

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

THE REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

02 JUL 1996

3:00 P.M.

PRESENT

Chair: P. Clark

Members: M. Bellemare, B. Hill, P. Hume, G. Hunter, B. McGarry, W. Stewart,
R. van den Ham

REGRETS

A. Loney

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Minutes of the 18 Jun 1996 meeting.

CARRIED

REGULAR ITEMS

ENVIRONMENT AND TRANSPORTATION

ENVIRONMENT

1. RIVER RIDGE SERVICING
CONTRACT NO: CW-6067 - CONTRACT AWARD
- Environment and Transportation Commissioner's report dated 18 Jun 96

That the Corporate Services and Economic Development Committee and Council approve:

Notes: 1. Underlining indicates a new or amended recommendation.
2. Reports requiring Council consideration will be presented to Council on 10 Jul 1996 in Corporate Services and Economic Development Committee Report Number 39.

1. **The award of Contract No. CW-6070 to Colautti Construction Ltd, Gloucester, for the construction of trunk sanitary sewer and watermains required for the servicing of the Riverside Subdivision, in the City of Gloucester, for a total contract provision of \$1,433,921;**
2. **That the Region enter into an agreement with the developers, Urbandale Corporation and Richcraft South Growth Inc., Ottawa, whereby the developers agree to reimburse the Region for the developer infrastructure component of Contract CW-6070, estimated in the amount of \$311,000;**
3. **The increase in scope to Contract Nos. CC-5160 and C5160A with J.L. Richards & Associates Limited, (Ottawa), to include contract administration and construction inspection services, in the amounts of \$42,566 and \$30,407, bringing the total contract provisions to \$84,936 and \$72,777 respectively.**

CARRIED

2. **WATER ENVIRONMENT PROTECTION DIVISION (WEPD) -
PRIVATE SECTOR INVOLVEMENT OPPORTUNITIES
CONTRACT NO. CS-6827 - CONSULTANT APPOINTMENT
- Environment and Transportation Commissioner's report dated 15 Jun 96**

That the Corporate Services and Economic Development Committee and Council approve the following, subject to approval of the policy direction from Planning and Environment Committee and Council:

1. **The appointment of Raftelis Environmental Consulting Incorporated, North Carolina, in partnership with Robinson Consultants Inc., Ottawa to assist staff of the Water Environment Protection Division in the private sector involvement opportunities project for a fee of \$301,350;**
2. **To reduce the operating base budget by transferring \$126,000 from Account No. 252-42433-2330 into the Sewer Reserve Fund;**
3. **To increase the budget authority in Project No. 932-43414-3949 through a transfer of funds in the amount of \$126,000 from the Sewer Reserve Fund.**

CARRIED

3. **SOLID WASTE COLLECTION SERVICES - RURAL KANATA**

- Co-ordinator, Planning and Environment Committee report dated 26 Jun 96

That Corporate Services and Economic Development Committee and Council approve:

- 1. That the Curbside Collection Services described in Contract No. CE-5244, Regional Solid Waste Collection Contract, be extended to the residents of rural Kanata effective 01 January 1997;**
- 2. That Contract No. CE-6107 be awarded to Brian Foley Sanitation Ltd., Woodlawn, to provide garbage collection services in rural Kanata for the calendar year 1997, at a cost of \$58.85 per tonne plus GST, for a total estimated cost of \$50,375.**

CARRIED

4. BLUE BOX SERVICE - CONTRACT NO. CE-6093 - CONTRACT AWARD

- Environment and Transportation Commissioner's report dated 20 Jun 96
- Letter dated 2 Jul 96 from Mr. Alex Shanab, MarbleCare

Mr. Alex Shanab, MarbleCare, requested to speak to the Committee on this item. Mr. Shanab reported the Legal Department confirmed a bank guarantee letter would be sufficient to submit with the tender documents. Mr. Shanab stated he did not understand why his tender was rejected, when this letter was supplied and his bid represented the low tender. G. Cantello, Solicitor, stated there was a form of misunderstanding in that MarbleCare had previously sought their advice on an earlier tender in whether or not they could submit a bank letter instead of a bond. Mr. Cantello explained he advised Mr. Shanab the tender documents for this previous contract required bonding and a letter from a bank in the form of an agreement to bond would be acceptable if it followed the wording of an agreement to bond. Mr. Cantello continued to explain that with regard to this contract, a letter was received and reviewed, however, pointed out the letter stated a letter of guarantee would be issued subject to certain conditions, conditions which were unspecified. Mr. Cantello explained an agreement to bond was unconditional, resulting in the bank letter not being acceptable and the tender being rejected.

Chair Clark pointed out the bank's guarantee had some unspecified conditions rather than being unconditional as in an agreement to bond. The Chair suggested Mr. Shanab speak to his bank so the problem did not occur again and that all elements of an agreement to bond were supplied in any future tender documents submitted for Regional contracts.

Councillor van den Ham inquired if staff had considered other distribution options available at a lesser cost, or placing the onus on the resident to pick up the boxes from a central location. P. McNally, Director, Solid Waste Division, noted this contract involved delivery of blue boxes to new homes or replacements for ones that were broken. He added that staff were reviewing different options for those purchasing a second box. Mr. McNally confirmed this method was more economical than the current method of paying the existing contractors to provide the service. Councillor van den Ham believed the onus should be placed on the resident to obtain the box, however, reported he would support the recommendation due to the understanding staff were continually monitoring the program for improved efficiencies.

Councillor van den Ham further inquired if there had been consideration to the supply of larger boxes due to the enhanced service. Mr. McNally stated there had been discussions with the contractors, however, pointed out the size of the existing box was in relation to the ability for one person (resident and collector) to physically handle it. Chair Clark stated Toronto offered an expanded service which could be reviewed due to the expected increase in volume. Mr. McNally confirmed staff would continue to review alternate sizes and types to improve the efficiency of the program.

Councillor Hill expressed concern that staff had not considered a better, more efficient means of delivery. Mr. McNally pointed out the previous means of delivery was through the contractors at a high cost than what was being proposed. He added the tender was for a one year period and ensured the results would be reviewed. Councillor Hill concurred with Councillor van den Ham in that the onus should be placed on the resident to pick up the box at a central location.

The Committee then considered the staff recommendation.

That the Corporate Services and Economic Development Committee and Council approve the award of Contract CE-6093 to Sewer-Matic Drain Service Ltd., Ottawa, to deliver Blue Boxes within the Regional Municipality of Ottawa-Carleton (except the Township of Osgoode) at an estimated contract cost of \$74,312.00, including GST.

CARRIED
(B. Hill, G. Hunter
and B. McGarry dissented)

TRANSPORTATION

5. REGIONAL ROADS WINTER MAINTENANCE
CONTRACT NOS. 96-701, 96-702, 96-703, 96-704 - CONTRACT AWARDS
- Environment and Transportation Commissioner's report dated 26 Jun 96

B. Beveridge, Director, Infrastructure Maintenance Division, provided a historical background on the previous supply of winter maintenance contracts and reviewed the tender process used and the recommendations presented in the report. (A copy of the overhead slides used during the presentation are included in the Council Report and available from the Committee Co-ordinator.)

Councillor McGarry expressed disappointment in that the anticipated larger savings were not evident at this time. Mr. Beveridge reported it was anticipated that further savings would be derived in the future, but added that \$1.2 million annual was projected as a result of this exercise. Mr. Beveridge stated that articles from other areas reporting on this similar exercise had reported saving up to 35% over their annual winter costs. He projected the Region would also see these savings over time.

Councillor McGarry inquired if the City of Ottawa currently charged a stand-by fee for graders. Mr. Beveridge stated the City confirmed they did not, however, pointed out this fee would be charged by the private contractors. He continued to explain the tender estimate was prepared taking into consideration the need to pay this stand-by fee.

In response to a question from Councillor McGarry regarding management costs, Mr. Beveridge explained the current plan involved the Region to manage the work, but through the method of reallocation of current staff resources, not through additional staff complement. Mr. Beveridge also confirmed these costs had not been factored into the overall \$6.05 million cost, as that represented the net cost to provide the service and materials.

Councillor van den Ham referenced the Regional policy on snow removal on regional roads, in particular, the certain height of downfall required to begin snow clearance. Mr. Beveridge ensured the contractors would be aware of this policy and would follow it accordingly.

With regard to the contingency of \$50,000 located in Annex B (Contract 96-701), Councillor van den Ham inquired why the contingency remained at \$50,000.00 across the board, even when one contractor was awarded a small component of the contract vs. another contractor being awarded the majority of the contract. Councillor van den Ham requested staff examine the option of a reduced contingency in these situations, and report at a later date.

In response to a question from Councillor Cullen, M. Sheflin, Environment and Transportation Commissioner, confirmed the bids were based on a representative number of each work item and the actual expenditure would be based on the type of winters received and the supply and materials required.

With regard to the cost to manage the contracts, Councillor Cullen inquired on the number of staff required and the costs involved. Mr. Beveridge confirmed the current proposal was to have one day supervisor and one night supervisor for each zone, totalling 2 employees (one of which is an existing supervisor already on staff), with one back-up for overall, to be drawn from the transitway or from the balance of Regional resources. Mr. Sheflin confirmed the back-up supervisor would only be paid when they were engaged in work, not when they were on stand-by. Councillor Cullen also noted there were three office staff required, giving a total of ten staff complement. Mr. Beveridge reported the estimated cost of this complement was \$500,000.00, in comparison to \$240,000 for the three employees now responsible for verification and certification.

Councillor Cullen inquired why staff were not recommending the lowest bid in each section. Mr. Sheflin stated the Legal Department advised a contract be set for the four potential zones taking into consideration movement for the different items in each, and the need to ensure that quality service was provided.

Mr. Beveridge noted that Goldie Mohr Limited, in their tender submission, stated they could only handle one contract and staff recommended Zone 1. G. Cantello, Solicitor, reported the contracts were set up to stand alone, however, the right to award a portion to a particular contractor was reserved. Mr. Cantello further explained the report offered the award of four separate contracts, in addition to items E and H which were dealt with outside of the particular contracts.

Councillor Cullen expressed concern and confusion with the lack of rationale for the tender awards provided in the report.

Mr. Beveridge responded to further questions from Councillor Cullen with regard to the plowing of sidewalks and intersections on the regional road system, snow disposal facilities, and response time.

Chair Clark stated the actual costs for these particular items, not including overhead, was \$7.25 million and the report was recommending \$6.05 million. He pointed out there were still significant savings involved, even after taking into consideration the additional costs of management. The Chair suggested the report could have included information on the rationale behind the zone bids packaging and the agreements between the parties regarding "cherry picking" items. He requested a supplementary report responding to the questions

and concerns expressed be provided to Councillors prior to the item being considered by Council.

Mr. Ted Robinson, Commissioner of Engineering and Works, City of Ottawa, spoke to the Committee on this item. Mr. Robinson stated the primary concern given by Regional staff for the cancellation of the contract from the City of Ottawa was not service delivery, but the cost of the service and the management fee. Mr. Robinson stated the report was misleading in its financial analysis and did not present the best service at the lowest cost for the Region. Mr. Robinson reviewed the following ten points:

1. It was the understanding that all the contracts would be awarded on the lowest cost per zone. Mr. Robinson expressed concern that Goldie Mohr Limited expressed a preference to provide the service in Zone 1 (West), and this request was accepted at a higher cost. Mr. Robinson did not believe the tender process allowed the contractor to chose their work, but this decision was made by the Region.
2. With regard to “cherry picking”, staff indicated during the briefings it was not the intention of staff to use this method, although they reserved the right to do so. Mr. Robinson did not believe there was sufficient criteria developed for rejecting certain components and accepting others - criteria which was not stated in the report or the tender documents. Mr. Robinson stated the City of Ottawa objected in writing that they were not interested in a specific activity, but were bidding on a zone, not an activity.
3. The recommendation for the best price for the Region is difficult to confirm and Mr. Robinson expressed concern with the many comparative figures used throughout the exercise. In addition, he noted the material costs used were minimum and under estimate.
4. With regard to the cost figure of \$6.05 million, Mr. Robinson believed this was questionable as it did not include all the costs associated with providing the service, such as snow disposal costs, road patrols and costs associated with the management of the service. In addition, Mr. Robinson noted the Region would now have to work with three different contractors which would result in the potential for conflicts and problems. Mr. Robinson believed the real cost of delivering the service was approximately \$7.5 million.
5. With regard to the one hour response time in the tender, Mr. Robinson pointed out it was longer than the past contract with the City of Ottawa as the service was immediate under that contract.

6. Mr. Robinson stated the City of Ottawa was in the business of service delivery for the public in comparison to the private sector who provided a service for profit. He stated the City was not out to make a profit, but to deliver the service through cost recovery and in co-operation with Regional staff. Mr. Robinson stated the stand-by shift costs was dropped on their own initiative in 1995 which saved \$1 million in the contract.
7. With regard to better service, Mr. Robinson pointed out there would be new operators and staff managing the contracts. He believed there would be the need for a significant learning curve and possible oversights would occur, in particular with providing the service in the downtown core which posed unique challenges. Mr. Robinson expressed concern that the City of Ottawa would receive these complaints from the residents and suggested there would be little public tolerance as to who was responsible for which roads.
8. Mr. Robinson suggested the recommendations would cost the taxpayer more as many costs were yet to be realized, as noted in his above comments.
9. With regard to the City of Ottawa management and service provision costs, Mr. Robinson explained, in reference to the annexed charts, if the City of Ottawa had not bid and only the private sector did, the costs would increase over \$500,000. As a result, the City of Ottawa, by bidding, had actually decreased the costs.
10. Mr. Robinson recommended Regional staff meet with the City of Ottawa staff to review the option of a new agreement for 1996, and the opportunity to provide the entire service at a better cost.

In response to questions from Councillor Cullen, Mr. Sheflin confirmed the estimates in the contract documents were low and, therefore, below the contractors' bids. Mr. Sheflin and Mr. Cameron confirmed the Regional tender process was adhered to during this exercise.

Councillor Legendre inquired why Goldie Mohr was awarded Zone 1 at a higher cost, and if it would not be best to switch with Zone 2. Mr. Beveridge attempted to explain the problems associated with Section E, Material Application, in all three zones, and the rationale used in awarding Zone 1 to Goldie Mohr. Rather than going into detail at this time, Councillor Legendre requested this explanation be provided in the supplementary material to be distributed prior to Council.

In response to a question from Councillor Legendre, Mr. Beveridge confirmed the management of snow storage facilities was not included in the \$7.25 million average cost over the period 1990 - 1994.

In response to a question from Councillor Legendre, Mr. Dunn, City of Ottawa, reviewed the operating costs and process involved for the management and monitoring required during a storm situation.

Councillor Hunter inquired how many operators were required under the current contract. Mr. Dunn reported approximately 125 - 130 contractors were involved and required supervision each time they were called upon. Mr. Dunn explained there was a great deal of integration between bus stop and road way plowing which assisted in the supervision, and the contractors were fully utilized.

Mr. Beveridge confirmed the supervision would be the responsibility of the contractor as they would be required to meet a performance standard under the contract.

In response to a question from Chair Clark with regard to the \$400,000 that was quoted to be required for snow disposal facilities management, Mr. Beveridge confirmed the City of Ottawa had managed the snow disposal facilities up until the November 1996. He added it was staff's intention to bring forward another small contract for supervision of the snow disposal facilities, but it was not viewed as a high capitalization item or would require a lot of lead time to prepare the submission.

In summary, Chair Clark explained the report recommended three contractors and the estimate was \$6.05 million in direct costs and approximately \$500,000 in indirect costs, compared to actual costs of \$7.25 million and a bid by the City of Ottawa of \$7.22 million.

Councillor McGarry moved a motion to reject the tenders and direct staff to re-negotiate a new contract with the City of Ottawa. The Councillor stated the 30-35% savings that were anticipated were not present, although the projected savings were commendable. Councillor McGarry referenced the City of Ottawa presentation and the possibility of this exercise costing the Region more than the present contract. He also expressed concern the contractors were giving the ability to choose their area of work, rather than taking the lowest bid. In closing, Councillor McGarry acknowledged the work completed to date by staff and the private sector, however, believed more savings and quality service could be achieved if the present contract was re-negotiated with the City, along with a review of the 11% management fee.

Councillor Hunter expressed concern with the splitting of services between contractors within a zone and suggested one contractor provide all the services for one zone. Under this approach, the Councillor moved a motion that Goldie Mohr Limited be awarded Zone 2, and the City of Ottawa be awarded Zones 1, 3A and 3B. Mr. Sheflin stated this was an option that was reviewed, but was not being recommended to Committee as it did not maximize the savings to the taxpayers.

Councillor van den Ham acknowledged the entire process of terminating the City of Ottawa's contract and moving to the private sector was a complicated one with many characteristics. The Councillor expressed disappointment with the private industry in their desire to do only certain components of the contracts. He stated the most important objective was to provide an accountable and cost-effective service for the public, and believed it may be necessary to return to the current service provider and re-negotiate a contract, taking into consideration the Region's policy on winter maintenance.

Chair Clark stated staff had gone through a process and had developed a means for savings. He noted the snow disposal facilities supervision was a separate issue and would be dealt with at a later date. The Chair did not believe it was appropriate to re-negotiate with the City with no leverage, and believed if there were further savings, they should have been reflected in their bid.

The Committee then considered the following motions:

Moved by B. McGarry

That the RMOC reject the tenders of Regional Roads Winter Maintenance and direct staff to re-negotiate the present contract with the City of Ottawa, including the management fee of 11%, to ensure actual savings are realized by the RMOC.

LOST

YEAS: B. Hill, B. McGarry, R. van den Ham3

NAYS: M. Bellemare, P. Hume, G. Hunter, W. Stewart, P. Clark5

Moved by G. Hunter

**That the tenders for the Winter Maintenance contracts be awarded as follows:
Zone 1 (Contract 96-701), Zone 3A (Contract 96-703) and Zone 3B (Contract 96-704) to the City of Ottawa; and Zone 2 (Contract 96-702) to Goldie Mohr Limited.**

LOST

YEAS: B. Hill, P. Hume, G. Hunter, W. Stewart4

NAYS: M. Bellemare, B. McGarry, R. van den Ham, P. Clark4

Departmental Recommendation

That the Corporate Services and Economic Development Committee and Council approve the award of Contracts:

- 1. Contract 96-701 - Regional Roads Winter Maintenance Contract Zone One Section E - Material Application, Section J - Material Supply Contractor, Section F - Snow Ploughing, Section G - Snow Haulage and Removal and Section K - Contingency to Goldie Mohr Limited, Nepean, for a total estimated three year cost of \$6,549,688.01;**
- 2. Contract 96-701 - Regional Roads Winter Maintenance Contract Zone One Section H - Miscellaneous Winter to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$475,443.00;**
- 3. Contract 96-702 - Regional Roads Winter Maintenance Contract Zone Two Section E - Material Application and Section I - Material Supply Regional, Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$4,946,009.73;**
- 4. Contract 96-703 - Regional Roads Winter Maintenance Contract Zone Three-A Section E - Material Application and Section I - Material Supply Regional to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$975,085.65;**
- 5. Contract 96-703 - Regional Roads Winter Maintenance Contract Zone Three-A Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$2,952,071.94;**
- 6. Contract 96-704 - Regional Roads Winter Maintenance Contract Zone Three-B Section E - Material Application and Section I - Material Supply Regional to Beaver Road Builders Limited, Gloucester, for a total estimated three year cost of \$187,033.86;**

7. **Contract 96-704 - Regional Roads Winter Maintenance Contract Zone Three-B Section F - Snow Ploughing, Section G - Snow Haulage and Removal, Section H - Miscellaneous Winter and Section K - Contingency to the Corporation of the City of Ottawa, Ottawa, for a total estimated three year cost of \$759,684.57.**

CARRIED

YEAS: M. Bellemare, B. Hill, P. Hume, G. Hunter, R. van den Ham, P. Clark6
NAYS: B. McGarry, W. Stewart2

6. INSTALLATION AND MAINTENANCE OF DETECTOR LOOPS
AND LEAD-IN CABLE: CONTRACT 96-508
- Environment and Transportation Commissioner's report dated 26 Jun 96

That the Corporate Services and Economic Development Committee approve the award of Contract 96-508 for the Installation and Maintenance of Detector Loops and Lead-In Cable to Mister Sealer Corporation, Ottawa, for a total contract provision of \$93,414.48.

CARRIED

FINANCE

7. 1995 YEAR END OPERATING RESULTS
- Finance Commissioner's report dated 25 Jun 96

Councillor van den Ham expressed concern with the Regional Police component and the request for additional funds to cover their shortfall resulting from GIL revenues and deficit operations in 1994 with the City of Ottawa. The Councillor explained it was his understanding that municipalities and cities could not operate at a deficit, and as a result of this shortfall, the Corporation had to find another \$1.7 million because of re-assessments to GIL properties. Councillor van den Ham referenced a motion that the Chief Administrative Officer be directed to negotiate the recovery of approximately \$1.7 million from the City of Ottawa regarding their police deficits of 1993 and 1994.

J. LeBelle, Finance Commissioner, confirmed the legislation stated municipalities were not allowed to *budget* for a deficit, but pointed out some may actually experience a deficit when year end came. With regard to Councillor van den Ham's motion, Mr. LeBelle

explained the Region would have to challenge the City of Ottawa, which would probably lead to an arbitration panel to determine whether the figure truly constituted a liability at the end of 1994. M. Beckstead, Chief Administrative Officer, explained the legislation was clear that the Region assumed the assets and liabilities of the former Police Service Boards without compensation. He believed the onus would be on the Region to prove the \$1.7 million was not a true liability of the Board, a task he believed may be difficult to do. Mr. LeBelle pointed out in the previous Disposition of Police Assets and Liabilities report, Council had already dealt with this matter and the final settlements had in fact taken place for the area municipalities based on Council's approval. Mr. LeBelle added the report in front of the Committee today was reporting the results of the 1995 operations. Councillor van den Ham explained he thought the re-assessment of the GIL revenues was new and were in addition to what was previously dealt with by Council. Mr. LeBelle agreed they were new, however, staff were aware they were coming and provisions had been made at the time the report went forward on the Police Assets and Liabilities. Councillor van den Ham withdrew his motion.

Chair Clark explained this was a result of the Federal government reducing the GIL's by \$2 million and calling it retroactive for four years, an action the City could not have reasonably predicted at the time. Mr. LeBelle believed the problem was with the legislation and theoretically the Region may remain vulnerable for possible future adjustments, however, noted the Police Services were requested to provide audited financial statements.

Councillor Hunter pointed out there was a risk involved in taking money back from contributions to the reserves to cover operating deficits, a risk which could eventually lead to a scenario similar to the City of Ottawa. The Councillor pointed out that with regard to the transit capital reserve, contributions have been made through the tax rate and not the fare box. He suggested there should be a recognition that a certain proportion of the cost of a bus ticket sold go toward the reserve for rate support stabilization over the years.

The Committee then considered the report recommendations as follows:

That the Corporate Services and Economic Development Committee recommend Council approve:

- 1. the re-financing of the Region Wide Fund capital program as outlined in this report;**
- 2. the funding of the 1995 Region Wide Fund operating shortfall of \$2.8 million (General and Police Services) from the Region Wide Capital Reserve Fund;**

3. the funding of the 1995 Transit Fund shortfall of \$2.5 million from the Transit Capital Reserve Fund.

CARRIED
(B. Hill dissented)

8. CASH INVESTMENTS AND LOANS RECEIVABLE
- Finance Commissioner's report dated 25 Jun 96

That the Corporate Services and Economic Development Committee and Council receive this report for information.

RECEIVED

HUMAN RESOURCES

9. EARLY RETIREMENT INCENTIVE PROGRAMS
- Human Resources Commissioner's report dated 24 Jun 96

With regard to the pension purchase program, Councillor van den Ham inquired if an option was currently available that allowed employees to purchase prior service solely on their own or on a 50\50 basis with the Corporation. T. Boettger, Director, Compensation, Benefits and Labour Relations Division, explained employees did have that option. In addition, he noted the option was in the plan for the employer to also purchase it, however, to date the Corporation has not utilized that provision. Mr. Boettger explained the program in the report was to purchase up to a maximum of three years only.

Councillor McGarry inquired if employees had all the information they required to make informed decisions with regard to the options. J. Potter, Human Resources Commissioner, explained staff had communicated to employees that Council would be reviewing a series of early retirement options. She confirmed more detailed information would be distributed upon the approval of the report by Council.

In response to a question from Councillor Hunter with regard to the pension purchase program, Mr. Boettger confirmed eligible service could be with any employer for whom a reciprocal transfer agreement existed which allowed pension monies to be moved back and forth between the organizations. Ms. Potter explained the program had been identified as a cost effective way of trying to prompt some employees to retire and thereby creating a vacancy, rather than having to exercise the more severe options of bumping and layoffs with severance. In addition, Ms. Potter pointed out that when employees were transferred

from the City of Ottawa, they were not encouraged to transfer their pension and suggested this was not the best advice. Subject to further questions from Councillor Hunter, Ms. Potter agreed there was a small element of inequity involved, however, it was still a more cost effective means to reduce the workforce. She also confirmed this option was only available for those employees planning to retire prior to 31 December 1996.

Councillor Hunter inquired if it would not be cheaper to purchase an annuity rather than the pension credit. Mr. Boettger explained employees had a better comfort level with an enhanced pension and money coming from a funded pension, rather than the need for their own money management. J. LeBelle, Finance Commissioner, explained placing the funds in a reserve would put the Corporation in the pension business which could eventually be problematic due to adjustments and other issues.

Chair Clark agreed with the necessity to provide these options to the employees. He referenced the severe reductions in Provincial support and suggested employees morale would be significantly affected through high layoffs. He believed the more reductions made through attrition and retirement, the better for the Corporation.

The Committee then considered the staff recommendations.

That the Corporate Services and Economic Development Committee and Council:

- 1. Approve the implementation of a Pension Purchase Program to purchase up to a maximum of 3 years of eligible service for employees retiring prior to 31 December 1996 with further extensions as the Chief Administrative Officer may determine appropriate;**
- 2. Extend Regional Formula 90 Policy to employees applying to retire and commencing pre-retirement leave prior to December 31, 1996 with further extensions as the Chief Administrative Officer may determine appropriate;**
- 3. Defer consideration of a Type 7 Program until OMERS takes a decision regarding funding from pension surplus.**

CARRIED

LEGAL

10. **PROPERTY ACQUISITION - EXPROPRIATION**
REGIONAL ROAD 47 (TENTH LINE ROAD) RECONSTRUCTION
- Regional Solicitor's report dated 5 Jun 96

That the Corporate Services and Economic Development Committee and Council approve:

- 1. The application for authorization to expropriate the lands in question;**
- 2. The enactment of an expropriation by-law in the Regional standard form to expropriate the land and to formally authorize;**
 - a) registering the plan of expropriation;**
 - b) serving Notices of Expropriation and Possession;**
 - c) serving Offers of Compensation.**

CARRIED

11. **PROPERTY ACQUISITION - EXPROPRIATION**
HUNT CLUB ROAD RECONSTRUCTION
- A/Regional Solicitor's report dated 5 Jun 96

That the Corporate Services and Economic Development Committee and Council approve:

- 1. The application for authorization to expropriate the lands in question;**
- 2. The enactment of an expropriation by-law in the Regional standard form to expropriate the land and to formally authorize;**
 - a) registering the plan of expropriation;**
 - b) serving Notices of Expropriation and Possession;**
 - c) serving Offers of Compensation.**

CARRIED

PLANNING AND PROPERTY

12. PROPOSED LAND EXCHANGE - KNOXDALE ROAD,
WEST OF GREENBANK ROAD - CITY OF NEPEAN
- Planning and Property Commissioner's report dated 21 May 96

**That the Corporate Services and Economic Development Committee and Council,
subject to the legal closing of a portion of Knoxdale Road:**

1. **Declare as surplus to Regional needs, that part of Knoxdale Road located westerly of Greenbank Road and northerly of Hunt Club Road, in the City of Nepean legally described as Parts 1 to 9, on Reference Plan 4R-11190, plus those lands described as Parts 2 and 3 on Plan 4R-11117 containing a total of approximately 7253.1 m² (78,074.3 ft²), as indicated on Annex "A", attached;**
2. **Accept an Offer from Joseph Cuthbert Gaffney to sell to the Region approximately 437.5 m² (4709.4 ft²) of vacant land, described as being Part of Block O, on Plan No. 627624, and shown as Part 1 on Reference Plan No. 4R-11117, for the consideration of \$1.00, as indicated on Annex "A", attached;**
3. **Approve the sale of surplus Regional land to Joseph Cuthbert Gaffney described as Parts 4, 5, 6, 7, and 8 on Plan 4R-11190, plus those lands described as Parts 2 and 3 on Plan 4R-11117 containing a total area of approximately 3481.5 m² (37,475.8 ft²) for the consideration of \$1.00, subject to the conditions set out in the body of this report.**

CARRIED

REGIONAL CHAIR/FINANCE

13. ENDORSEMENT OF CANADA SUMMER GAMES BID
- Joint Regional Chair and Finance Commissioner's report dated 24 Jun 96

**That the Corporate Services and Economic Development Committee recommend
Council:**

1. **endorse the Ottawa-Carleton 2001 Canada Summer Games bid;**

2. **indicate to the Ontario Ministry of Citizenship, Culture and Recreation Ottawa-Carleton's intent to bid for the 2001 Canada Summer Games;**
3. **provide a deficit guarantee conditional upon fall 1996 Regional Council approval of the Ottawa-Carleton 2001 Canada Summer Games bid committee's deficit management plan;**
4. **direct the Finance Commissioner to work with the bid committee on preparation of a deficit management plan.**

CARRIED

REGIONAL CLERK

14. **GRANTS REQUEST OUTSIDE REGULAR GRANTS PROCESS**
JEUX DE LA FRANCOPHONIE 2001
- Regional Clerk's report dated 26 Jun 96

Councillor Hunter stated his support for the Jeux de la Francophonie to take place in the Ottawa-Hull in 2001, however, expressed three particular concerns. Firstly, the Councillor inquired about the actual timing for selecting the Canadian city, as the report indicated either June or July 1996. As the decision on the host city was pending, he suggested it would be more appropriate to make the \$15,000 grant conditional on Ottawa-Hull being chosen as the host city.

Secondly, Councillor Hunter stated he had seen very little activity since the original grant of \$25,000 was provided to the organization. He believed there was an inadequate level of reporting or information supplied to the Committee and Council on their progress and activities. In addition, Councillor Hunter expressed concern with the budgetary material supplied in the report on the \$25,000 grant, in that it only outlined the expenditure of funds provided by the Region and not the entire financial picture including a summary of expenditures on financial support provided by other organizations.

Thirdly, Councillor Hunter referenced the projection of between \$3.5 - \$8 million that would be required for the operating budget should Ottawa-Hull be chosen as the host city for the fourth 2001 Jeux de la Francophonie. The Councillor inquired if the Bid Committee had considered options on how to obtain these funds, and what the financial responsibilities would be for the local municipalities. In comparison to the Canada Games, the Councillor suggested the need for a deficit management plan for any short fall.

Mr. Rhéal Leroux, Project Agent, Jeux de la Francophonie, explained the Bid Committee expected to receive in the near future an official answer from the Federal Government about the procedure for the bid submission. Mr. Leroux explained that contrary to the Commonwealth or Canada Games, the Francophonie Games were a type of young games that did not have a national body or the experience of the aforementioned organizations. As a result, Mr. Leroux explained the Federal departments of both External Affairs and Heritage Canada had not yet provided clear direction on the procedure of the bid submission.

Mr. Leroux stated that following direction from Regional Council, the bid would be unique in that it represented the two cities of Ottawa and Hull, and the two Regions of Ottawa-Carleton and Communauté urbaine de l'Outaouais. Mr. Leroux confirmed that at this stage there was no other cities in Canada putting forward a bid, due to the organized activity of the Bid Committee. In closing, Mr. Leroux explained the work of the Committee had been active, but quiet to ensure the francophonie games did not become an issue around the referendum debate.

With regard to the entire financial picture and budget, Mr. Leroux offered to provide Councillor Hunter with more detail.

In speaking to the operating budget that would be required should the games be held in Ottawa-Hull, Mr. Leroux explained the Committee had discussed the issue many times and were waiting for the Federal Government's contribution to be announced. He acknowledged a difference would be required and they were considering sponsorship such as CBC, TV Cinq, and international sponsors. In closing, Mr. Leroux confirmed the event was to be held through a budget without a deficit and the objective of the Committee was to hold the games without requesting funding from either one of the municipalities.

In closing, Councillor Hunter stated he still has some financial concerns, however, believed the event was worth further support.

The Committee then considered the report recommendation.

That the Corporate Services and Economic Development Committee recommend Council approve a grant request of \$15,000 to the Jeux de la Francophonie 2001, with the funds to be provided from the Provision For Unforeseen.

CARRIED

15. FEDERATION OF CANADIAN MUNICIPALITIES (FCM)
DIAMOND JUBLIEE CONFERENCE - JUNE 6-9, 1997
- Regional Clerk's report dated 20 Jun 96

That the Corporate Services and Economic Development Committee recommend Council approve that Councillor David Pratt, FCM Board Member, be appointed Chair of the FCM Planning Committee for the 1997 Annual Conference and Diamond Jubilee, and Councillor Madeleine Meilleur be appointed Deputy Chair.

CARRIED

COUNCILLORS' ITEMS

16. REQUEST TO PETITION THE FEDERAL GOVERNMENT
FOR AN ENVIRONMENTAL ASSESSMENT RE. THE
AYLMER POWER DAM PROPOSAL
- Councillor Alex Cullen's report dated 11 Jun 96

That the Corporate Services and Economic Development Committee recommend Council approve that the Regional Municipality of Ottawa-Carleton petition:

- 1. the Federal Minister of the Environment, under Section 29 of the *Canadian Environmental Assessment Act*;**
- 2. the Federal Minister of Fisheries & Oceans, under Section 5 of the *Navigable Waters Protection Act*;**

to conduct an environmental assessment of the Aylmer Power Dam proposal.

CARRIED

INFORMATION PREVIOUSLY DISTRIBUTED

REGIONAL CLERK

1. 1996 Arts Grant Report
- Manager, Arts Programs, memorandum dated 26 Jun 96

Councillor Hunter requested the 1996 Arts Grants Report be placed on the next Committee agenda under Regular Items to allow for discussion. It was noted the next meeting was 3 September 1996.

ADJOURNMENT

The meeting adjourned at 6:15 p.m.

CO-ORDINATOR

CHAIR