



## **MINUTES OF FINANCE COMMITTEE MEETING**

**MONDAY, FEBRUARY 28, 2019**

**5:00 P.M.**

### **TOWN HALL COMMITTEE ROOM**

Councillor Frank Kennes, Chair

#### **1. Roll Call.**

Present:

Mayor Joanne Vanderheyden  
 Deputy Mayor Brad Richards  
 Councillor Marie Baker  
 Councillor John Brennan  
 Councillor Sandi Hipple  
 Councillor Larry Cowan  
 Councillor Neil Flegel  
 Councillor Steve Pelkman

Also present:

Greg McClinchey, Chief Administrative Officer  
 Fred Tranquilli, Director of Legal & Legislative Services/Clerk  
 Bill Dakin, Director of Finance-Treasurer  
 Kerry Maloney, Acting Financial Analyst  
 Lindsay Laskey, Manager of Accounting/Deputy Treasurer  
 Jennifer Pereira, Assistant to Director of LLS  
 Mark Campbell, Chief of Police  
 Paul Landers, Strathroy-Caradoc Police  
 Robert Lilbourne, Director of Parks and Recreation  
 George Elliott, Director of Engineering and Public Works  
 Joe Pilon, Information Technology  
 Rob Lilbourne, Director of Community Services  
 Matthew Stephenson, Director of Building and Waste Management  
 Grant Meme, MYFm  
 Stephen Riczu, Resident

## 2. Declaration of Pecuniary Interest.

## 3. 2019 Draft Consolidated Capital Budget Review

The Director of Finance, Bill Dakin reviewed the 2019 Draft Preliminary Consolidated Capital Budget Proposed Report.

At this time, the draft capital budget reflects a total spending of \$15,745,762 funded by recoveries of \$2,117,750, grants of \$913,500, deferred revenue of \$2,103,262, gas tax funding \$715,000, development charges \$1,670,000, user fees (water and sewer rates) \$4,204,000, loans \$900,000 and taxation \$3,302,250. Also included were reports of the Preliminary Capital Budget Forecast Future Years.

Department Heads reviewed their Capital Requests:

### 1. Information Technology

Director of Information Technology, Joe Pilon and Councillor Neil Flegel, Chair reviewed the requests as follows:

- 1) Laptop and Workstation Upgrades: \$20,000 in taxation.
- 2) Router Replacements: \$15,000 in taxation.
- 3) Access Point (Wi-Fi) Replacements: \$10,000 in taxation.
- 4) Document Management and Imaging: \$55,000 in taxation.
- 5) Network Security – Smart Cards: \$5,000 in taxation.
- 6) Tower Move: \$60,000 in taxation.
- 7) Questica Budgeting Software: \$48,000 in taxation.
- 8) Virtual City Hall: \$18,000 in taxation.
- 9) Trimble GPS upgrade and Hand Held unit: \$20,000 in taxation.
- 10) Camera Recording System and Sound System Upgrade: \$25,000 in taxation.
- 11) Diamond Upgrade: \$15,000 in taxation.
- 12) Additional Security Cameras: \$5,000 in taxation.
- 13) ID Badges: \$2,500 in taxation.
- 14) Wi-Fi Broadcast to Devices: \$30,000 in taxation.
- 15) Security Lock System at Town Hall: \$25,000 in taxation.

Councillor Flegel indicated that he met with the director of Information Technology to review the items above. He felt some of the items should be considered as operating expenses.

Fred Tranquilli, Director of Legal & Legislative Services expressed need of the Document Management and Imaging request, as the municipality should consider a more paperless environment for security purposes.

Councillor Pelkman inquired about the council chambers camera and sound system. Joe Pilon, Director of IT explains that this will engage public access and accessibility and enables the municipality to stream meetings online more constantly.

Moved By Councillors Brennan and Pelkman

**THAT:** Item # 14 Wi-Fi Broadcast to Devices: \$30,000 in taxation be removed from the list of capital requests. **Carried.**

2. **Legal and Legislative Services**

Director of Legal and Legislative Services, Fred Tranquilli reviewed the request as follows:

- 1) City Hall – LLS Renovation: \$25,000 in taxation.

3. **Fire Services**

The Chief Administrative Officer, Greg McClinchey reviewed the requests as follows:

- 1) Replacement of Self Contained Breathing Apparatus in 2020 Budget Year: \$300,000 in taxation.
- 2) Replacement of Training Classroom Tables and Chairs at Stations 2 and 3: \$22,500 in taxation.

4. **Police Services**

Police Chief Mark Campbell reviewed the requests as follows:

- 1) Cruiser/Fleet Replacement- \$110,000 from taxation.
- 2) Communications System Upgrade, Phone Equipment purchase, SIT Call Taker Softphone: \$60,000 from taxation.
- 3) Small Equipment/Building Security Purchase: \$70,000 from taxation.
- 4) Communications System Upgrade (Radio Tower Project) - \$125,000 (\$100,000 from reserves and \$50,000 from user fees.)

5. **Engineering & Public Works**

Director of Engineering and Public Works George Elliott, reviewed the requests as follows:

- 1) Caradoc Street Reconstruction Downtown Phase 1: \$4,500,000 (\$1,800,000 from recoveries, \$600,000 from development charges, \$900,000 from user fees, \$1,200,000 from taxation).

A revised capital report was distributed to council and is attached and form part of these minutes. Such revisions include boulevard landscaping.

Councillor Pelkman feels that this addition would be ideal.

Deputy Mayor Richards has concerns that the boulevard will not be low maintenance. Rob Lilbourne, Director of Community Services indicated that the trees chosen will be the most suitable for the area.

Councillor Baker had concerns with the additional costs of burying the cables underground, however it would improve the appearance.

Councillor Cowan agrees that burying the cables would improve the appearance, however has concerns that the beautification piece will not remain pretty. Greg McClinchey, Chief Administrative Officer assures council that not only is the request include the beautification piece but also the functionality as well.

Councillor Flegel feel that the concept of the project is a great idea, he is concerned there are other areas of the Municipality that also need attention in regards to repairs.

Mayor Vanderheyden feel that our Municipality is growing and recognizes the importance of incorporating these aspects before the work commences.

Councillor Hipple questions if all aspects of the project must get done at the same time or can some be delayed for the future. George Elliott, Director of Engineering and Public Works explains the process developed to the project that was presented today.

Bill Dakin, Director of Financial Services discusses the loan portion of this project to the amount of \$1,000,000. He indicates that they would be taking advantage of the low rates available with Infrastructure Ontario.

Councillor Brennan requests that an example from another community be presented to display wear and tear after 10 years.

Moved By Deputy Mayor Richards and Councillor Pelkman

**THAT:** Item #1 (Caradoc Street Reconstruction Downtown Phase 1) move forward with underground utilities and upgrades including the addition to the compass stamping as a provisional item on the tender. **Carried.**

- 2) Development Charge Background Infrastructure Needs: \$75,000 in development charges.
- 3) Lions Park Drive Development Share: \$310,000 (\$210,000 in OCIF grant, \$100,000 in user fees).
- 4) Longfield Street Reconstruction: \$460,000 (\$70,000 in recoveries, \$120,000 in OCIF grant, \$70,000 in gas tax, \$200,000 in user fees).
- 5) Parkhouse Drive Design – DC Works: \$200,000 (\$60,000 in OCIF grant, \$140,000 in development charges).
- 6) Queen Street Development Share: \$420,000 (\$76,000 in recoveries, \$210,000 in OCIF grant, \$134,000 in user fees).
- 7) Development Standards Upgrade: \$40,000 in development charges.
- 8) McKellar Phase 2 Design: \$40,000 (\$35,000 in OCIF grant, \$5,000 in development charges).
- 9) Street Reconstruction Design – Queen Street – Carroll to Metcalfe, High St – Queen to York: \$250,000 (\$20,000 in OCIF grant, \$170,000 in development charges, \$60,000 in user fees).
- 10) Drury Lane Reconstruction Design: \$250,000 (\$130,000 in user fees, \$120,000 in taxation).

- 11) Mt Brydges Sewer Expansion Program Design: \$300,000 in user fees.
- 12) Saxton Road Development Share: \$50,000 in taxation.
- 13) Mogg Street Extension Looping: \$400,000 (\$270,000 user fees, \$130,000 in taxation).

Moved By Deputy Mayor Richards and Councillor Flegel

**THAT:** Item #13 (Mogg Street Extension Looping) be removed for the list of capital requests. **Carried.**

- 14) York Street Sanitary Servicing Design: \$75,000 in user fees.
- 15) Albert Street Sewage PS New Pump Installation: \$500,000 in user fees.
- 16) Long Range Financial Plan – Rates Review Study: \$40,000 in user fees.
- 17) Park Street Pump Station Rehabilitation: \$1,200,000 in user fees.
- 18) Automated Water Meter Reading Study: \$50,000 in user fees.
- 19) Wastewater Facilities Operational Optimization Study: \$40,000 in user fees.
- 20) Water Facilities Needs Review: \$25,000 in user fees.
- 21) Asphalt Resurfacing: \$225,000 (\$50,000 in OCIF grant, \$175,000 in gas tax).
- 22) Bridge and Culvert Maintenance: \$100,000 (\$30,000 in OCIF grant, \$70,000 in taxation).
- 23) Tar and Chip Maintenance: \$425,000 in gas tax.
- 24) Gravel Pit Closure Plan Study: \$20,000 in development charges.
- 25) Railway Crossing Maintenance: \$60,000 in OCIF grant.
- 26) Sand and Salt Storage Shed: \$250,000 in development charges.
- 27) Sidewalk Tractor - New Complement: \$150,000 in development charges.
- 28) Sidewalk Maintenance & Infill: \$70,000 in development charges.
- 29) Streetlight Upgrades: \$156,000 (\$76,000 in recoveries, \$80,000 in OCIF grant).
- 30) Sidewalk Expansion – Hull Road and Area: \$60,000 in development charges.
- 31) South Strathroy SWM Plan Study Finalization: \$25,000 in development charges.
- 32) Queen Street Storm Outlet for Fieldcrest Subdivision: \$75,000 in recoveries.
- 33) Tar and Chip Expansions: \$410,000 – Phase 1 (\$135,000 in recoveries, \$25,000 in development charges, \$250,000 in taxation).

## 6. **Tri-Township Arena**

Councillor Larry Cowan reviewed the request as follows:

- 1) Tri-Township Arena Capital Projects: \$45,000 (\$6,750 in grant and recoveries, \$38,250 in taxation).
  - 1. Shower replacements - \$6,000
  - 2. Garage Door & Opener - \$2,000

3. Storage Shed Floor Replacement - \$3,000
4. Utility Trailer - \$4,000
5. Parking Lot Resurfacing - \$30,000

Councillor Cowan and Deputy Mayor Richards felt that the minimal amount of maintenance should be done as the unforeseen future of the building is unclear.

Moved By Councillors Cowan and Pelkman

**THAT:** the Parking lot resurfacing estimated at \$30,000 be reduced to \$5,000. **Carried.**

## 7. **Community Services**

Director of Community Services, Rob Lilbourne reviewed the requests as follows:

- 1) Internal Road Improvements – Cemetery: \$45,000 for in gas tax.
- 2) Columbarium Landscaping - Cemetery: \$10,000 in taxation.
- 3) Fenced Compound – Cemetery: \$12,000 in taxation.
- 4) 3 Point Hitch Snow Blower – Cemetery: \$4,500 in taxation.

Mayor Vanderheyden questions the reason why taxation is being used for maintenance if we charge for care and maintenance to each plot holder upon purchase. Bill Dakin, Director of Financial Services indicates that indeed care and maintenance can be used, however it is only the interest earned on that money.

- 5) Aquatic Park – Funbrella's: \$35,000 in taxation.
- 6) Gemini Plate and frame Heat Exchanger Re-Gasket: \$18,000 in taxation.
- 7) Gemini Concession Upgrades: \$10,000 in taxation.
- 8) Gemini Painting of Rink Areas: \$87,500 in taxation.
- 9) Gemini – Emergency Generator: \$150,000 in taxation.
- 10) Gemini Electric Edger: \$6,000 in taxation.
- 11) Gemini Sound System: \$20,000 in taxation.
- 12) Gemini Back Roof: \$200,000 in taxation.

Rob Lilbourne, Director of Community Services proposes that council consider reducing the amount requested to \$50,000 in order to have a study done to determine what needs to be done.

Moved By Deputy Mayor Richards and Councillor Pelkman

**THAT:** Item #12 (Gemini Roof Replacement) be reduced to \$50,000 in order to conduct a roof study. **Carried.**

- 13) WMMC 2<sup>nd</sup> Lift of Asphalt Parking Lot: \$300,000 in taxation.
- 14) WMMC Auto Floor Scrubber: \$10,000 in taxation.
- 15) Foamstream: \$70,000 in taxation.
- 16) New Park Development: \$150,000 in taxation.

Moved By Councillors Pelkman and Baker

**THAT:** Council approve to utilize a small portion of the funds (\$30,000-\$50,000) to complete a scaled down version of Phase 2 at the Sensory Park, while continuing to search for partners so that the full version can be achieved. **Carried.**

- 17) Soccer Field Funding Transfer to Reserves: \$50,000 in taxation.
- 18) City Hall – HVAC Lower Level: \$100,000 in taxation.
- 19) Horticulture – Soft Scaping: \$25,000 in taxation.
- 20) City Hall – Front Entrance and Interlocking Brick Replacement: \$150,000 in taxation.

#### 8. **Building and Planning**

Matthew Stephenson, Director of Building, Planning and Waste Management presented his request as follows:

- 1) North meadows Secondary Planning Area: \$40,000 in development charges.

Bill Dakin, Director of Financial Services reviews the capital requests after council discussion and displays that the capital ask has reduced from 12.8 % to 10.6% with the changes the committee made.

Moved By Councillors Brennan and Hipple

**THAT:** the Capital Budget be approved in principle, as amended, for the inclusion in the Draft 2019 Consolidated Budget for review by Finance Committee March 25, 2019. **Carried.**

#### 4. **Unfinished Business.** None

#### 5. **Next Meeting**

- Monday, March 25, 2019 @ 5:00 p.m.
- Thursday, March 28, 2019 @ 5:00 p.m.
- Monday, April 01, 2019 @ 5:00 p.m. (Proposed Budget Presentation to Council).

#### 6. **Adjournment**

The meeting adjourned at 8:03 p.m. on a motion by Councillor Brennan and Mayor Vanderheyden. **Carried.**

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Mayor

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Clerk