



The Corporation of the City of Stratford Finance and Labour Relations Sub-committee MINUTES

Date: June 22, 2021
Time: 3:30 P.M.
Location: Electronic Meeting

Sub-committee Present: Councillor Gaffney - Chair Presiding, Councillor Clifford - Vice-Chair, Councillor Bunting, Councillor Ritsma

Regrets: Councillor Beatty

Staff Present: Spencer Steckley - Manager of Financial Services, Marilyn Pickering - Supervisor of Tax Revenue, Taylor Crinklaw - Director of Infrastructure and Development Services, Jodi Akins - Council Clerk Secretary, Tatiana Dafoe – City Clerk

Also present: Nava Navaratnam

1. Call to Order

The Chair called the meeting to Order.

2. Disclosure of Pecuniary Interest and the General Nature Thereof

The *Municipal Conflict of Interest Act* requires any member of Council declaring a pecuniary interest and the general nature thereof, where the interest of a member of Council has not been disclosed by reason of the member's absence from the meeting, to disclose the interest at the first open meeting attended by the member of Council and otherwise comply with the *Act*.

Name, Item and General Nature of Pecuniary Interest

No disclosures of pecuniary interest were made by a member at the June 22, 2021, Finance and Labour Relations Sub-committee meeting.

3. Delegations

3.1 Delegation by Nava Navaratnam

Mr. Navaratnam, owner of 405 Huron Street, requested to address Sub-committee with respect to Item 4.1, "Tax Relief under Section 357(1)(d.1) - Sickness or Extreme Poverty".

Staff Recommendation: THAT the delegation by Nava Navaratnam in support of his request for tax relief for 405 Huron Street be heard.

Motion by Councillor Ritsma

Sub-committee Decision: THAT the delegation by Nava Navaratnam in support of his request for tax relief for 405 Huron Street be heard.

Carried

Sub-committee Discussion: Mr. Nava Navaratnam addressed Sub-committee and advised that the pandemic has significantly affected his business. He has recently paid the taxes in full, including a penalty of \$1,919.38. He requested that the penalty be cancelled or waived.

4. Report of the Supervisor of Tax Revenue

4.1 Tax Relief under Section 357(1)(d.1) – Sickness or Extreme Poverty (FIN21-017)

Staff Recommendation: THAT Council provide direction on the tax interest relief request as presented by the owner of 405 Huron Street, Stratford.

Motion by Councillor Clifford

Sub-committee Recommendation: THAT the tax interest relief request as presented by the owner of 405 Huron Street, Stratford, be filed.

Carried

5. Report of the Director of Infrastructure and Development Services

5.1 Purchasing Policy Exemption Request for the Queen Street Trunk Storm Sewer Project (FIN21-018)

Staff Recommendation: THAT Council approve an exemption from section 42 of the Purchasing Policy in order to sole source contract administration and inspection services for the Queen Street Trunk Storm Sewer construction project;

THAT Wood Canada Limited be retained for contract administration and inspection services for the Queen Street Trunk Storm Sewer construction project at an estimated cost of up to \$494,500 including HST;

THAT the Mayor and Clerk or their respective delegates be authorized to execute the contract for services with Wood Canada Limited;

AND THAT the Director of Infrastructure and Development Services be authorized to engage Wood Canada Limited to begin the work upon award of the tender for the Queen Street Trunk Storm Sewer by City Council.

Sub-committee Discussion:

Motion by Councillor Ritsma

Sub-committee Recommendation: THAT Council approve an exemption from section 42 of the Purchasing Policy in order to sole source contract administration and inspection services for the Queen Street Trunk Storm Sewer construction project;

THAT Wood Canada Limited be retained for contract administration and inspection services for the Queen Street Trunk Storm Sewer construction project at an estimated cost of up to \$494,500 including HST;

THAT the Mayor and Clerk or their respective delegates be authorized to execute the contract for services with Wood Canada Limited;

AND THAT the Director of Infrastructure and Development Services be authorized to engage Wood Canada Limited to begin the work upon award of the tender for the Queen Street Trunk Storm Sewer by City Council.

The Director of Infrastructure and Development Services reviewed the management report. Staff requested a purchasing policy exemption for the project. Reasons for the request include Wood Canada Limited's history with this project as they have been involved since the beginning of the project in 2017 and were re-engaged in the spring. Due to the specialized nature of the project, staff feel it is best to engage someone who has the resources and capacity. Wood Canada Limited has a large pool of professional experts on staff. The estimated costs for consulting services are \$437,000 after the partial HST rebate.

Concern was noted with the cost. The Director confirmed there was a breakdown of costs and it includes \$50,000 for support services, \$100,000 for contract administration and \$240,000 for inspection services. There is approximately 150 days of full-time inspection for 15 hours per day. This is to ensure that if any issues arise, there are minimal delays as delays can be costly.

The size of the pipe was discussed. The Director advised it was largely 2.2m diameter trunk sewer pipe. For this type of equipment, sizing starts at 1m and goes much larger. In response to whether a reservoir was included in the plans, the Director advised that the opening near the end of the run is for several reasons, including inclusion of a flatter section to transition to the river and flow attenuation to reduce flow rates.

With respect to timing of the project, the Director stated the intent is for the project to be completed by the end of April 2022. It is up to the contractor which section is completed first, however; they are discussing starting at the Brunswick Street side.

The Chair called the question on the motion.

Carried

6. Report of the Manager of Financial Services

6.1 2020 Treasurer's Statements for Development Charge and Cash In Lieu of Parkland Reserve Funds (FIN21-014)

Staff Recommendation: THAT the 2020 Treasurer's Statement for City of Stratford Development Charge Reserve Funds be received for information;

AND THAT the 2020 Treasurer's Statement for City of Stratford Cash In Lieu of Parkland Reserve Fund be received for information.

Sub-committee Discussion:

Motion by Councillor Clifford

Sub-committee Recommendation: THAT the 2020 Treasurer's Statement for City of Stratford Development Charge Reserve Funds be received for information;

AND THAT the 2020 Treasurer's Statement for City of Stratford Cash In Lieu of Parkland Reserve Fund be received for information.

The Manager of Financial Services advised this is an annual report for Council detailing a summary of development charge reserve funds for 2020. It is a requirement of the Development Charges Act and must be forwarded to the Ministry of Municipal Affairs and Housing.

The City collected approximately \$1.58 million in development charges in 2020 and \$148,000 in interest. After transfers to the reserve fund, there is a balance of \$12,595,536.

In addition to development charges, the annual statement for the cash-in-lieu of parkland reserve fund has been provided. It is a requirement under the Planning Act. Approximately \$159,000 was collected in 2020 and the fund generated \$7,000 in interest with a closing balance of \$673,955.27.

The Chair called the question on the motion.

Carried

6.2 Proposed 2022 Budget Schedule and Process (FIN21-015)

Staff Recommendation: THAT the report of the Manager of Financial Services dated June 22, 2021 regarding the Proposed 2022 Budget Schedule and Process (FIN21-015) be received for information;

THAT the following Finance and Labour Relations Committee meeting dates be confirmed and scheduled as 2022 Budget Meetings:

- November 17, 2021, at 9:00am
- November 24, 2021, at 3:30pm

- November 30, 2021, at 3:30pm
- December 9, 2021, at 3:30pm;

THAT a 2022 Pre-Budget meeting date be scheduled;

THAT the Proposed 2022 Budget Schedule be endorsed;

THAT Council provide direction with regard to their targeted 2022 taxation impact of budget discussions;

AND THAT Council provide staff with any specific capital projects, changes in service levels or activities to advance the approved strategic priority goals they wish to be considered for the 2022 fiscal year.

Sub-committee Discussion: The Manager of Financial Services advised staff have drafted a proposed budget schedule and process similar to 2021. Staff are hoping to begin the process, subject to Council approval, on August 3, 2021 and have formal budget approval on January 24, 2022. Staff requested direction be given on a general budget target to assist with preparing the budget.

A target of a 2-3% taxation impact increase was suggested, with the acknowledgment that it will be very difficult.

Motion by Councillor Clifford

Sub-committee Recommendation: THAT the report of the Manager of Financial Services dated June 22, 2021 regarding the Proposed 2022 Budget Schedule and Process (FIN21-015) be received for information;

THAT the following Finance and Labour Relations Committee meeting dates be confirmed and scheduled as 2022 Budget Meetings:

- **November 17, 2021, at 9:00am**
- **November 24, 2021, at 3:30pm**
- **November 30, 2021, at 3:30pm**
- **December 9, 2021, at 3:30pm;**

THAT a 2022 Pre-Budget meeting date be scheduled;

THAT the Proposed 2022 Budget Schedule be endorsed;

THAT staff be directed to prepare a budget with a maximum 2-3% tax increase;

AND THAT Council provide staff with any specific capital projects, changes in service levels or activities to advance the approved strategic priority goals they wish to be considered for the 2022 fiscal year.

The Chief Administrative Officer stated that the budget process will be difficult for a number of reasons, including COVID-19 related issues and increased tender prices. She suggested that realistically 3% was more likely, noting that the city has a number of outside boards and agencies that will be submitting their budgets as well. Many of those boards and agencies are subject to provincial and federal funding and future grants may be uncertain.

She cautioned that Council may need to identify service level cuts and staff would appreciate feedback. There are also a number of directions that have been given by Council that will require funding including climate change initiatives and affordable housing.

The Chair called the question on the motion.

Carried

6.3 LAS Natural Gas Procurement Program – New Agreement (FIN21-016)

Staff Recommendation: THAT The Corporation of the City of Stratford enter into an agreement to appoint and retain Local Authority Services (LAS) to provide professional services related to natural gas purchasing activity;

AND THAT the Mayor and Clerk, or their respective delegates, be authorized to execute the necessary agreement.

Sub-committee Discussion: The Manager of Financial Services stated that Local Authority Services (LAS) has approached the City to enter into a new agreement for the procurement of natural gas. The terms and conditions are substantially the same as the previous agreement. The new term now being two years and then automatically renewing from year to year following that term. The City has been participating in the program

for 15 years and the benefits and explanation of the program were provided.

Motion by Councillor Ritsma

Sub-committee Recommendation: THAT The Corporation of the City of Stratford enter into an agreement to appoint and retain Local Authority Services (LAS) to provide professional services related to natural gas purchasing activity;

AND THAT the Mayor and Clerk, or their respective delegates, be authorized to execute the necessary agreement.

Carried

7. Advisory Committee/Outside Board Minutes

There were no Advisory Committee or Outside Board minutes to be provided.

8. Next Sub-committee Meeting

The next Finance and Labour Relations Sub-committee meeting is July 20, 2021 at 3:30 p.m.

9. Adjournment

Motion by Councillor Bunting

Sub-committee Decision: THAT the Finance and Labour Relations Sub-committee meeting adjourn.

Carried

Meeting Start Time: 3:30 P.M.

Meeting End Time: 3:52 P.M.