



**City of Kenora**  
**Committee of the Whole**  
**Minutes**

**Tuesday, May 12, 2020**  
**9:00 a.m.**

**Electronic Attendance / City Hall Council Chambers**

Due to the COVID-19 Pandemic, Council met electronically as permitted by Council's Procedural Bylaw. Citizens and our Media Partners are encouraged to attend the virtual meeting via the Public Live Stream Event at:

<https://video.isilive.ca/kenora/2020-05-12.html>

**Present:**

Mayor Daniel Reynard  
Councillor Mort Goss  
Councillor Rory McMillan  
Councillor Andrew Poirier  
Councillor Kirsi Ralko  
Councillor Sharon Smith  
Councillor Chris Van Wallegem

**Staff:** Heather Pihulak, Manager of Administration/City Clerk, Jeff Hawley, Manager of Operations & Infrastructure/Acting CAO, Charlotte Edie, Manager of Finance/Treasurer, Adam Smith, Manager of Development Services, Stace Gander, Manager of Community Services

**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 May 19, 2020 meeting:-**

- Amend the 2020 Capital & Operating budget to withdraw funds from the financial computer systems Reserve in the amount of \$36,685 to offset the cost of capital budgeting software
- Update the Schedule of Rates to be used in connection with the Lake of the Woods Cemetery
- Amend the 2020 Operating & Capital Budget to withdraw funds from the Equipment Reserve in the amount of \$280,000.00 plus HST for the purchase of a recycle trailer

**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 K. Ralko, Seconded by C. Van Wallegghem & Carried:**

That the Minutes from the last regular Committee of the Whole Meeting held April 14, 2020 be confirmed as written and filed.

## **D. Deputations/Presentations**

None

## **E. Reports:**

### **1. Administration & Finance**

#### **1.1 2020 Q1 Investments**

##### **Recommendation:**

That Council hereby accepts the 2020 first quarter investment report that includes details of the Kenora Citizens' Prosperity Trust Fund and other City of Kenora investments.

#### **1.2 2020 Q1 Contracts**

##### **Recommendation:**

That Council hereby accepts the 2020 January – March Contracts & Expenditures Approved report.

#### **1.3 March 2020 Financial Statements**

##### **Recommendation:**

That Council hereby accepts the monthly Financial Statements of the Corporation of the City of Kenora at March 31, 2020.

#### **1.4 COVID-19 Preliminary Financial Impacts**

##### **Informational Report:**

The report provided by the Manager of Finance/Treasurer provides an early indication of the potential financial impacts of the COVID-19 outbreak on the City of Kenora. Although the magnitude of the impact is not known, the report outlines areas where we will see financial repercussions.

COVID-19 is causing an unprecedented amount of uncertainty and volatility in financial markets. Over the last 2 months North American stock markets are down, the price of oil has dropped, Government of Canada bond yields have reached historic lows and the Canadian dollar has weakened. As detailed in the quarterly investment report our equity investments have taken a hit but have started to rebound.

Only after 2 ½ months into 2020 we are finding that many revenue and expense budget lines are expected to be impacted. While it is still too early to quantify all the potential impacts, expected variances are listed below:

- Recreation facilities: Loss of revenues from mid-March on including summer ice rental, ball field rentals and room rentals. This will be offset by savings in wages for employees taking the layoff as well as other operating costs. In the short term the utility costs of the Keewatin Arena are being recovered.
- Wage reductions: For those employees taking the lay off and are receiving the 95% top up, the cost savings are \$500 per week per person. There are 40 employees in this program.

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- Energy costs: Hydro rates have been reduced to the off peak rates. We should see a reduction in these costs for this reason in addition to the savings with several City buildings being closed.
- Fuel: Short term savings in vehicle fuel costs due to price drop.
- Operational savings: There are savings to be recognized in almost every department with respect to travel, conference expenses, mileage and office supplies.
- Investment returns: For now the City is experiencing lower investment returns due to market volatility. The projection to the end of the year is not predictable.
- Parking: With the closure of businesses in the downtown core we will experience a reduction in parking fees. This may also be the case for docking fees as well.
- Transit: The closure of businesses will also more than likely result in a reduction in transit revenue with people making fewer trips into town.
- POA: POA revenues will be reduced due to lower ticket volumes and court closures.
- Transfer station: There is potential for reduced tipping fees if construction activity is cut back and with the closure of businesses.
- Museum: Program and admission revenue will be lost which will be offset by some expenditure savings already discussed.
- Libraries: There will be revenue lost due to closure to be offset by some operating expenditure savings.
- Economic Development: Reduced collection of Accommodation Tax revenue.
- Building permits: If construction activity is materially reduced, there will be a reduction in permit revenue. Also, there will be a lower amount of supplementary taxes collected.
- Penalties and interest: The waiving of penalties and interest on property taxes and utility bills until August will reduce investment income.

The list above is not exhaustive but rather an early view of potential financial impacts.

Finance has been monitoring cash flow and will continue to analyze the City's position to ensure there is sufficient liquidity to provide for the ongoing operations. The following will have an impact on our cash flow:

- The deferral of the final tax bill from the 3<sup>rd</sup> week in July to the end of August will delay cash inflows. Also, since we will not be charging interest on utility bills until the end of August it is anticipated cash inflow from these bills will slow down as well.
- Our quarterly payments to the school boards have been deferred by a quarter to be caught up at the end of the year. This will partially offset the slowdown in property tax collections.
- For now capital projects are scheduled to continue however this may change as government directives are rolled out.

To date the programs available to municipalities are few and their impacts are not significant. They relate to the delay of remittances without penalty (for WSIB, EHT and HST) and school board remittances. The benefit of these delays is reflected in the interest that can be earned by holding these payments and earning interest on them. Finance continues to monitor Federal and Provincial announcements. It is anticipated that there will be some form of assistance but the format and amounts are not known at this time.

**Discussion:** The revenue reductions referenced in the report in Keewatin anticipated for summer ice are those gross amounts, and not netted against savings. Charlotte Edie, Manager of Finance/Treasurer confirmed those are gross numbers. Keewatin Arena has very little expense there and in all cases we will have wage savings in Recreation.

Mayor Reynard noted that some of these don't really affect taxation. Examples are downtown parking where any surplus is recognized it goes into reserves. Hospitality tax is not used to offset taxation that is left for reserves for special projects. Some affect us more than others and we need to keep that in mind. The COVID 19 situation will affect our reserve funds more than the bottom line in operations.

### **1.5 Budget Amendment – Budget Software**

#### **Recommendation:**

That Council hereby approves an additional allocation of \$36,685 to be funded through the financial computer systems Reserve for the purchase of capital budgeting software; and further

That in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to amend its 2020 Capital & Operating budget at its May 19, 2020 meeting to withdraw funds from the financial computer systems Reserve in the amount of \$36,685 to offset the cost of capital budgeting software; and further

That Council give three readings to a by-law to amend the 2020 budget for this purpose.

## **2. Fire & Emergency Services**

### **No Reports**

## **3. Operations & Infrastructure**

### **3.1 Budget Amendment – Recycle Trailer**

#### **Recommendation:**

That Council hereby approves an additional allocation of \$280,000 plus HST to be funded through the Equipment Reserves for the purchase of a recycle trailer; and further

That in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to amend its 2020 Operating & Capital Budget at its May 19, 2020 meeting to withdraw funds from the Equipment Reserve in the amount of \$280,000.00 plus HST for the purchase of a recycle trailer; and further

That Council give three readings to a by-law to amend the 2020 budget for this purpose.

**Discussion:** The trailer has significant rust and it will be dismantled and sold for scrap.

## **4. Community Services**

### **4.1 Cemetery Rate & Fee Review**

#### **Recommendation:**

That Council gives three readings to a bylaw to authorize a new Schedule of Rates to be Used in Connection with the Lake of the Woods Cemetery; and further

That in accordance with Notice By-law Number 144-2007, public notice is hereby given that Council intends to update the Schedule of Rates to be used in connection with the Lake of the Woods Cemetery; and further

That this By-Law shall come into effect and be fully implemented upon approval by the Bereavement Authority of Ontario; and further

That By-law Number 23-2017 be hereby repealed.

## **4.2 COVID-19 Impacts to Beaches & Boat Launches**

### **Information to Council:**

Under the current COVID restrictions, public health authorities have implemented protocols in an effort to protect citizens and reduce the spread of COVID. To this end, the City of Kenora has implemented precautionary measures to support the protocols of public health officials while attempting to strike a balance with the need for people to enjoy green spaces and waterways in the City of Kenora. This report is intended to provide Council with information about how City of Kenora staff plan on supporting distancing protocols at City boat ramps and beaches.

All City of Kenora beaches will be open. The expectation is that citizens will practice social distancing guidelines that are well publicized by public health authorities and supported by local and national media outlets. To support this education, the City is in the process of purchasing social distancing signs. Signs will be posted at higher volume walkways and trails to reinforce the messaging that has been prevalent for months.

Beach washrooms typically open by Mid May. City staff are looking at options for more frequent cleaning cycles related to COVID requirements. This could include increasing the contract with our contractors or having a staff person rotate through the washrooms and log related activity.

If there are a high volume of reports related to individuals not practicing proper distancing, staff will need to evaluate other options which could include closing beaches or some type of enforcement.

The only boat ramp that is currently not available to the public is the boat ramp at the Keewatin Memorial Arena. That is related to the temporary emergency COVID facility and the need to reduce traffic in the immediate area to the fullest extent possible during this time.

All remaining City boat ramps will remain open. Temporary marina closures directed from the Provincial level on Lake of the Woods are expected to increase pressure on City boat launch facilities in the short term. Similar to the beaches, the expectation is that citizens will practice established social distancing measures communicated by health care officials. To support that messaging, the City of Kenora will be posting high visibility signs similar to the ones noted for the beaches. In addition, By-law enforcement will assign two Summer Students to patrol the boat ramps to help support messaging and engage citizens who aren't. One Student will rotate through the two remaining boat ramps in Keewatin (the Keewatin Wharf and ramp located on the Winnipeg River). A second Student will rotate between boat ramps in Kenora (Rec. Centre, Matheson Street Pier and Anicinabe Park).

There has been much communicated in the media about everyone doing their part during these extraordinary times. City staff are attempting to mitigate risk to the community by social media messaging reinforcement, signage posted in the immediate proximately at specific beach and ramp locations and through by-law enforcement officers. There is the potential for individuals to not follow guidelines and messaging. Staff will have to monitor the situation and be prepared to act should these means prove unsuccessful.

**Discussion:** Council noted that Anicinabe Park has very serious parking issues there. The public is not paying attention to where they park and how they park. Beaches are not an issue right now but the government has not lifted the restriction on beaches yet. It was questioned if we

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are able to open the beaches and Community Services Manager Stace Gander indicated it is up to the municipality. The Keewatin Arena boat ramp closure will likely cause issues with parking in Keewatin. It was suggested that there is an opportunity when the lease comes up that we look at that situation closer to July and look at opening that area again. Stace noted that we will keep an eye on things, but further noted that the Wharf launch time will be shortened due to the significant investment in that launch. As a result, launching time will be much shortened, but we do anticipate challenges with parking in Keewatin.

It was questioned if the NWHU should be contacted and ask for support or funding to cover the cost of a bylaw officer to cover costs associated with us having to deal with the beaches and boat ramps as these are policies of the Health Unit. Heather Pihulak explained that the City has always done their piece for enforcement at launches and the only thing we are doing different is enforcing the health recommendations currently in effect about social distancing, and regular hand washing.

It was noted that parking in the summer is a consistent issue throughout the community and we continue to also deal with the challenges at the Lakeside MNR launch as it is not a municipal launch. It will not be any different this summer with monitoring and enforcing the parking.

#### **4.3 COVID-19 Reopening of Public Tenders**

##### **Recommendation:**

That Council accept staff recommendation to re-open the process of Public Tenders related to projects in the 2020 Capital budget.

#### **4.4 COVID-19 Tenant Concessions**

##### **Background:**

In March 2020, the Province of Ontario started to impose restrictions on workplaces by declaring certain types of work activity as being deemed essential, or non-essential. This has led to some of the tenants who lease facilities or have land leases with the City of Kenora being unable to operate their businesses. In addition, some tenants whose business is dependent on tourists have also seen financial impacts due to travel restrictions, event cancellations or health related travel restrictions of customers all related to COVID 19 that have put pressure on their cash flow. City staff have been approached by several impacted tenants who have requested that City Council give some consideration to financial relief.

In preparation for this report, City staff have spoken to a local insurance broker to determine if business interruption coverage was an option for impacted companies. The response received was that because COVID 19 is considered an act of God, even if a company had business interruption insurance, insurers would not accept a claim.

City staff also looked at Federal programs such as the CECRA however the City as a landlord does not qualify for rent relief programs such as this.

City staff also polled other Treasurers in Ontario whose municipalities were faced with similar tenant requests in an effort to understand what options were being considered.

Based on the above and recognizing the City of Kenora's dependence on seasonal tourism, staff have developed the following options.

## **Options for Council's Consideration:**

### **Option A**

1. Status quo – no concessions.

### **Option B**

#### **Tenants operating 12 months per year impacted by closure due to non-essential business**

1. **Waiver** of rent/lease payments for non-essential/travel restricted business or services (not operating) until the end of the month in which restrictions are lifted.
2. **Deferral** of rent/lease payments for non-essential businesses on a pro-rated basis starting April 1 and for a period of two or potentially three months depending on when the Province lifts non-essential service restrictions. Repayment of deferred rent/lease payments in equal installments over the last six months of 2020.
3. **Reduction** in monthly rent/lease by 50% **with deferral** and payments in equal installments over the last six months of 2020. (In recognition that the City continues to have operating costs involved with some of its facilities even in the event of closure)

### **Option C**

#### **Seasonal Business (Directly Related to Tourism)**

Seasonal businesses that are City of Kenora tenants essentially operate for a three to four month period. While rent/lease is calculated on an annual basis, the companies are able to generate income on a shorter timeframe. With this in mind, the following options have developed.

1. **Waiver** of rent/lease payments for on a prorated basis dependent on the number of months of travel restrictions (Eg: one month of not operational equals 25% rent reduction, two months equals 50% rent reduction.) until the end of the month in which restrictions are lifted. (Supporting documentation would be required.)
2. **Deferral** of rent/lease payments. Repayment of deferred rent/lease payments in equal installments over the last six months of 2020.
3. **Reduction** in rent/lease tied to the reduction in income. For example, a 25% reduction in income for a particular month would result in a reduced rent/lease payment by 25%.

In the event that a tenant were to receive financial support related to their rent/lease payments through a Provincial or Federal COVID financial support program, the expectation would be that the City of Kenora would be reimbursed for any amount waived rent/lease payment.

Staff are seeking Council direction to either support or amend this initiative, as appropriate.

**Discussion:** There are several different types of lease situations and Stace can share those specifics directly with Council.

It was questioned if these businesses qualify for the Federal programs and whether staff have looked into whether these business will qualify for the CEBA. Stace Gander explained that CERCA infers that the landlord has a mortgage and the City doesn't hold mortgages and therefore would not qualify. Stace has not looked at the language of others referred to, however, it was thought that if businesses were to get support from programs we would work with them and build it into the options we have here.

Council wanted administration to confirm we are not eligible just because we don't hold mortgages. Some of the tenants really struggle which are seasonal only and will have no

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revenue and can't operate while we continue to ask for their rent.

Council requested that administration provide more information before making a final decision. Stace will bring back further details for Council to review prior to May 19<sup>th</sup>.

#### **4.5 Muse Bylaw**

##### **Recommendation:**

That Council gives three readings to a bylaw to authorize a bylaw respecting the Muse Board; and further

That bylaw number 49-2019 be hereby repealed.

### **5. Development Services**

#### **5.1 Doug Lafreniere Developments Site Plan Agreement**

##### **Recommendation:**

That the Mayor and Clerk be hereby authorized to execute a site plan agreement between the City of Kenora and 2672342 Ontario Inc. to allow for the development of a 30 unit apartment dwelling, all associated facilities; and further

That the appropriate bylaw be passed for this purpose; and further

That bylaw 55-2020 be hereby repealed.

### **F. Proclamations**

Mayor Reynard then read the following proclamations:

- Children's Mental Health Week – May 3-9, 2020
- International Nurses Week – May 11-17, 2020

### **G. Other**

- Councillor Ralko noted that the Kenora Youth Hub is still operating and is available to our youth.
- Councillor McMillan expressed that we continue to appreciate our staff and community and extended further appreciation to Mayor Dan as our leader.
- Councillor Smith asked everyone to continue to stay home and not head to Winnipeg. Keep staying the course as the precautions we are taking is making a difference. Practice our social distancing. Take a walk but most important keep following the recommendations from government. Most important is wash your hands don't touch your face and stay safe.
- Councillor Goss acknowledged the leadership of Mayor Reynard and further expressed his disappointment in the reprehensible behavior of some by attacking the Mayor. It is offensive and he will challenge it whenever he sees it. He has even seen this nasty turn of anti-visitor mentality, which is not acceptable. We have all pulled together and it is grossly unfair as we have all worked so hard and made sacrifices.
- Councillor Van Wallegghem wished to acknowledge the families as we give a lot of time away. As we go downtown and get accosted it is the family that take a lot of it. It is his 47<sup>th</sup> wedding anniversary today and he extends a thank you to his spouse.
- Mayor Reynard noted that unfortunately there will always be negative comments in the community and some have taken this crisis to verbally attack and go after our

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summer residents and visitors, even though we continue to push and request people to stay home. There is nothing that precludes people from coming to their cottages and camps. When they do decide to come, we have to respect the fact that because of COVID 19 does not give you the right to go after people. The enemy is the virus and not each other. We have to stick together and we need to be respectful.

- Councillor Smith added that Mayor Reynard is doing an amazing job and agrees we are all in this together.

## **H. Next Meeting**

- Tuesday, June 16, 2020

## **I. Adjourn to Closed**

**Resolution #2 - Moved by Councillor S. Smith, Seconded by R. McMillan & Carried:**

That Council now adjourn to a closed session at 9:56 a.m.; and further

That pursuant to Section 239 of the Municipal Act, 2001, as amended, the Closed Session will discuss items pertaining to the following:-

- i) Disposition of Land (2 matters-Railways St Development, WON Servicing)
- ii) Labour Relations (2 matters-CUPE Local 191 Negotiations, Staffing)
- iii) Personal Matter about an Identifiable Individual (1 matter-Muse Development)

## **J. Reconvene to Open Meeting**

Council reconvenes to open session at 1:26 p.m. with the following reports from its closed session:-

### **Fleet Department Compliment**

#### **Recommendation:**

That Council authorizes the addition of a full time mechanic for the Fleet Division; and further

That the Acting Human Resources Manager be directed to begin recruitment efforts.

### **Railway Street Development Project**

#### **Recommendation:**

That Council directs Administration to present options to Council for the Railway Street Development project at the May 19, 2020 Council meeting.

## **K. Close Meeting**

Meeting adjourned at 1:28 p.m.