

THE CORPORATION OF THE TOWNSHIP OF WEST LINCOLN
SPECIAL COUNCIL MINUTES

MEETING NO. THREE

March 1, 2021, 6:33 p.m.

Township Administration Building

318 Canborough Street, Smithville, Ontario

Council: Mayor Dave Bylsma
Councillor Cheryl Ganann
Councillor Harold Jonker
Councillor Mike Rehner
Councillor William Reilly
Councillor Jason Trombetta
Councillor Shelley Bradaric

Staff: Joanne Scime, Clerk
Bev Hendry, CAO
Donna DeFilippis, Treasurer/Director of Finance
Dennis Fisher, Fire Chief
Mike DiPaola, Director of Public Works and Recreation
Brian Treble, Director of Planning and Building
Katelyn Hall, Deputy Treasurer
Roberta Keith, IT Manager
Cindy Weir, Interim Library CEO

Others: Regional Councillor Albert Witteveen
Joan Packham, West Lincoln Public Library Board Chair
Klaas Zeldenrust
Rob Cosby
Nicholas Fearn, Niagara This Week
Tristan Marks, News Now

1. DISCLOSURE OF PECUNIARY INTEREST AND/OR CONFLICT OF INTEREST

There were no disclosure of pecuniary interest and/or conflict of interest declared by any Member of Council in attendance.

SPECIAL COUNCIL MINUTES - March 1, 2021

2. REQUEST TO ADDRESS ITEMS ON THE AGENDA

In response to Mayor Bylsma's inquiry, the IT Manager confirmed there were no members of the public in attendance virtually that were indicating they wished to address a specific item on tonight's agenda as permitted by Section 6.7 of the Procedural By-law.

In response to Mayor Bylsma's inquiry, the Clerk stated that she had received one email over the weekend from Mr. Rob Cosby, which she read into the record. A copy of the email is attached as **Schedule "A"** to the minutes.

3. OTHER BUSINESS

3.1 Treasurer/Director of Finance (Donna DeFilippis) **Re: Recommendation Report T-07-2021 - 2021 Operating and Capital Budget Final Report**

The Treasurer/Director of Finance advised that she did not prepare a formal presentation this evening as she had done this at the February 16, 2021 Administration/Finance/Fire Committee meeting at which time Council and staff received a full presentation relating to the Township's 2021 Operating and Capital Budget and that her report this evening was the same base budget and levy of \$8,130,140. The Treasurer/Director of Finance noted that a change that has occurred was the levy for the West Lincoln Memorial Hospital was now being proposed at \$75,300, which was lower than what was presented at the February 16th meeting due to the fact that the requirement was being spread over 5 years as opposed to 4 years. The Treasurer/Director of Finance advised that at the February 16th meeting it was requested that the two items be separated should Council decide that they didn't want to include the hospital levy in the 2021 budget they could. The Treasurer/Director of Finance stated that if Council did not want to include the hospital levy they could amend the recommendation contained in the report and remove recommendation 3. The Treasurer/Director of Finance highlighted Charts 2 and 4 attached to the budget report as these charts breakdown the impact of the levy for the Township's portion of the taxes and the overall tax bill. The Treasurer/Director of Finance explained that Chart 4 shows the impact of the hospital levy which would result in an overall tax bill increase of 3.10% and would result in an annual increase of \$135.79 or \$11.32 a month, for an average home of \$382,397 (MPAC Assessment based on 2016).

Councillor Rehner stated that he did not understand that the Township's overall levy was 3.1% as proposed in the Treasurer/Director of Finance's recommendation report as he thought it would have been approximately 3.8% based on the information report presented at the February 16, 2021

SPECIAL COUNCIL MINUTES - March 1, 2021

Administration/Finance/Fire Committee meeting which was proposing a 2.8% overall levy plus 1% for the hospital levy.

In response to Councillor Rehner's inquiry, the Treasurer/Director of Finance referred to Chart 2 of her report which shows the impact of \$8,054,840 proposed Township levy which does not include the hospital levy, with an overall Township levy increase of 5.3%. The Treasurer/Director of Finance stated that Chart 4 shows the impact of \$8,130,140 proposed Township levy which includes the hospital levy being an increase of 6.24%. The Treasurer/Director of Finance advised that due to the fact the Township's portion of the property tax bill was approximately 1/3 of the total property tax bill (Region and Education), the increase including the hospital levy was 3.1% as compared to an increase of 2.8% which does not include the hospital levy. The Treasurer/Director of Finance noted that Chart 3 of her recommendation report shows the proposed total hospital levy requirement being \$381,000 with a breakdown of the amount needed over a 5-year period from 2021 to 2025, with the average being approximately \$76,000 per year that will be needed to payoff the future debenture.

There was much discussion between Members of Committee and staff regarding the 2021 Draft Operating and Capital Budget report which included, but was not limited to, the following issues:

- (1) The delay of building the new hospital by the Province of approximately 25 years resulted in the construction costs substantially increasing and has resulted in the local area municipalities' share of the total construction cost to increase as well as it being the local area municipalities and the hospital foundation being responsible for the fixture and equipment costs.
- (2) It was felt it would be wiser to reduce the amount of the hospital levy by spreading the debenture cost over five (5) years versus four (4) years as proposed in the Treasurer/Director of Finance's recommendation report.
- (3) The Township's levy was higher than last year due to the special projects that have been proposed and that Council needs to be mindful of the fact that commercial properties pay a higher tax rate which may have a substantial impact on businesses being able to pay their property taxes and it was suggested that the Township's levy be further reduced from 3.1% to approximately 2% in order to assist all taxpayers in the municipality.
- (4) It was suggested to defer the upgrading of certain gravel roads, as noted in the budget, for another year which would reduce the budget by approximately \$660,000.
- (5) Were pleased that a new Station 2 Fire Station will be constructed this year as it was a long time coming and well deserved.

SPECIAL COUNCIL MINUTES - March 1, 2021

- (6) As per Mr. Cosby's comments, it was questioned whether a 2% increase to the budget for maintenance was enough taking into consideration that the price of aggregates has been increased in 2021 by 3%.
- (7) It was felt that the proposed Budget for 2021 was a responsible budget and well balanced.
- (8) Were pleased that the Township's hard-surfacing of gravel roads program will be restarted this year after 11 years.
- (9) Concern was noted regarding the under utilization of the West Lincoln Community Centre due to the pandemic and the closure and/or reduced use of the facility and it was suggested using the COVID funding that was received to help offset costs (Response = The full amount of the COVID funding from the Province is being utilized as outlined in Chart E (2021 COVID-19 Budget Impact) of the recommendation report, which includes some of the loss revenue from the WLCC and that the 2021 Budget was not affected by COVID).
- (10) It was questioned when in the future a staff report would come forward with respect to the elimination of the urban service levy (urban residents pay a separate special area levy for maintenance of urban sidewalks and streetlights)? (Response = In order for staff to prepare a report with respect to the elimination of the urban service charge would require a resolution of Council and this levy was initiated by the Council of the day).
- (11) Concern was noted that it was unfair that the elimination of the special urban area service charge will not be revisited by Council because the majority of Council Members resided in the rural area and it was suggested that rural residents should be charged a rural service charge.
- (12) It was questioned whether the establishment of a rural service charge would require a resolution of Council and perhaps this should be investigated?
- (13) It was noted that a large portion (approximately 50%) of the Township's capital budget has been designated towards rural bridges and roads with 85% of the budget going towards the rural area and that many rural area residents come into Smithville to walk along the sidewalks and that it was felt that maintenance costs for urban sidewalks and streetlights should be paid by all Township taxpayers.
- (14) Concern was noted about using percentages when referring to tax levy increases and although it was understood that this was the method that was used for determining tax levy increases, using percentages was not a good comparison as a percentage increase can be much different as it relates to one municipality versus another (i.e. a percentage increase is higher for properties that have a higher

SPECIAL COUNCIL MINUTES - March 1, 2021

tax levy versus a lower tax levy). (Response = It was noted that the Treasurer/Director of Finance does provide monetary figures as well as percentages in her report).

- (15) It was questioned whether there were any costs relating to projects and/or recreation programs and events that could be affected by COVID that could be removed from the 2021 Budget in order to reduce the tax levy? (Response = Staff have budgeted as if it was a normal year as it is difficult to determine what will happen this year as it relates to COVID and that it is best practice to budget with steady levels including inflation if needed).

Councillor Ganann noted her concerns regarding the condition of South Grimsby Road 3 as she receives a lot of complaints with respect to this road and that she was surprised that this road was not included in the Roads Need Study as one of the top ten roads to be reconstructed. Councillor Ganann asked staff if they could re-evaluate this road in the Spring following the winter meltdown and/or when there has been heavy rain as this road was normally in poor condition and was seeing more use as the result of Industrial Park Road being extended as a route to access the QEW and/or Highway 8.

Mayor Bylsma noted that a Media Release will be prepared and sent out by staff tomorrow with respect to the Township's final 2021 Operating and Capital Budget.

Councillor Reilly requested a recorded vote with respect to the recommendation as it relates to the 2021 Operating and Capital Budget.

Moved By Councillor Shelley Bradaric

Seconded By Councillor Cheryl Ganann

1. That, Report T-07-2021, regarding the "2021 Operating and Capital Budget Final Report", dated March 1, 2021 be received; and,
2. That, a tax levy of \$8,054,840, which represents a 5.68% tax levy increase after factoring in assessment growth, be approved; and,
3. That, a new tax levy of \$75,300 for the West Lincoln Memorial Hospital Rebuild in addition to the amount in item 2 for a total 2021 tax levy of \$8,130,140, be approved; and,
4. That, the Detailed 2021 Capital Program, attached as Schedules H to N to this report, totaling \$5,866,500 be approved; and,

SPECIAL COUNCIL MINUTES - March 1, 2021

5. That, water and wastewater user fees increase on July 1, 2021 as follows: 5% increase to the Water Consumptive Rate, the Water Base Charge, the Wastewater Base Charge, the water filling station Consumptive Rate and a 2% increase to the Wastewater Consumptive Rate; and,
6. That, a By-Law be passed which amends By-Law 2004-42, Schedules A and C to incorporate the revised water and wastewater fees effective July 1, 2021; and,
7. That, Council delegate authority to the CAO to approve in year 2021 budget amendments up to \$20,000 per item and to report to Council on a monthly basis regarding such amendments; and,
8. That, the balance of Capital and Special Projects for the years 2022 to 2030 as outlined on Schedules F and G to this report be approved in principle; and,
9. That, tangible capital asset amortization expense estimated at \$3,158,800 and post-employment expenses estimated at \$4,000 be and are hereby excluded from the 2021 Draft Operating and Capital Budget as permitted through regulation 248/09.

	For	Against
Mayor Dave Bylsma	X	
Councillor Cheryl Ganann	X	
Councillor Harold Jonker	X	
Councillor Mike Rehner	X	
Councillor William Reilly		X
Councillor Jason Trombetta	X	
Councillor Shelley Bradaric	X	
Results	6	1
Carried (6 to 1)		

4. ADJOURNMENT

The Mayor declared the meeting adjourned at the hour of 8:01 p.m.



JOANNE SCIME, CLERK

MAYOR DAVE BYLSMA

SCHEDULE "A" TO THE MARCH 1, 2021 SPECIAL COUNCIL (BUDGET) MINUTES

2021 Budget Presentation

Good evening Mayor Bylsma, Councillors and Township Staff. I have viewed the 2021 budget documents online and also attended, virtually, the Budget Meeting held on Feb 16/21. Overall, I am comfortable with the current budget with an increase of approx. 2.8% over 2020. This is a smaller increase than last year and still takes into consideration the maintaining of service levels while accounting for inflationary costs. Discussion occurred during the budget meeting regarding the initiation of a levy to raise funds for the Township's funding commitment to the new West Lincoln Memorial Hospital. My opinion is that we, as a Township, should begin setting aside funds this year. Spreading out the raising of these funds over 5 years instead of 4 years will result in a smaller impact to residents each year.

I would like to make a few comments/concerns for your consideration this evening. These are in no particular order.

Public Works truck purchases – The budget proposes the scheduled replacement of tandem #34 as well as moving up (from 2022) the scheduled replacement of tandem #35 and the addition to the fleet of a 2nd single axle truck with plow. The rationale is to compensate for manufacturing and delivery delays in the heavy truck and equipment industry, and to allow for the potential of better pricing considerations when tendering for multiple pieces at the same time. I agree with this rationale but after some thought, I have 2 concerns. The Township is currently waiting for delivery of 3 trucks relating to the 2019 and 2020 capital budgets and the current request is for 3 more trucks in this 2021 budget. This will result in 6 trucks (roughly half of the heavy fleet) due for replacement over a 3 year period in approx. 10 years, based on the current practice of a 10 year replacement program. Will this put an undue stress on reserves in 10 years when this many trucks will need to be retired or will some need to be kept in service longer to due to the ramifications of this decision? My 2nd concern is with the additional single axle plow truck. I had a very good discussion on various topics with Public Works Manager Steve McGean late in 2019. The topic of the additional single axle plow truck for the urban area came up and I totally agreed that the urban area was grossly underserved with only 1 truck for winter operations. I still agree that an additional piece of equipment is badly needed, but I wonder, when I look at the very cramped nature of all of the newer existing and planned developments in Smithville, whether a conventional single axle plow truck is still practical or if a piece of equipment that is more agile and maneuverable might be an option. Maybe this could be a multi-use piece of equipment that could also be used for a different use in the summer months.

Fire Department – I support the addition of fire fighter positions over the next 2 years. Chief Fisher stated that the compliment of firefighters had not increased for several years. I believe that it is beneficial to have a larger number of volunteer firefighters on the department to draw on as the municipality grows and calls are likely to increase.

SCHEDULE "A" TO THE MARCH 1, 2021 SPECIAL COUNCIL (BUDGET) MINUTES

The fire department is scheduled to replace both of its tankers, 1 this year and the other in 2022. Using the same rationale as the Public Works Department, why don't we entertain the idea of moving up next year's tanker replacement to this year? It would be unlikely that either of these tankers would be delivered until late 2022 or early 2023 and there could be a potential cost savings as well. The replacement of both of these tankers was pushed back by 2 years during the 2018 budget process according to my notes. Both of these tankers, although serving the municipality well, are beyond 20 years of age when replacement is highly suggested by the province. West Lincoln Fire Department is also currently unable to obtain Shuttle Certification until our tankers are replaced with newer units. Shuttle Certification of a municipality is viewed by some insurance companies as a lower risk when quoting residential insurance premiums.

Conversion of gravel roads to tar and chip surface – I wish to thank Township Council and Staff for resuming the project of upgrading gravel roads to tar and chip surface. This initiative began several decades ago when virtually all of our rural roads were gravel. Despite this initiative being on hiatus for several years due to a lack of support from Councils of the day, our Township has progressed to the point where, according to inventories from the latest road assessment, over 60% of our rural roads are now tar and chip. My hope is this initiative will continue into the future allowing more residents the benefit of better rural roads.

Operating budget, unpaved roads – Our remaining gravel roads have been in need of major improvements for many years. Many residents have commented for several years regarding the condition of our "mud" roads. I had not had the opportunity to experience the full reality of the term "mud" road until this past October when the gravel roads in my immediate area became mud. Councillor Ganaan made mention of this during the Feb 16 budget meeting. Our roads were graded and that evening we received 12 mm of rain. The next day, our roads were almost impossible to drive on, a soupy mess that created ruts at least a couple of inches deep on parts of South Grimsby Road 3 and Concession 7 Road. These roads were defined to be in "very good" condition in the recent road assessment. The road eventually dried out but some of the ruts are still visible today. I would expect a gravel road to be soft after rainfall on a freshly graded road. However, it is my opinion that this problem was so severe for 2 reasons.

Normally, gravel roads are built from Granular A which is a blend of material from screenings up to ¾ inch gravel. This blend compacts quite well and is very stable. Our road does not appear to have enough of the larger gravel remaining in the road bed. We are left with a larger percentage of smaller gravel and screening which does not compact well in very wet conditions. The larger stone from the roads breaks down over time from normal use as well as being thrown from the travelled part of the roadway due to traffic and sometimes from snowplowing.

SCHEDULE "A" TO THE MARCH 1, 2021 SPECIAL COUNCIL (BUDGET) MINUTES

On some portions of the roads in my immediate area, the road shoulders are higher than the travelled portion of the roadway which prevents the drainage of rainfall to roadside ditches. This results in ponding, erosion where water runs down the road, and muddy roads.

I believe that the above problems are common on most gravel roads in our municipality. The budget for maintenance of unpaved roads shows a 2% increase and I know that one of the local quarries has increased the price of aggregates by 3% for 2021. I would also like to note that in the 2018 budget document, the amount budgeted for maintenance of unpaved roads was reduced by 10.8%. I would request that the Township of West Lincoln increase the level of funding for additional gravel to be applied to unpaved roads to bring them up to a higher standard than what currently exists in our municipality.

Thanks for your time and consideration.

Rob Cosby,

5969 Concession 7 Road