

**MINUTES**  
**COMMITTEE OF THE WHOLE - ADMINISTRATION & FINANCE**  
**BUDGET MEETING #6**  
**THURSDAY, MARCH 28, 2019**  
**6:30 PM**  
**SPENCERVILLE MUNICIPAL OFFICE**

**Present:** Mayor Sayeau, Chair  
Deputy Mayor Deschamps  
Councillor Cameron  
Councillor Dillabough  
Councillor Hunter  
Dave Robertson, Advisory Member

**Regrets:** Jack Bradley, Advisory Member

**Staff:** Debra McKinstry, CAO/Clerk  
Dave Grant, Director of Operations  
Melanie Stubbs, Treasurer  
Brian Moore, Fire Chief  
Mike Spencer, Manager of Parks, Recreation & Facilities  
Jim Guest, Roads Superintendent  
Rebecca Williams, Deputy Clerk

1. Call to Order

Mayor Sayeau called the meeting to order at 6:30 pm.

2. Approval of Agenda

**Moved** by: J. Hunter seconded by: H. Cameron that the agenda be approved as presented.

Carried

3. Disclosure of Pecuniary Interest & the General Nature Thereof

Councillor Hunter declared an interest on item 5c) due to Tackaberry Construction operating a quarry owned by Councillor Hunter.

4. Delegations & Presentations – None

5. Action/Information Items – 2019 Budget

a) 2019 Budget to Date with Reserve Schedule & Updated Capital Plan

Committee reviewed the reserves and reserve funds and compared it with the year-end adjustments and capital plan. Members confirmed that the adjustments in the low lift reserve, Industrial Park water reserve, and the Spencerville wastewater are surpluses from 2018. There was a brief discussion with respect to the expected deficit in the 2019 Industrial Park wastewater reserve and how the Township is planning to balance the line item by 2020 with rate increases.

Members asked for clarification with respect to the budgeted transfers out of the Public Works reserve. It was noted that an additional \$99,000 has been added to the budgeted transfer out as a result of Council directing staff to cover the buyout cost of the excavator with money from the reserve. There was a general discussion with respect to estimated costs for the Smith Road culvert replacement and the Galop Canal rail bridge. It was noted that the new estimate from the engineer indicated that the Smith Road culvert would be in the \$200,000 range. It was noted that the tender for the rail bridge closes on April 2 and we will have more solid budget numbers for the next meeting.

b) Pre-Budget Approval – Plow Truck

Members noted their concerns with respect to the Township only receiving a single bid for the plow truck tender. Members noted that advice was sought and information received that if the criteria in the bid meets the tender document then the Township has an implied contract with the single bidder. It was noted that the because the tender specifications were met the Township cannot re-tender.

It was noted that the tender document was developed based on past experience and that the document provided proper information and the bid was within the budgeted amount. There was a brief discussion with respect to joining with the UCLG to possibly receive a better price. It was noted that staff reviewed the UCLG specification, however the required truck specifications were different for UCLG and would likely result in a more expensive truck. Members noted that if the tender is awarded then the fleet would be all International trucks, which would make it easier to maintain spare parts inventory. It was noted that the delivery time is approximately 45 weeks.

**Moved** by: J. Hunter seconded by: H. Cameron that Committee recommends that Council award the tandem axle snow plow to Rush Truck Centre in Kemptville at a cost of \$246,004.80 including non-rebated HST and direct staff to execute the required documents.

Carried

c) Pre-Budget Approval – Hot Mix Paving & Impact of Increased Gas Tax Funding

Councillor Hunter did not participate in the discussion or vote on the matter.

Committee reviewed the report and asked for clarification with respect to the number of culverts and cost break down. It was noted that there are approximately 20 culverts at a cost of approximately \$1000 per culvert plus materials. Committee discussed if the culverts should be replaced a year before the hot mix is scheduled in order to avoid any bumps in the road. It was noted that both the Township and UCLG complete the culvert replacements and hot mix during the same year. It was noted that the culvert replacements will be completed in house with the frost taper technique used to reduce the possibility of bumps forming in the spring and fall seasons.

Members confirmed that the Township has worked with Coco Paving in past. It was noted that the Township has worked with the same individual crew members when the business was owned by Cruickshank. Members noted that the report also includes the section of road on Pittston that was originally cut from the budget. It was noted that the staff recommendation proposed is to use the additional money received from the gas tax grant in order to complete the entire Pittston Road project due to the economy of scale factor.

Members highlighted their concern that the changes to the overall budget will still result in a slight tax increase. It was noted that staff have worked to reduce the overall budget and if the action items are approved then it would result in a 1.25% increase. Members discussed the issue of proposing a 0% tax increase and how the additional work could affect the tax rate. Members suggested that the outstanding \$70,000 should be found within the operational budget and reduce the increase to 0%.

**Moved** by: T. Deschamps seconded by: S. Dillabough that Committee defer the final decision on item 5c) and move it to the end of the agenda items.

Carried

d) Latimer Road Project Cancellation – Proposed Budget Changes

Committee reviewed the report and asked for clarification with respect to staff's recommendation of using \$50,000 for patching and resurfacing of roads and \$25,000 for winter materials. It was noted that due to the difficult winter the Township should be completing repairs and working towards pavement preservation in key areas. Members noted current road conditions and suggested that if the work isn't completed then it will be deferred to another budget year with the same or an increased budget ask due to the repairs not being completed. There was a debate with respect to the suggested 0% increase versus an increase in line with the cost of living increase.

Members suggested that the \$70,000 could be taken out of reserves or use a portion of the provincial funding geared towards finding efficiencies and service delivery. It was noted that if the \$70,000 is taken out of reserves that it would deplete the reserve to under \$200,000. Members debated if the \$70,000 should

be taken from the provincial funding and how that may affect the Township reporting. Staff suggested that the discussion be put on hold until after the April 2 tender results for the rail bridge are finalized. There was consensus from Committee to review items 5c) and 5d) at the April 8 Committee of the Whole meeting.

**Moved** by: T. Deschamps seconded by: H. Cameron that Committee defer discussion of items 5c) and 5d) to the April 8 Committee of the Whole meeting.  
Carried

e) Library Budget

Committee reviewed the Library Budget and noted that there is a \$2,130 budgeted surplus for 2019. Staff noted that the payroll line item will be less than the budgeted \$83,000 due to the reduction of CEO hours. It was noted that all other Township departments were directed to reduce their budget, however there is an increase in spending in the Library. The Library Treasurer provided further explanation to justify the library request of \$105,500, noting that computers require upgrading and a pay grid review should be completed.

**Moved** by: T. Deschamps seconded by: J. Hunter that Committee recommends to Council that the 2019 municipal library board grant be \$100,000.  
Defeated

There was a brief discussion with respect to the proposed library building repairs in the 2019 budget. It was noted that repairs to the ramp at the Cardinal library is estimated to cost approximately \$6,500 to \$8,200. Members commented on the Spencerville library location and whether the Township should consider a new location.

**Moved** by: H. Cameron seconded by: S. Dillabough that Committee recommends to Council that the 2019 municipal library board grant be \$105,500.  
Carried

6. Question Period

The following questions/comments were raised:

- Standard of Care training for Council Members will be a 3-4 hour session
- Update on Enbridge pipeline – Township is currently #32 of 31 projects for the Natural Gas Expansion program

7. Closed Session – None

8. Adjournment

**Moved** by: D. Robertson seconded by: H. Cameron that Committee does now adjourn at 8:30 pm.

Carried

These minutes were approved in open Council this 22<sup>nd</sup> day of April, 2019.

Chair

A handwritten signature in black ink, appearing to read "M. Robertson", written over a horizontal line.

Deputy Clerk

A handwritten signature in black ink, appearing to read "H. Cameron", written over a horizontal line.