,400 in 2016. The request for Tourism is \$45,000, an increase of \$17,000 for enabling marketing efforts in order to capitalize on the low Canadian dollar and gas prices and attract more visitors from the U.S. It was explained that Regional Tourism Organizations and the province are reducing amounts given to municipalities for their own marketing and there is a gap for the ability to leverage funds and the money that is needed to keep and upward swing. Regional marketing covers a large area from Thunder Bay to Winnipeg so the municipality requires more for its direct marketing. It was noted that Tourism contributed \$5,000 of its 2015 budget to a video project about discovering Lake of the Woods which will be released soon. The request for Special Events is \$35,000 for 2016, a \$15,000 increase

from last year. Heather explained that there are lots of leverage dollars available for venue and activity infrastructure and that this is needed for the Discovery Centre to reach its full potential, an increase in their request comes with increased projects.

There was discussion of the \$10,000 under Economic Development for the Health Care Working Group and asked if this amount was on top of the group's previous request for \$25,000, this will be clarified for Council. One time requests for special projects were mentioned for the group being that the industry is the most market changing which affects the ability to move forward when presented with opportunities.

Council thanked the group for their presentation and they left the meeting at 9:25 a.m.

### **3. 2016 Capital Budget Discussion**

Karen Brown indicated that the intent is to discuss the 5 Year Capital Plan and ask Council to consider as to whether or not the City can proceed with projects that are planned for 2016. Further details will be reviewed at the April budget meeting while the focus of this meeting will be on spending levels, which are the same as last year except a half percent increase for roads. Items were placed on the deleted list to keep spending levels in line with last year. It needs to be known if projects can be tendered and awarded at this time.

Lauren D'Argis addressed Council, indicating that last year there was \$2,050,078 allocated for net capital expenditures, plus the additional expenditure authorized for roads. Keewatin Arena repairs were to come out of future capital spend and will allow for 2.2 million for Capital spend in 2016. It was noted that most of Capital Net Tax Levy allocation is for roads (1.7 million) and once the City pays for roads and bridges there is not a lot left for other projects. Highlights of the 2016 Capital Plan were reviewed for total spending including funding. Transportation has the most allocated at 64% and there are 0% capital Health expenditures. Reserves were touched on for 2016 and one of the reasons the amount is larger for reserves is due to project carry forwards from 2015, to be funded in 2016 (eg. financial conversion). It is expected that reserve balances will rise over the next five years which is good to see in anticipation. Funding sources are anticipated for some capital projects and the use of long term debt is recommended to get through 2016. Deleted projects and Long Term Debt projects are projects that need to be done but are not in the budget today as projects that were determined critical were chosen to include. Priorities are determined by the management team as each manager is familiar with what the priorities are in their area and what projects are must dos. It was noted that Council can put these deleted projects back into the budget but will need to cut something else to keep spending levels the same. It was suggested that more will be known regarding infrastructure funding next week with the federal budget being released. Karen suggested that if funding becomes available for certain projects Council may have to look at long term debt financing and rebalance the budget in future years, adding that all proposed projects will still have to return to Council for approval before proceeding. The deleted lists are kept for the purpose of keeping the projects on the radar and go after them should funding opportunities become available.

Copies of the Capital Plan and summary were distributed to Council prior to the meeting. It was asked if Council would like to go through the Capital Plan line by line or review and ask questions. It was decided to go through the budget line by line with a focus on the higher value capital projects.

It was indicated that some of the higher value capital projects have already been committed to and are carried forward from last year. Delivery issues and project timelines can affect this (eg. fleet vehicles, streetlight conversion) Priorities of projects of the previous year that weren't completed due to timing and staffing in comparison with current priorities were discussed in regards as to which projects should be brought forward for 2016. Council asked staff to clarify as to which projects are being carried forward from 2015 throughout the discussion. It was asked what are the must dos for these projects and what can be pushed to another year. Karen indicated that it is Council's discretion for carry forward projects, things could change and priorities can change and things may need to be revisited before decisions are made. How this affects the net tax levy was discussed. It is ultimately up to Council to make these decisions.

General Government - there was discussion of the City Hall windows and whether or not they all need to be replaced at this time. Lauren confirmed the plan is to replace all windows at \$180,000. It was agreed that this project may require further research prior to approving as there could be extra costs involved being that it is a heritage building. The financial software system conversion has been completed in 2016 as per the 2015 contract. New City website design is a carry forward from 2015. The project amount has been changed to \$100,000. The Sharepoint Upgrade is new this year and needs to be done at this point.

Protection - the new rescue vehicle represents a large portion at \$300,000. The smaller projects listed are new this year, it is a slightly larger amount overall as there are a few more items to currently replace.

Transportation - it was suggested that improvements for roads, bridges and transit will come with our special needs as well. There are no requests for any new sidewalks, the amounts are based on repairs to current items that need to be fixed. It was suggested that this is a good message to get out to the public. Funding is based on last year's levels for funding formulas. The City continues to seek funding for the Keewatin Bridge repairs. It was clarified that the extra tax levy has been added to the roads program, specific to last year's levy so that we can move forward. It was discussed that when debt financing a project it can increase operating and reduce capital spend, but this depends on the project and gets down to the tender. It was noted that all of last year's roads capital projects were completed.

Transportation-Transit - there is an announcement system project at \$28,000 which is for accessibility purposes and a requirement to have in place this year.

Transportation-Other - there is a carry forward amount to finish up the streetlight upgrades. Coney Wharf is also a carry forward but has been reduced, the south dock is not on the list for this year as the cost is \$650,000 to replace the dock that was removed to accommodate a large vessel such as the MS Kenora. There are safety concerns with the MS Kenora coming into the beach and a solution needs to be determined. The Coney covered boardwalk was mentioned as in need of repair, the canopy and the walkway were noted as in rough shape. The canopy is currently on the deleted projects list but the walkway part is not anywhere in the budget. It was mentioned that some of the items for Coney as on the Beaches, Parks and Trails Plan, which is conceptual plan and doesn't have a budget. It needs to be clarified for Council as to what is and isn't on the list and clearly communicated to the residents as well as there is some confusion related to this. The clerks department will follow up on this item as well as with communications to residents regarding Coney Island plans. It was mentioned there an old communications board located at Coney that could be restored and used for the same again as residents are seeking clarification. It was mentioned that the City's dock

program 2016 contribution of \$42,000 is for keeping the docks in working order and it is decided as to which priorities to spend dock program funds on. Public works roof is a carry forward from 2015 as there was not enough in the budget last year, the amount of \$375,000 for 2016 is for half the roof. There are also repairs to the sand dome required at \$65,000 which is also a carry forward from 2015. All repairs are related to the issue of birds pecking at the roofs. Light replacement at public works for \$80,000 is new and is for energy conservation. The decorative lights downtown also need to be changed to LED which is new on the list and a continuation of the LED streetlight upgrade project from 2015. The roads excavator at \$290,073 has been on order and will be delivered soon. Yard Storage of \$100,000 is for outside yard material at operations. Within fleet there is \$255,000 allocated to replace the radio system in all City vehicles currently equipped with radios. There was a request for GPS to be included as a recommendation from the operational review related to risk management. GPS tied into the radios would be a cost savings and a one-time major expense plus the cost of maintenance. There was discussion of the radio communication amongst the various departments, including the fire department. There is \$35,000 allocated for Fleet Software, a technology improvement project that will allow for more efficient management of the City's fleet department.

Environment - Storm Sewer amount remains the same at \$150,000, there isn't a need realized to increase this amount and if need be will come to Council for a budget amendment. The amount allocated to a new Recycling Depot is \$50,000 and the City is seeking funding to offset the project, there is no net tax levy allocated for this. It was noted that recycling is not funded through solid water user fees and is through tax dollars.

There are no capital projects for Cemetery as this falls under Health.

Recreation and Cultural - there is \$630,000 allocated for Rabbit Lake works in preparation for the Summer Games rowing events. Funding from NOHFC is anticipated for the cost of this project, The City will not be contributing to this amount but has allocated dollars for road works. The Rowing Club will also contribute to the cost of the project, amounts to be confirmed. McLeod Park walkway at \$100,000 is a carry forward from 2015 but last year's amount of \$65,000 wasn't enough to cover the project so has been increased. Zamboni replacement is required for the recreation centre at \$160,000. Zambonis are replaced every ten years, two are required for the two ice surfaces and a third is used for parts. The Zambonis must be in good working condition including safety reasons. It was noted that ice rental fees go towards the purchase of this equipment. Kenora Recreation Centre front doors are in the plan for \$58,216, these were installed in 2005 and there have been ongoing issues with bent pins and door frames. They have been repaired each year and building security is a concern. Dectron completion at a cost of \$70,000 is a carry forward from last year to finish the project. Dressing room lighting will be \$75,000 and is to upgrade the current lighting which has been there since the 1970s, new lighting will be more energy efficient and the City is seeking funding through LAS for the project. The stairs from the pool basement to deck are corroded and unsafe and require replacement at a cost of \$25,000. Pool deck tiling is a carry forward of \$ 277,303 from last year. The project was not completed due to staffing and in order to move forward it needs to be determined if this project can proceed as it will mean layoffs for staff in order to complete. It was noted that the pool deck is anticipated to have a 30 year life following replacement. There is \$117,500 allocated for Keewatin arena lighting and astrofoil replacement, it was noted that this project is married to the other lighting project. There is \$360,000 allocated for Keewatin arena roof repairs, with Keewatin Curling Club committing to a portion of the costs. It was noted that there will be some long term debt financing for some of these large projects. Long term debt financing is currently the

best option at 3%. JM Arena (Sportsplex) Roof Repairs have been identified as a priority with the total project cost budget of \$260,000. The roof was impacted with a heavy snow load a couple of years ago and water has been leaking in. This project will be funded through contingency reserves and funding has been applied for as there may be some available. There is \$100,000 allocated for the Central Community club roof, which is only the City's portion of the project. A budget amendment may be required soon to reflect the total cost of the project. Local businesses have been coming forward to support this project.

Library – Deck repairs are a carry forward from 2015 for the Kenora Library at \$15,000. Rear entry lighting replacement is also a carry forward at \$30,000. Keewatin Library roof replacement has been an ongoing issue due to shingles and is a carry forward from last year at \$ 75,000.

Museum – Tile floor replacement at the museum is a carry forward from last year at \$45,000 and the project has been completed as of January. Annex roof replacement of \$48,000 is new this year. The Storage system \$14,000 and Heating coil \$10,000 are both carried forward from last year.

There was discussion of combining the City's roof project to save in costs, this will be reviewed by staff.

Planning – Wayfinding signage is a carry forward at \$340,000 and the project is now overdue. Whitecap Pavilion sidewalls at \$150,000 are a must do, the current situation is hazardous with the wind and a better solution is needed.

**Committee adjourned for a break at 11:40 a.m., followed by the regular Council meeting at 12:00 p.m.**

**Committee reconvened at 12:43 p.m. with the budget meeting.**

Non Capital Special Projects and Unusual Spending lists were reviewed. Special projects are not included in the regular capital budget. The total net tax levy for 2016 is \$169,775 for these projects.

Karen mentioned that software for risk management may or may not be implemented and is being currently researched by the special projects officer. Risk management is a multi-year project and may be best to do internally. This is a carry forward and it was preferred to leave in the budget. The information software system for management of Human Resources is a carry forward from 2015. Insulation for City Hall is also a carry forward and will be reviewed by the facilities and parks lead. The Asset management planning project will involve using Public Sector Digest to assist and train with the implementation of the asset management plan using existing software. The new asset management plan must be in place by the end of this year and a refined plan will hopefully assist with future funding applications. \$83,000 will complete phase two of the project and will give staff the tools to move forward. Bridge inventory and audit have been lumped together at \$100,000, for better understanding. Bridge Maintenance amount of \$175,000 is beyond keeping it clean in terms of maintenance, it does not extend the life of the bridge but is for significant repair works. Parkade repair and cleaning for \$18,000 is for prevention of the issue of flooding and \$8,500 for Paybyphone is for the implementation of a pay by phone system for parking at meters. \$35,000 is the annual contribution to the Boat Launch Program. Trails Signage at \$30,000 was confirmed



during the meeting with the planning department as an over estimate for signing the trails as was recommended and this amount will be updated to \$15,000. The Event Centre drawings and business case budgeted at \$81,500 is a carry forward and the project has been completed. The Library exterior bricks is a carry forward at \$15,000 as the project was not completed in 2015. The Museum annex architectural concept is budgeted at \$12,000, which is only for the concept at this time. The annual amount allocated to Community improvement programs is \$100,000. It was noted that businesses have applied for 2016 and amounts have been determined for each but nothing further has proceeded. It was noted that there are some requests sitting on the deleted list as the amount of \$100,000 was exceeded by total requests. It was suggested that the Heritage Committee attend a Council meeting sometime during the summer months to provide a broad update on the program. An amount of \$10,000 has been allocated for Black Sturgeon water testing on an annual basis, as this will provide better data than an expenditure all at once. Sounds baffles are required for the Discovery Centre theatre room as a case has been made over the years that the situation needs to be improved. Funding is currently being sought after, the LOWDC will not be provided funds for this.

The Deleted Projects List was reviewed.

The Fire boat was discussed and it was noted that there is nothing budgeted in the five year plan for a boat and it may still be important to have this item in the future at a reasonable cost. The Regional Fire Training complex was move to the deleted list when the new fire hall was built in 2010 as this facility is designed for training purposes. Municipal lane paving funds can come from the municipal paving program if there are sufficient funds there. Dock repairs will also come out of the standard dock program. Options are still being reviewed for the Coney large vessel dock. For the Black Sturgeon boat launch, the project amount will need to be refined if wanting to bring back from the deleted list. A shed for the reuse area drop off at the transfer station to keep items more sheltered from the elements as requested by the Environmental Advisory Committee remains on the deleted list due to the deemed inoperability of it. Cemetery may come back with a plan for their items on the list as there are now staff in place who may request that some of these projects move forward. Future cemetery expansion options were touched on. The Garrow Park play structure is in need of replacement and there is no funding available to assist with the cost, staff will attempt to make the structure safe again by removing pieces. Sponsorships were suggested to assist with this project. Risk management was discussed regarding play structures, and noted that regular maintenance and inspections do take place on these. Downtown washrooms could be a part of a project such as Downtown Revitalization, there was discussion of 'smart' washrooms as seen in other communities. A safety audit of the trails may be worked into the trails signage budget. It was mentioned that the tennis courts in Keewatin are in bad shape and this item may need to be reviewed and may come back. Hand dryers in public washrooms remain on the deleted list, it was mentioned that this seems like a small thing but does save money, man power, and costs associated with clogged toilets and illegal dumping. The Portage Bay walkway was flooded in 2014 so this project remains on the radar for future. The Coney Island canopy is decaying and is historical to Coney and does serve a purpose. Eventually it will have to be taken down completely as it will become a hazard. It was suggested that a fundraising opportunity could assist with the rehabilitation of the canopy. The Central Park retrofit project has changed so much, it was agreed to delete this project from the deleted list. It was also suggested that the Norman transportation park be deleted form the deleted list. The Sportsplex viewing area remains on the deleted list, the amount shown is only the City's contribution and not the entire cost. Museum rehabilitation and computer equipment replacement are on the list and it was noted that in history

Council's position is that the City will pay for capital related to the building but the rest is to come out of Museum's operating budget. Whitecap brick floor repairs will come out of the operating budget, and there is not enough funding to proceed with the Harbourfront storage at this time.

**Recommendation:**

That Council gives direction to staff to proceed with the projects outlined in the capital spend with some adjustments as discussed today; and further

That the Capital Budget will be brought to Council for approval in April.

**Recommendation approved.**

The meeting was adjourned at 2:42 p.m.