



City of Kenora
Committee of the Whole
Minutes
Tuesday, March 14, 2017
8:00 a.m.
City Hall Council Chambers

Present: Deputy Mayor Louis Roussin
Councillor Mort Goss
Councillor Rory McMillan
Councillor Dan Reynard
Councillor Sharon Smith
Councillor Colin Wasacase

Staff: Karen Brown, CAO, Heather Kasprick, City Clerk, Natalie Pearson, Deputy Treasurer, Charlotte Edie, Treasurer, Adam Smith, Special Projects & Research Officer, Jeff Hawley, Operations & Infrastructure Manager (arrived at 8:45 a.m.), Sharen McDowall, HR Strategist (arrived at 9:00 a.m.).

Regrets: Mayor David Canfield

A. Public Information Notices

As required under Notice By-law #144 -2007, the public is advised of Council's intention to adopt the following at its March 21, 2017 meeting:-

- Council intends to adopt its 2017 Municipal Capital and Unusual Spending Budget
- Council will authorize the use of alternative voting methods including internet and telephone voting for the 2018 municipal election
- Council will commit a grant to the Kenora Airport Authority of \$500,000 to be funded through the City's Contingency Reserve, payable in equal instalments in the years 2017 and 2018
- Council will guarantee external financing for the Kenora Airport Authority up to a maximum of \$1 million with a maximum term of thirteen years, with no more than the first three years being on an interest only basis, and thereafter amortized over a 10 year period
- Council will approve an amendment to the 2016 operating budget to appropriate from the City's Contingency Reserve to fund the incremental wage and benefit costs for 2016 negotiated settlement with CUPE Local 191
- Council will authorize a load restriction of a 5 tonne Gross Vehicle Weight for the Seventh Avenue Bridge effective immediately
- Council will amend the Tariff of Fees and Charges bylaw, Schedule D, to reflect the current water outlet card fees to reflect the present \$10.00 deposit for Water Dispensing Unit Customer cards be replaced with a \$25.00 one-time charge for new Customers and a \$15.00 one-time charge for existing Customers, in consideration that existing card holders already have a \$10.00 deposit on account with the City

B. Declaration of Pecuniary Interest & the General Nature Thereof

- 1) On Today's Agenda**
- 2) From a Meeting at which a Member was not in Attendance.**

There were none declared.

C. Confirmation of Previous Committee Minutes

Resolution #1 - Moved by Councillor R. McMillan, Seconded by M. Goss & Carried:

That the Minutes from the last regular Committee of the Whole Meeting held February 14, 2017 and Special Committee of the Whole meeting held February 21 be confirmed as written and filed.

D. Deputations/Presentations

8:00 a.m. - Public Sector Digest

John Murray, General Manager, Asset Management, The Public Sector Digest Inc. presented the City of Kenora's Asset Management Plan.

Asset Management involves: processes, procedures and practices to assist and define the management of infrastructure. Achieving the total lowest cost of ownership with established measures for performance, risk and cost is the goal. It includes a sophisticated and coordinated effort of a multi-disciplined team which the consultants noted definitely is in place in Kenora between all the parties including Operations and Finance. The Asset is the conduit for the service. Infrastructure provides services that bring our cities to life. Pipes provide a clean drinking water service. Roads provide a transportation service and facilities / Parks provide recreation programs and services.

There are seven key questions of asset management. The report is to be based on the seven key questions of asset management as outlined within the National Guide for Sustainable Municipal Infrastructure.

The City of Kenora - 2016 Asset Replacement Value is estimated at \$528 Million. That means that every share of household is \$75,000 worth of infrastructure in Kenora. Based on 2016 replacement cost, and a blend of condition and age-based data, while nearly 60% of assets, are in good to very good condition, 26%, with a valuation of \$134 million, are in poor to very poor condition.

In 2016, the municipality has annual tax revenues of \$4,684,000. As illustrated in the presentation, without consideration of any other sources of revenue, full funding would require a tax change over time.

Kenora recently completed an overall financial plan for water and waste water services which covered operating, capital and inflationary requirements until the year 2021. Its goal was to phase-in the required revenue to achieve full funding for the requirements of a 6 year moving window of time and resulted in recommendations for 8% increases in the years 2017 through 2018 and 5.5% increases in 2019 through 2021.

Comparing PSD's AMP financial analysis to the existing overall financial plan should be done

March 14, 2017

Committee of the Whole Meeting Minutes

with caution. PSD's analysis is strictly on capital requirements, is based on a 50+ year horizon and recommendations on inflationary requirements are in addition to the stated phase-in requirements.

In conclusion, continuing the implementation of the recommendations of the overall financial plan (Rates Study) will adequately meet the requirements of both plans.

Based on 2016 replacement cost, and a blend of assessment and age-based data, while nearly 60% of assets, are in good to very good condition, 26%, with a valuation of \$134 million, are in poor to very poor condition.

The municipality is funding 41% of the long-term requirements for its tax funded assets and 68% for its rate funded assets.

On average through all their average is achieving a "C" status. The overall financial capacity grade for bridges and culverts, storm, land improvements and fleet are all achieving a "F" status. Our average financial capacity grade is an "F" and our overall grade for the municipality is a "D".

Considering all of the above information, Public Sector Digest recommends the 20 year option that includes capturing the changes (debt & grants). This involves full funding being achieved over 20 years by: when realized, reallocating the debt cost reductions of \$633,000 to the infrastructure deficit as outlined above. Increasing tax revenues by 1.3% each year for the next 20 years solely for the purpose of phasing in full funding to the tax funded asset classes covered in this AMP. Allocating the current gas tax and OCIF revenue as outlined in Table 36. Allocating the scheduled OCIF grant increases to the infrastructure deficit as they occur. Reallocating appropriate revenue from categories in a surplus position to those in a deficit position and increasing existing and future infrastructure budgets by the applicable inflation index on an annual basis in addition to the deficit phase-in.

Infrastructure Program Recommendations: Condition assessments programs should be established for all asset classes in order to more precisely estimate financial requirements and field needs. Risk management frameworks should be developed to guide prioritization of the backlog as well as short, medium, and long term replacement needs. (in line with Kenora's Enterprise Risk Management Framework). Life cycle activity models should also be developed to promote standard life cycle management. Key performance indicators should be established and tracked annually as part of an overall level of service model.

The group will continue to work with Kenora on the Asset Management Roadmap Project. This project is slated to finish at the end of 2017. Started last fall with Kenora and it includes State of Maturity Report (Gap Analysis). They will look at the data and information templates and identify where the gaps are and what they need to look at. They will look at the condition assessment development and general conditional data. Risk and criticality model development, Life cycle analysis methodologies, Project & Program Prioritization, Level of Service Model Development and Financial Strategy Analysis.

There is success in an asset management plan when there is a good alignment between Public Works and Finance departments. This is the case in Kenora and the alignment between finance and engineering (PW) is great. The robust AMP and process will be a catalyst of conversation, generating ideas, changing philosophies, and starting innovations for better

March 14, 2017

Committee of the Whole Meeting Minutes

management practices. A review of management practices & policies to better align with sustainable goals.

This is a high level view and they have worked with the finance staff in Kenora to create a report on a snapshot in time. Things will change and you have to keep track of moving target. Ultimately there is a backlog of needs and Kenora needs to determine a plan to address these needs. The City is doing what they can to put everything in place to address the asset management needs.

Deputy Mayor Roussin thanked the presenters for their presentation and a copy was left with the Clerk.

9:00 a.m. - Irene McCuaig/Sue Straight – Lake of the Woods Arts Community

Lake of the Woods Arts Community was formed when a group of artists came together for the Forms of Hope exhibit. Recognizing the power of a group as compared to the struggles of individual artists, LOWAC came into being in 2008. LOWAC was incorporated as a not-for-profit in 2012 with the mandate of inspiring unity, joy and opportunity through the arts in the Kenora region.

Since 2008, LOWAC has organized eight studio tours, seven summer art exhibits, including Muskies on Main in 2014, partnered with the Museum for their War Brides exhibit, organized numerous smaller exhibits for the benefit of our artists and the community, pulled together at least 30 baskets of art supplies for the Miracle Marathon, decorated many trees for the Festival of Trees to support the Community Foundation, encouraged our young artists to continue careers in the arts with annual scholarships to each of the high schools and annual awards to the Festival of the Arts.

This year will be our fourth Artsfest, a weekend of arts activities. We organize the auction and kids' activities for Coneyfest. In the winter, we sponsor the Snow Sculpture Competition for Winter Carnival.

And, this summer, we are challenging our artists with another indoor/outdoor art exhibit called Dip, Dip and Swing, a sequel to our highly successful Muskies on Main exhibit in 2014. DD&S is a celebration of two major events which will take place in Kenora this summer: the opening of the Trans-Canada Trail, Path of the Paddle section and our Rowing Club's hosting of the Canada Summer Games Rowing Events.

Artwork prepared so far includes clay sculpture, wire sculpture, painted canoes and canoes with glass mosaic designs, a concrete sculpture and several installation pieces. We have a wide range of paddles painted by Pinecrest residents and the LOWAC Fun Monday group. It's a very fascinating collection of art and is sure, once again, to give our visitors a sense that Kenora is dynamic, culturally stimulating and a happening place.

We are hoping for Council's support with this project in a number of areas. They would like to establish a liaison person from the City of Kenora to work with in accomplishing their goal. In the past they have worked with Barb Manson and Rick Perchuk. They are asking for summer student assistance with installation of outdoor art pieces (mid-June 2017) through Parks and Special Events. They would also like the use of the chain-link fence north-west of City Hall to display painted paddles. The City supported LOWAC's previous exhibit, Muskies on Main, with \$2,000 to help cover expenses. They are asking for the same consideration for "Dip, Dip and

March 14, 2017

Committee of the Whole Meeting Minutes

Swing". Councillor Smith clarified that the group did receive a \$1,000 grant from the Tourism granting process and this is typically how these types of requests to council are handled.

Dave Schwartz – Laurenson Lake Stakeholders

There is an infestation of purple loosestrife in the Laurenson Creek area. It appears to be the dominant plant in several acres of Provincially Significant Wetland in the vicinity of Sedesky Road and there are scattered plants in the marsh and along the creek almost to Lake of the Woods. The loosestrife seems to be the dominant plant along several acres. At this time it isn't a serious infestation but is a good time to address it. Purple loosestrife is an invasive plant species that crowds out native vegetation and destroys marsh ecosystems. It adversely affects fish, wildlife, and native plant species. There are no native species that control purple loosestrife. (no natural "enemies"). The only practical method of control is the release of neogalerucella, two species of beetles that feed upon purple loosestrife and serve to keep it under control. This method of loosestrife control is well established in Ontario and requires no special permits other than landowner (in this case City of Kenora) permission where the beetles are to be released. The beetles are available from Ontario Beetles for a total cost of \$1,200 per release package.

The proposal is for the Laurenson Lake Stakeholders to apply for a \$1,200 grant from the Kenora and Lake of the Woods District Community Foundation, using the City's charitable organization status. In the event that the grant doesn't cover the full cost, it is requested that the City would cover the balance. The release package would be ordered immediately after the June 15th release date for Community foundation grants. They would be received and released within about a week. Support of this project is consistent with the City's aim to be stewards of the environment and a tourist destination.

Councillor Reynard questioned that about 30 years ago in Keewatin there was a great concern about the concerns that this was loosestrife concern in that area. What did we do back then to address that. In the last number of years it has gained a real strength and is the dominant plant in 2-3 acres in this area. Now that it is very well established, we may see a more rapid spread. It was also questioned what happens to the beetles once they are done feeding and if there is any harm to any other aspects of the waterway.

Deputy Mayor Roussin thanked Mr. Schwartz for his presentation and a copy of his presentation was left with the Clerk.

It was requested that staff bring a report to Council for next week as time is of the essence on this matter.

E. Reports:

1. Corporate Services & Strategic Initiatives

1.1 2016 Q4 Investments

Recommendation:

That Council of the City of Kenora hereby accepts the 2016 fourth quarter investment report that includes details of the Kenora Citizens' Prosperity Trust Fund and other City of Kenora investments.

March 14, 2017

Committee of the Whole Meeting Minutes

Recommendation Supported.

1.2 2016 Strategic Plan Progress Report

Recommendation:

That Council hereby accepts the 2016 Strategic Plan Progress Report to highlight the previous year's activities by City departments and agencies in accordance with the City of Kenora's Strategic Plan – Our Vision is 20/20.

Recommendation Supported.

1.3 2017 Updated Capital Budget Approval

Recommendation:

That Council hereby approves the 2017 Municipal Capital Budget, including Unusual Spending, as amended; and further

That Council hereby directs staff to actively proceed with the projects included in that budget in accordance with the provisions of the City procurement bylaw; and further

That in accordance with Notice Bylaw 144-2007, public notice is hereby given that Council intends to adopt its 2017 Municipal Capital and Unusual Spending Budget at its March 21, 2017 Council meeting; and further

That Council hereby gives three readings to a bylaw for this purpose.

Recommendation Supported.

Discussion: The water street project had been left in as a placeholder to look at a larger vision and high level discussion on this area. When these are put on the long term debt list it is more of a place holder to keep the project in an open discussion area. The majority of Council agreed that the T-intersection project should be removed.

It was clarified that the docking project dollars will meet the needs of the items identified in the docking report from Docks and Lifts.

The Coney Island covered boardwalk should be reviewed and determine the longevity of the piece of infrastructure. Once that information is received, a separate report can come back on when it needs to be replaced and Council suggests placing it on the long term debt list for \$100,000.

1.4 2018 Election Options

Recommendation:

That Council gives three readings to a bylaw authorizing the use of alternative voting methods, including internet and telephone voting for the 2018 Municipal Election; and further

That the Clerk be authorized to select vendors for the provision of the 2018 Municipal Election; and further

That the Clerk be delegated authority to execute any agreements necessary to implement the 2018 Municipal Election; and further

That no further action be taken with respect to ranked ballots at this time.

Recommendation Supported.

1.5 Kenora Airport Authority Terminal Redevelopment Support

Recommendation:

That Council hereby approves a combined grant commitment to the Kenora Airport Authority of \$500,000 to be funded through the City's Contingency Reserve, payable in equal instalments in the years 2017 and 2018; and further

That Council hereby approves a guarantee of external financing for the Kenora Airport Authority up to a maximum of \$1 million with a maximum term of thirteen years, with no more than the first three years being on an interest only basis, and thereafter amortized over a 10 year period.

Recommendation Supported.

Discussion: The City preference is still to assist the Airport in finding a suitable outside funding source for the additional financing needs.

1.6 Asset Management Plan

Recommendation:

That Council hereby approves the 2016 Asset Management Plan for the City of Kenora as prepared by Public Sector Digest; and further

That Administration continues to improve the data underlying the plan and strategies with which to manage the City's infrastructure.

Recommendation Supported.

Discussion: Council wanted to clarify that if they accept this plan, does it commit Council to the recommended 1.3% contained within the plan. To clarify, the 1.3% will come forward during the operating budget discussion and by accepting the plan does not commit Council to the 1.3%.

1.7 CUPE Local 191 Memorandum of Agreement

Recommendation:

That Council of the City of Kenora hereby approves the Memorandum Agreement between the Corporation of the City of Kenora and the Canadian Union of Public Employees (CUPE) Local 191 for the term January 1, 2016 to December 31, 2019; and further

That Council hereby approves an amendment to the 2016 operating budget to appropriate from the City's Contingency Reserve to fund the incremental wage and benefit costs for 2016 negotiated settlement with CUPE Local 191; and further

That in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to amend its 2016 Municipal Operating Budget by by-law at its March 21, 2017 meeting; and further

That Council hereby gives three readings to a by-law to amend the 2016 budget for this purpose.

Recommendation Supported.

Discussion: CUPE Local 191 covers our inside and outside workers, excluding IBEW which is Water Plant and non-union employees.

The hours of work were amended for a couple union supervisory positions to allow the scheduling on the weekends. We also amended the hours for the Tourism Services position to be scheduled to midnight. These changes will help with reducing overtime in those departments.

1.8 Mount Evergreen Ski Club Sponsorship Support

Recommendation:

That the Council of the City of Kenora supports Mount Evergreen Ski Club's request to name the City of Kenora as a sponsor in their application for funds through the Kenora & Lake of the Woods Regional Community Foundation from the Moffat Family grant for groomer repairs.

Recommendation Supported.

2. Fire & Emergency Services

No Reports.

3. Operations & Infrastructure

3.1 2016 Kenora Drinking Water System Summary

Recommendation:

That the Council of the City of Kenora hereby receives the 2016 Kenora Drinking Water System Summary Report, for the period January 1st, 2016 to December 31st, 2016, as prepared by Biman Paudel, Water & Wastewater Division Lead.

Recommendation Supported.

3.2 Seventh Avenue Bridge Weight Restriction

Recommendation:

That Council hereby approves a load restriction of a 5 tonne Gross Vehicle Weight for the Seventh Avenue Bridge effective immediately; and further

That the appropriate bylaw be passed for this purpose.

Recommendation Supported.

Discussion: In 2014, the Seventh Avenue Bridge BCI (Bridge Condition Index) was determined to be 44.92 based on the inspection by WSP Canada Inc. With that rating, the Seventh Avenue Bridge represented the bridge that was by far in the worst shape in the City. Given the current state of the Seventh Avenue Bridge, the consultants are recommending that

March 14, 2017

Committee of the Whole Meeting Minutes

the bridge be replaced within the next 2 – 3 years. This is in recognition that originally the City had planned for replacement of this bridge in 2017, however was unsuccessful in its efforts to obtain funding from the Province. It is recommended that the City err on the side of caution and take reasonable precautions given the current bridge conditions and the recommendation for a more in depth, annual assessment moving forward. Given the unknowns, and the location of the bridge, administration is recommending that Council implement a load restriction on this bridge to a 5 tonne Gross Vehicle Weight limit. This restriction would limit traffic to only small passenger vehicles. This restriction will prohibit school buses, construction trucks/equipment, ambulances and the larger fire vehicles traversing this bridge.

3.3 Water Dispensing Units Replacement

Recommendation:

That Council hereby approves the supply and replacement of three (3) water dispensing units: two (2) (low flow and high flow) at Evergreen Water Station, and one (1) (low flow) at Rabbit Lake Road Water Station, plus miscellaneous administrative expenses related to the new install, representing a total project cost of \$35,000 to be funded through the City's Water and Wastewater Reserve; and further

That Council gives three readings to a bylaw to amend the Tariff of Fees and Charges bylaw, Schedule D, to reflect the current water outlet card fees to reflect the present \$10.00 deposit for Water Dispensing Unit Customer cards be replaced with a \$25.00 one-time charge for new Customers and a \$15.00 one-time charge for existing Customers, in consideration that existing card holders already have a \$10.00 deposit on account with the City; and further

That Council hereby accepts the recommendation from administration for the proposal from Flo-Crest Equipment, Winnipeg, Manitoba, related to the supply and replacement of three (3) water dispensing units; and further

That bylaw number 131-2016 be hereby repealed.

Recommendation Supported.

4. Community & Development Services

4.1 Harbourtown BIZ Free One Day Tent Rental MOU Agreement

Recommendation:

That Council hereby authorizes the Mayor and Clerk to enter into a Memorandum of Understanding between the Corporation of the City of Kenora and Harbourtown BIZ for a free one day rental of the Whitecap Pavilion per calendar year effective immediately and indefinitely; and further

That three readings be given to a by-law for this purpose.

Recommendation Supported.

F. Proclamations

Deputy Mayor Roussin then read the following proclamation:

- **Canadian Oncology Nursing Day – April 4, 2017**

G. Other

- Special Council meeting at 12:00 noon – CIP and Official Plan Amendment

H. Next Meeting

- Tuesday, April 11, 2017

I. Adjourn to Closed

Resolution #2 - Moved by Councillor R. McMillan, Seconded by M. Goss & Carried:

That this meeting now be adjourned to a closed session at 10:31 a.m.; and further

That pursuant to Section 239 of the Municipal Act, 2001, as amended, authorization is hereby given for Committee to move into a Closed Session to discuss items pertaining to the following:-

- i) **Personal Matter about an Identifiable Individual (1 matter)**
- ii) **Educating and Training Members of Council (1 matter)**
- iii) **Labour Relations (1 matter)**

J. Reconvene to Open Meeting

Council reconvenes to open session at 1:00 p.m. with the following reports from its closed session:-

Kenora Library Board Appointment

Recommendation:

That Council accepts the resignation of Kristie Roussin from the Kenora Public Library Board effective immediately; and further

That Council hereby appoints Marnie Buffet to the Kenora Public Library Board for a term at the pleasure of Council.

K. Close Meeting

Meeting adjourned at 1:00 p.m.