

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

3 MARCH 1998

3:00 P.M.

PRESENT

Chair: R. Chiarelli

Members: D. Beamish, R. Cantin, B. Hill, P. Hume, G. Hunter, A. Loney,
M. Meilleur, W. Stewart, R. van den Ham

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Minutes of the 03 March 1998 Regular and Confidential meetings.

CARRIED

1998 DRAFT ESTIMATES

1. OTTAWA-CARLETON REGIONAL POLICE SERVICE-
1998 DRAFT BUDGET

- Ottawa-Carleton Regional Police Service 1998 Draft Budget and 1998 Supplementary Budget Information dated February 23, 1998 previously distributed

The Committee heard from Mr. Grahame Baskerville, Board Member, representing Mr. P. Vice, Chair, Ottawa-Carleton Police Services Board (PSB). Mr. Baskerville indicated that, subsequent to the Tabling of the Draft Estimates on 23 Feb 98, the Board approved a review process that included today's presentation to the Corporate Services and Economic Development Committee. He went on to say that following the receipt of directions from Regional Council, the Board will meet to begin the budget review process; the process will include public consultation in March and April and consideration by the Board on 20 Apr 98.

Notes: 1. Underlining indicates new or amended recommendations approved by Committee.

2. Reports requiring Council consideration will be presented to Council on 11 March 1998 in Corporate Services and Economic Development Report Number 4.

Mr. Baskerville introduced Chief B. Ford, Ottawa-Carleton Regional Police Service (OCRPS) and Mr. S. Kanellakos, General Manager, who made the following presentations:

Chief B. Ford

Chief Ford began by thanking the Regional Finance Department for its assistance in preparing the budget estimates. He stated that neither requests for services, nor the costs of delivering those services are decreasing and he cited three main areas of pressure:

- compensation costs
- technology and equipment costs
- losses of revenue.

He went on to say the budget estimates attempt to place the OCRPS on a sound operational footing to deliver effective police services and meet the goals set by the community. He added there will be no police hiring within the calendar year, except for those officers who join the OCRPS when it takes on the responsibility for policing the current Ontario Provincial Police (OPP) jurisdictions.

Chief Ford indicated the estimates are the result of:

- extensive staff consultation and development
- the conclusion of a three-year collective agreement between the Board and the Police Association
- planning for the future with a clear understanding of the requirements imposed by law and regulation and of the expectations and demands of the community.

Speaking to the last point, Chief Ford indicated the OCRPS is working to achieve this through extensive partnerships and consultation mechanisms. He made reference to the impact of the legislative and regulatory framework imposed by the Province, adding that the police service is also required, through the Ontario *Police Services Act*, to provide specified levels of service and ensure these are adequate to meet the needs of residents. The Chief pointed out that these mandatory service level requirements significantly reduce the options available when trying to develop a sound fiscal framework.

Chief Ford spoke about the OCRPS being in a transition phase, changing the method of service delivery and building a solid financial foundation. This will include the establishment of authority for, and the initiating of, Capital projects related to facilities, infrastructure and technological systems. The OCRPS plans to enter the new millennium with a fully integrated, professional and progressive police service that can also provide services at the neighbourhood level. He said the challenge for the Board and for Council will be to approve a budget envelope that will allow the OCRPS to meet community needs, provincial standards and mandated requirements.

Chief Ford described a number of outcomes and efficiencies related to the amalgamation of police services between 1995 and 1997. Some of these include:

- ◆ a reduced senior police management
- ◆ an increase in front-line personnel
- ◆ a reduction from three pay systems to one
- ◆ standardized policies and procedures
- ◆ nine collective agreements reduced to three
- ◆ a unified major crime section resulting in more effective policing
- ◆ a single recruitment and selection process
- ◆ a smooth and successful assumption of policing in Rockcliffe Park and Cumberland
- ◆ acquisition of a computer-aided dispatch and records management system
- ◆ no budget increases outside of OPP transition in 1995 and 1996.

The General Manager, Mr. S. Kanellakos, described some of the financial considerations that had an impact in the amalgamation period (1995 - 1997) and the efficiencies that helped absorb some of these costs. He pointed out that decisions taken during this time affect the current budget, i.e., the Information Technology “roll-out” and the radio system development. He went on to describe the work-plan for the transition period (1998 - 2000) and the financial considerations related to collective agreement increases, technology operating costs, OPP start-up costs, debt charges, Pay-As-You-Go contributions and the Mega Week announcements.

Mr. Kanellakos spoke about the provincial Adequacy Standards established for the five core functions of

- crime prevention
- law enforcement
- victim assistance
- public order maintenance
- emergency response service.

He indicated that larger police services will be impacted by these standards. He described the next phase, a District Policing Model where teams of officers including inspectors, emergency response officers, neighbourhood officers, traffic officers, general investigators and others will be assigned to 16 districts across the RMOC. He noted the entire organisation is being “re-tooled” to fit this model.

The following is a point summary of the presentation made by Mr. Kanellakos on the Operating Budget:

- Compensation costs represent 83% of expenditures while program costs/services represent 17%
- the total staff complement is 1335: 951 sworn officers and 384 civilians

- program costs and services may be broken down as follows:
 - ⇒ 6.2% Fleet and Facilities
 - ⇒ 3.6% Technology/Equipment
 - ⇒ 3.5% Program Costs
 - ⇒ 3.7% Debt Charges/Fiscal

Operating Budget Proposal

Staff have prepared an estimate for 1998 and a two year projection for 1999 and 2000. The net requirement for 1998 is \$10.6 million; the projected requirement for 1999 is \$8 million and for 2000, \$7.8 million.

Mr. Kanellakos described some of the pressures impacting on the estimates:

- compensation (represents 83% of expenditures)
- technology operations (voice/data transmission lines, radio system)
- equipment replacement/operations (vehicles, protective equipment, specialty squad equipment)
- program requirements (witness relocation, front-line operational training, new skill sets)
- revenue losses and debt charges (false alarm by-law, applicant and fingerprinting fees, charges for 1997 debt financing)
- OPP phase-in (fourth year of five year plan)
- provincial revenue loss (Municipal Support Grant, Gross Tax Receipts, **Provincial Offenses Notices**)

Ten Year Capital Work-plan

Mr. Kanellakos described a significant ten-year work-plan in the amount of \$78.9 million. Percentage costs may be broken down as follows:

- buildings 49.4%
- vehicles 22.6%
- information technology 22.7%
- OPP (one-time start-up costs) 5.4%

Mr. Kanellakos provided some examples of the 1998 work-plan authority:

- Extensive consultation re:
 - the Accommodation Master Plan \$5.0 million
- Facility Acquisition Plan:
 - the East Division Building \$6.5 million
 - the Professional Development Centre (in partnership with Algonquin College) \$5.5 million
 - the Evidence Holding Facility \$3.0 million

- Information Technology Implementation \$7.7 million
- Unification Start-up Costs \$3.2 million

Mr. Kanellakos thanked the CS&ED for having given the police service the opportunity to make this presentation.

That the Corporate Services and Economic Development Committee receive the presentation for information.

RECEIVED

2. 1998 DRAFT ESTIMATES - RESPONSES TO INCREASED TAXATION REQUIREMENTS

- Chief Administrative Officer and Finance Commissioner's joint report dated 11 Feb 98

The Regional Chair, R. Chiarelli, briefed the Committee on his recent meeting with provincial Finance Minister E. Eaves and senior Ministry Officials. He indicated that the RMOC delegation, which included the Chief Administrative Officer, M. Beckstead and the Finance Commissioner J. LeBelle was given a full and complete hearing and that participants engaged in lengthy and substantive discussions. Chair Chiarelli said regional officials received verbal assurances that substantive transitional funding would be made available to help the RMOC deal with uncertainties of downloading. In addition, the delegation was told that those uncertainties would be resolved within the next two to three weeks, and that there would be some movement in the RMOC's direction.

The Chair continued by saying the delegation also raised the matter of ongoing requests for funding related to transportation issues, i.e., the perception there had been ongoing commitments from the Province; the removal of transportation subsidies across the Province and the "grandfathering" of funding to Metro Toronto in the amount of \$1.2 billion. Provincial officials gave indications these matters would be the focus of review within the present context. Chair Chiarelli expressed his belief the provincial Finance Minister was sincere in both his words and in the time-frame he suggested and he asked that any Motion made by Committee and Council take the present uncertainties into consideration.

The Finance Commissioner, J. LeBelle, presented the report, highlighting the following areas of concern and proposing recommended responses:

Existing Regional Programs

The regional corporation is facing an increased tax requirement of \$5.9 million in existing programs. Staff were proposing to increase the Vested Benefits Reserve Fund contribution by \$1.4 million to assist with workforce adjustments contemplated in the next few years, however it is felt this proposal cannot be afforded from the tax-supported funds. A second response, a reduction target of \$4.5 million, would see staff identifying alternatives that do not require front-line service reductions. This directive was replaced by a Motion from Councillor B. Hill, approved by Council, asking departments to undertake a detailed review of their budgets to identify further cuts.

OC Transpo Requirements

On 18 Feb 98, the OC Transpo budget tabled with the Transportation Commission identified a number of reductions, resulting in draft estimates that are in keeping with Council directions.

Police Service Requirements

The Police Services Board (PSB) will require direction on the maximum tax requirement Regional Council is willing to accept for 1998. A copy of Section 39, *The Police Services Act*, which refers, is provided.

Provincial Downloading

The RMOC has expressed to Ministry officials its desire to stop fighting about the downloading numbers and have asked that Ministry staff provide numbers that are structurally accurate. Base budget savings will not be achievable without significantly reducing services to residents or seriously impairing the fiscal integrity of the regional corporation. The only other alternative is structural change to local government in Ottawa-Carleton and, since this restructuring may not occur before several years, interim financial assistance should be provided by the Province.

Other Related Budgetary Issues

Staff anticipate a one-time increase in Payments-in-Lieu, however it is not proposed this be incorporated in the budget base.

Ice Storm Costs

Staff recommend these costs be funded from reserve funds and not form part of the 1998 taxation requirement: it is hoped the provincial and federal governments will provide assistance.

Remissions

Staff anticipate that the RMOC share, because of adjustments made as the result of assessment appeals, could be two to three times higher than average, resulting in an additional requirement of \$4 or \$8 million.

Replying to a question from Councillor A. Munter, Commissioner LeBelle said staff will report on the ongoing review of all programs by regional departments, as per Councillor Hill's Motion, on 27th March. Councillor Munter asked whether staff could confirm that upper tier municipalities will be given the responsibility for assessment. Mr. LeBelle said staff anticipate the Province will make structural changes and should these costs "migrate" to the RMOC, appropriate adjustments will be made in the "education tax room". Staff believe the provincial estimate of \$221 million in education tax room is closer to \$210 million, and this leaves little room for additional allocation to the upper tier. Mr. LeBelle indicated the provincial Finance Minister was told this represents the largest portion of the entire downloading exercise and that it has the potential to increase the shortfall by \$10 million.

In response to questions of clarification from Councillor Munter on the police service budget process, Mr. S. Kanellakos, Director General, said staff intend to report back by 23rd March on measures needed to meet the envelope set by Regional Council. The Police Services Board will hold its deliberations and make final decisions on funding levels on 20 April.

The Chief Administrative Officer, Mr. Beckstead indicated, pursuant to a question from Councillor J. Legendre, that the Region will be receiving the revenues from fines levied (the Province received these in the past) and the funds will go into general revenues. Mr. LeBelle directed the Committee to p. 35 of the Executive Summary which refers. He added these revenues will be used to reduce the requirements of the police budget, not as operating revenues. Councillor Legendre said he wondered whether this was the correct way to proceed. He expressed his concern the police not be seen to be in a revenue-generating mode, and be distanced from such functions. Mr. LeBelle said he appreciated the policy concern and he indicated staff would take direction from Council on this matter.

Councillor A. Loney asked about the Gross Receipt Tax revenues. Mr. LeBelle said provincial staff realized they made a mistake in crediting the loss of this revenue to area municipalities and this mistake will be corrected. He could not say, further to additional questions from Councillor Loney, what the net result would be. Councillor Loney wanted to know whether the anticipated cost of remissions, i.e., \$12 million, was factored in the numbers. Mr. LeBelle replied in the negative.

Councillor D. Beamish expressed the view Council erred in not setting targets for the budgetary process. He speculated that, had this been done, the Committee would not have before it the estimates it has for the police service budget. He presented a Motion calling for the police service to set a budget for no tax increase and that reflects the philosophy of Regional Council relative to taking on new debt and capital expenditures. Councillor Beamish pointed out that, unlike OC Transpo, the police service has been unable to make changes to its budget, even in light of comments made by the Regional Chair in this respect.

Councillor G. Hunter pointed out decisions made early on about leaving gaps in service resulted in a large amount of hiring in 1997 and in the resulting annualization of the salaries. He indicated that, aside from recognizing the pressures stemming from Council-approved decisions, he agreed with comments made by the previous speaker.

Councillor Hunter asked whether it was coincidental that certain rural municipalities received more education tax room. Mr. LeBelle indicated that, typically, where the education portion of the residential tax bill is higher, as in rural municipalities, there is a more beneficial impact. Councillor Hunter requested that regional staff work with the area municipalities to present the overall impact to the taxpayer. He stressed the importance of knowing whether the impact on individuals is as bad as that on the regional tax bill. There are indications that rural municipalities are not as bad: coincidentally, the reassessment shows increases in property values in municipalities that generally benefited from downloading and decreases in value in municipalities that lost in the downloading equation. Commissioner LeBelle said the point was well taken that what is important is the impact on the taxpayer; staff have already started to work with area municipalities on a number of modeling issues relative to the impact on both urban and rural taxpayers.

In reply to a question from Councillor P. Hume, the Regional Solicitor, Mr. D. Cameron, clarified the process outlined in Section 39 of the *Police Services Act*. Councillor Hume said he believed the RMOC would be successful, thanks to Regional Chair's efforts, in getting additional funds from the Province to meet downloading requirements. He asked whether the Chief Administrative Officer could identify other activities the Region could undertake on behalf of area municipalities. Mr. Beckstead spoke about current initiatives related to short-term investments and surveying on a charge-back basis. He expressed the view there are many opportunities to do this. He added it would be fair to say the Regional Chair made the point strongly to the provincial Minister of Finance that restructuring savings would be needed to meet the targets.

In reply to questions from Councillor D. Holmes, the Deputy Treasurer, Mr. K Kirkpatrick, explained the changes to the Business Occupancy Tax (BOT). When asked whether a rebate program would be revenue neutral, Mr. Kirkpatrick replied in the negative, adding that a budgetary provision will have to be made and the tax requirement will have to be raised across all property classes.

Councillor Holmes inquired about the amount of the “windfall” related to Payments-in-Lieu (PIL). K. Kirkpatrick replied these numbers have not been finalized, however the Region’s share could be in the order of \$10 million. He added these are very preliminary estimates and should be received as such.

Councillor Holmes expressed disappointment with the fact that income from provincial offenses appears to be diminishing as opposed to increasing. She posited that hiring more officers for traffic enforcement could help increase revenues in this area.

The Regional Chair pointed out there have been legislative changes in the last few years regarding Provincial Offense Notices Net Revenues. He asked that staff report back in time for Regional Council, on the legislative changes made, the implications for the RMOC in terms of revenue and expenditures, on what revenues were from 1995 to 1997, what projections are for 1998, who is entitled to receive them and who pays the expenses to collect them.

In response to questions from Councillor R. Cantin about possible retirements, S. Kanellakos indicated that approximately 120 individuals are eligible to retire with 30 years service by the end of year 2001. He added that approximately 60 officers who are eligible to retire now have chosen to stay because it is to their benefit to stay to the end of the new Collective Agreement. Mr. Kanellakos pointed out that increments are not being offset by retirements, and that the budget requirement to cover Terminal Leave benefits represents between \$2.2 to 3 million.

Councillor Cantin asked why funds are being put into Pay-As-You-Go (PAYG) as opposed to paying off debt charges. The Director, Finance and Administration, Ms. D. Frazer, replied that debt charges are increasing because of capital work undertaken between 1995 and 1997; the PAYG contributions represent an effort by the Board to build reserve fund to replace the radio infrastructure technology now being developed and to keep in line with the RMOC’s financing policies.

Responding to a question from Councillor R. van den Ham, Deputy Chief A. Mackie replied that a request from the Ontario Provincial Police (OPP) for 7 additional officers was made to the Board and was based on a statistical analysis of their operational requirements in Kanata. Councillor van den Ham wanted to know whether any of the Capital requirements could be delayed for a year since he did not believe they could all be undertaken in 1998. Mr. Kanellakos said the Board will have to make decisions about the phasing-in of capital projects: staff will identify projects that have higher priority, particularly accommodation-related projects in the east division building, and retrofits of existing buildings in order to ensure proper service delivery.

Chair Chiarelli asked about the nature of presentations made to the Board by police administration from January 1997 to December 1997; how decisions were made in terms of determining the budget or tax requirement, and how those decisions related to the Board. Mr. Kanellakos said the Board had been briefed on financial issues and on the pressures the last operating year would have on the budget. In late Summer, the Board directed staff bring forward a budget that would allow the service to be operated without having to deal with base budget shortfalls and that reflected the true cost of operating the service in 1998.

Chair Chiarelli asked whether the Board had given any direction in light of the fiscal challenges it knew would be forthcoming because of provincial downloading and other pressures. Mr. Kanellakos indicated that staff, because of its relationship to the Regional Finance Department, was aware of the constraints in bringing forward a budget, but felt it was its responsibility to develop a document that addressed some of the outstanding base issues that contributed to over-expenditures in 1997. Chair Chiarelli wanted to know whether only general principles had been presented or whether reference had been made to programs and budget constraints. Mr. Kanellakos replied that staff presented a detailed financial position report outlining problem areas.

Chair Chiarelli asked whether the budget requirement had come as a surprise to the Board and, if not, how were they aware of it. Mr. Kanellakos replied that staff did not make a direct numerical link to possible impacts on the 1998 operating estimates when they presented the financial position report and newly-appointed Board members may have been surprised by the numbers. In response to a further question, Mr. Kanellakos indicated the Board Chair was aware of many of the issues facing the police service. Mr. Vice would not have been aware of the numbers, but along with other Board members, he was apprised of issues around compensation and others the police service was struggling with then.

Responding to questions from Councillor B. Hill, Ms. D. Frazer indicated the amount of the debt service charges forecast in 1998 was \$3.1 million, with a forecast of . \$1 million in 1999 and \$1.7 in 2000. At the Councillor's request, Mr. Kanellakos provided additional details about the Professional Development Centre at Algonquin College, indicating this facility will be demolished in another year and will have to be replaced. It is a provincial requirement that the recruitment, testing and preparation of candidates be done at the community college level; other mandatory training requirements are in-service training for use-of-force, first aid, race relations, supervisory training and criminal investigative training .

Councillor Hill expressed grave concerns about the police service budget. She said it appears that the extension of regional policing into the rural areas will cost substantially more than had been originally estimated. She quoted from a 21 June 96 report entitled "Final Report on Unifying Police Services in the OPP Policed Municipalities" which calculated that the one-time start-up costs would be in the range of \$1.5 to \$2 million should the OPP leave and take their inventory of assets and equipment.

That number today is \$3.2 million, in addition to the requirement for new facilities to fulfill the police services mandate in areas currently served by the OPP. In addition, a provision of \$6 million has been included in both 1998 and 1999 to acquire facilities in both the eastern and western parts of the Region. Councillor Hill said that, in fairness to all taxpayers, and in light of the ongoing processes and discussions related to restructuring, Council should reconsider whether regional policing should be extended into the rural municipalities. The Councillor indicated she would support any measures aimed at increasing revenues from fines. She added that legislative changes should also be made to ensure the Police Services Board is composed entirely of regional councillors.

In reply to a question from Chair Chiarelli regarding an earlier Motion proposed by Councillor Beamish, the Regional Solicitor reiterated that Council cannot direct the Police Services Board to submit a budget of any particular dimension. He suggested the Committee refer the current document to the Board, with a request it be reviewed in light of the concerns of the regional corporation regarding budget guidelines and expenditure limitations. This course of action will give the Board a clear indication the current document is unacceptable to Council.

Speaking to his Motion, Councillor Beamish, said he saw no impediment in requesting that the police service prepare a budget that has no new, net taxation requirement. Both Chair Chiarelli and the Regional Solicitor reiterated that Subsection 3 of Section 39 states that Council shall establish an overall budget. Councillor Beamish expressed the belief this requirement kicks-in after the public process is complete and has no bearing on setting guidelines leading up to final budget approval.

Councillor A. Munter disagreed with Councillor Beamish's interpretation of Section 39. He said he was not prepared to attach a specific number to the envelope and would not support this approach at Council. He expressed the hope that the Regional Councillors who are Board members and the public representative appointed by Council will ensure savings are identified.

Replying to a question from Chair Chiarelli, K. Kirkpatrick indicated the police service budget in 1997 was \$100 million and the operations component was \$99 million. The tax requirement in 1997 was \$93 million; in 1998 it is \$108 million, not including provincial downloading figures. Mr. Kirkpatrick suggested the Motion focus on the net tax requirement for police services.

Chair Chiarelli asked that the Chief Administrative Officer and the Finance Commissioner be directed to embark on discussions and negotiations to accommodate the tax requirements in a way that is acceptable to Council. He posited there may be an opportunity to assist the police service with some of the funds anticipated from the Province.

Speaking in reference to Councillor Beamish's Motion, Councillor van den Ham said that, for many years, the police service was forced by Council decisions to maintain its spending and the budget now before Committee represents catch-up time. He disagreed with some of the comments about amalgamation, noting that the residents of Cumberland, having gone through this process, are very appreciative of the change and of the increased police presence. The Councillor indicated his preference is to work in a cooperative fashion and to find a more balanced approach. He expressed the view there are a number of pressures that Council cannot ignore, as the police service has acted in response to Council's requirements and should not be abandoned at this time.

Chair Chiarelli said the previous comments were legitimate and he clarified that his earlier directive to the CAO and to the Finance Commissioner was to bring to Committee and Council a scenario that is reasonable. He added that the Board must realize that a \$10 million additional tax requirement is unacceptable: if it is going to be met, it should be met through strong, close consultation with the regional corporation within the next two to three weeks. Councillor van den Ham said he would support any effort to work towards achieving this goal.

Councillor M. Meilleur said she also could not support that there be no increase for police service, since Council has contributed to decreasing revenues by reversing the False Alarm Policy. She added she would appreciate any effort to find savings in the budget.

Councillor A. Loney expressed the view it was appropriate to provide guidance to the Board at this time. He indicated he did not wish for the relationship between the Board and Council to become confrontational. The Councillor added that the Board has not held its budget deliberations, and hopefully there will be changes to the numbers after that process is completed. The Region's goal to have an overall budget that will not require a tax increase but within that context, certain costs will need to be covered.

Councillor W. Stewart indicated she also wanted to continue fostering a partnership between the Police and the RMOC and would be reluctant to move in any direction that undermines that partnership. She said she believed the police are not immune from the funding pressures the Region faces. Supporting a modest increase is probably reasonable, in light of the fact that during the community visioning exercise undertaken a few years ago, policing, public safety and security issues were ranked by residents as top priorities. The Councillor added she could support more modest proposals in Capital expenditures.

At this point, the Committee considered the following Motion:

Moved by D. Beamish

RESOLVED THAT Regional Council request the Police Services Board to submit to Regional Council a budget which requires no tax increases.

CARRIED

Moved by P. Hume

RESOLVED THAT the Police Services Board be requested to critically review and reduce the capital program to minimize the requirement to issue new debt.

CARRIED

Speaking to Councillor Beamish's second Motion calling for a meeting between the Board and the CS&ED Committee, the Regional Solicitor indicated this could not be considered a joint meeting. Councillor Loney suggested that the Committee direct the CAO and the Regional Chair to work cooperatively with the Board to achieve the desired results: should a combined meeting be required, it could be held afterwards.

Councillor H. Kreling spoke in support of the approach suggested by Councillor Loney. He said the Committee has to realize that Board members, himself included, have given the public notice that the Board will deliberate the police services budget. The Councillor felt those deliberations should be allowed to proceed.

The Committee then considered the following Motion:

Moved by D. Beamish

RESOLVED THAT the Regional Chair explore with the Chair of the Police Services Board that the Police Budget review be conducted through a joint meeting of the Police Services Board and Corporate Services and Economic Development Committee.

CARRIED

(G. Hunter, A. Loney,
H. Meilleur dissented)

Councillor van den Ham said he believed the Committee must deal with the increased pressures on the corporation and should not wait until it hears from the Province before doing this if it wants to even think about a zero percent tax increase. He proposed the following course of action:

Moved by R. van den Ham

- a) **Be it resolved that the Budget Review Board of Management Committee identify alternatives to reduce expenditures totaling \$4.5 million as stated in the report.**
- (b) **Be it further resolved that the Budget Review Board identify a menu of alternatives for additional expenditure reductions to offset the impact of Provincial downloading. This menu of alternative expenditure reductions would include service level decreases and/or program eliminations due to the non revenue-neutral scenario inherited from the Province as a result of new program responsibilities.**
- (c) **Be it further resolved that the Chair and the C.A.O. continue to communicate to the Provincial Govt. the magnitude and urgency of this situation on behalf of all Ottawa- Carleton taxpayers.**

CARRIED

REGULAR ITEMS

ENVIRONMENT AND TRANSPORTATION

- 3 SUPPLY OF TRAFFIC SIGNAL LAMPS -
TENDER 0285-32-T1/98 - CONTRACT AWARD
- Environment and Transportation Commissioner's report dated 5 Feb 98

That the Corporate Services and Economic Development Committee and Council approve the award of Tender 0285-32-T1/98, Supply of Traffic Signal Lamps, to:

- 1. Omnitek Sales, Ottawa, Ontario in the amount of \$57,835.80**
- 2. Duro-Test Canada Inc., Rexdale, Ontario in the amount of 16,780.80**

for a total contract provision of \$74,616.60.

CARRIED

FINANCE

4. 98 PROPERTY TAXATION ISSUES

- Finance Commissioner's report dated 3 Mar 98
- Province of Ontario publication "A Bulletin on the New Property Assessment and Taxation System in Ontario" issued separately

The Deputy Treasurer, Mr. K. Kirkpatrick, began by saying that Council will need to make a number of policy decisions relative to the setting of tax ratios, tax relief for low income seniors and disabled persons, the phase-in of assessment related changes, rebates to charitable and similar organization and the setting of graduated tax rates for commercial properties. These policy issues will be the subject of a number of reports coming before Committee and Council in the next few months.

Mr. Kirkpatrick indicated that issues related to the delegation of tax ratio setting authority to the lower tier from the upper tier and the adoption of the prescribed tax ratios are more immediate. Regarding the former, staff recommend the upper tier retain the authority, to ensure regional taxpayers do not pay different rates for the same regional services. It is anticipated that, in 1998, taxation for regional services will represent 76% of the total taxation for municipal services, in view of the the Megaweek changes and other factors. With respect to the latter, staff recommend using the transition tax ratios for 1998. These ratios have not been finalized and could still change therefore the decision could be delayed until the end of May. Staff also recommend that Recommendations 3 and 4 be approved.

The Committee heard from Mr. Don Adams, President, Canadian Society or Association Executives. He began by describing the work of the CSAE, an organization with 2000 members across Canada, with 300 groups in Ottawa-Carleton. Mr. Adams said the not-for-profit sector is perhaps the least understood sector in Canada and the term "charity sector" is incorrectly used to describe this sector. He explained that the distinction between registered charities and other non-profit organizations does not relate to their mandates but to the ability of charities to issue tax receipts for donations.

Mr. Adams said the similarity between charities and other non-profit organizations was recognized under the former Business Occupancy Tax (BOT). Prior to 1998, these organizations were exempt from paying BOTs and were assessed at residential rates even though they occupied commercial space. The elimination of the BOT and the directive that municipalities recover lost revenues through revised property taxes have severely jeopardized the financial viability of many non-profit organizations: some will face tax increases of 50% in 1998. This additional burden was imposed without consultation and after budgets had been set: it cannot be recovered through increased member dues. There are concerns the changes will mean real hardship and may force further service reductions in order for agencies to shoulder the tax burden.

The speaker requested these organizations not be singled out for the largest increase of any group of taxpayers under the changes imposed by the Province. Mr. Adams said the decision about providing a rebate to non-profit organizations rests with Regional Council and represents a real dilemma given the Region's current budgetary constraints. Regional staff have indicated there may be a 35% rebate in 1998, and it is felt this represents a fair proposition for the current tax year. He spoke in support of future rate setting being open to full public consultation and he indicated the CSAE would be pleased to bring forward proposals in this regard.

In response to questions from Councillor P. Hume, Mr. Adam clarified that, in the CSAE's view, the non-profit sector represents volunteers working for a cause, whether the cause be amateur sport, improving the economic viability of a certain sector, a food bank or a group dealing with poverty.

Councillor Hume said Council may not agree with providing grants to industry associations and similar lobby groups and it will be important to be able to make that differentiation. In reply to a question from Councillor D. Beamish, K. Kirkpatrick replied that the Act talks about a rebate being applicable to "charitable and like organizations" and he confirmed Council will be able to define what these "like" organizations are.

Councillor W. Stewart asked for additional details about whether rebates would go to the landlord or to the tenant under the legislation. Mr. Kirkpatrick clarified that the relevant legislation, The Tenant Protection Act, is still not clear on this issue.

Mr. David Patton, President, Building Owners and Managers Association of Ottawa-Carleton (BOMA)

Mr. Patton expressed concern about the effect the RMOC's tax policy will have on the economic viability of BOMA members' tenants who engage approximately one quarter of the employment base of Ottawa-Carleton. He expressed the view it was important to keep the tax ratio setting responsibility at the upper tier to ensure businesses can compete on a fair basis, regardless of where they are located. The RMOC should retain the function of setting the tax ratio on commercial and industrial properties, so it can balance municipal revenue needs with attracting businesses to Ottawa-Carleton.

Mr. Patton suggested Council should alter the tax ratios for 1998; estimates put the combined municipal and education tax rates on residential properties at 1.9% and on commercial properties at 6.6%. This means commercial taxes will be 250% higher than residential taxes. The discrepancy seems unfair to businesses and detrimental to the economic health of Ottawa-Carleton. Reducing the difference between the commercial and residential tax ratios by one-eighth would send the clear message that the Region is open for business, and wants to attract businesses to the area, particularly high-tech companies, to improve its position as one of the high-tech centers in North America.

Mr. Patton concluded his presentation by saying that BOMA is willing to work with the proposed Tax Committee and, as an organization representing the largest commercial sector, would hope to be part of it.

The complete text of Mr. Patton's presentation is on file with the Committee Coordinator.

Mr. Dan McIntyre, Federation of Ottawa-Carleton Tenants' Associations

Mr. McIntyre spoke about the issue of fairness in the multi-residential ratio which he said Council would now be obliged to address. He expressed the view tenants have been subsidizing property owners at approximately \$50 million per year and this subsidy should end. He posited that this issue will likely have a bigger impact on the RMOC's property taxpayer than some of the issues discussed earlier. He noted that City Living, the third largest payer of multi-residential tax in this community, pays about \$4 million out of \$9 million in multi-residential rates.

Mr. McIntyre said the Province has tried to determine a range of fairness: this means that now, as a matter of law, it will be unfair to continue as before. He spoke about the RMOC having just inherited the costs of social housing and he speculated that eliminating the multi-residential rate will result in savings of \$10 million in social housing costs. Some landlords have stated they will lower rents if changes are made to the tax system, raising the hope that the public or private sector will begin building rental housing as there will not be the tax disadvantage there was before. Mr. McIntyre concluded his presentation by saying he would be looking for fairness as quickly as possible, now that the Province has finally lowered taxes on rental housing.

In response to a question from Councillor R. Cantin, Mr. Kirkpatrick said that, while Council may change the ratio, it is not required to do so. Chair Chiarelli asked that the Legal Department review the significance of the comment regarding "being outside the range of fairness as prescribed by the law" and report back in due course.

Lois K. Smith, a resident of Ottawa-Carleton

Ms. Smith spoke in support of the report recommendations and posed a number of questions to clarify the status of lands owned by conservation authorities, farm rebates and other related issues. She expressed her interest in making a contribution to the work of the Tax Committee because of her significant past experience in this area.

Luigi Caparelli, Eastern Ontario Landlords' Association

Mr. Caparelli said he represents 200 members who own or manage in excess of 30,000 residential rental units in Eastern Ontario, including a mix of landlords with large and small holdings. Speaking to Recommendation 2, which staff recommended be deferred, the speaker indicated he would be happy to participate in any future discussions.

Mr. Caparelli's posited the RMOC should establish a transition ratio of less than 2.1. Preliminary calculations indicate that an immediate move to equality, i.e., a ratio of 1, will result in a residential tax increase of less than 6%, which can be phased-in over a period of up to 8 years as stipulated in the provincial legislation. He strongly urged the RMOC move in this direction. Should regional staff want additional time to study this matter, it should not exacerbate the problem by moving to a ratio of 2.33: at the very least the ratio should be left at its current level of 2.1 while consultation is undertaken. (A copy of Mr. Caparelli's presentation is on file with the Committee Co-ordinator).

Pursuant to a number of questions of clarification from Committee members, the staff recommendations were considered:

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

- 1. The retention of tax ratio setting responsibility at the upper tier.**

CARRIED

- 2. The adoption of prescribed transition tax ratios for 1998 taxation purposes.**

THAT Recommendation No. 2 be DEFERRED pending receipt of the final transition ratios from the Province of Ontario.

- 3. The establishment of an ad hoc Committee of Council to be known as the Property Tax Policy Committee.**

CARRIED

- 4. The development of a public information program to provide residents of Ottawa-Carleton with information concerning changes in the property tax system effective in 1998.**

CARRIED

LEGAL

- 5. PROPERTY ACQUISITION - EXPROPRIATION
REGIONAL ROAD 49 (MARCH ROAD) RECONSTRUCTION
- Deputy Regional Solicitor's report dated 22 Jan 98**

That the Corporate Services and Economic Development Committee and Council:

- 1. approve the application for authorization to expropriate the lands in question;**

2. **approve 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) **paying Offers of Compensation (see schedule A) and**
 - d) **making application to a District Court Judge under Sections 39 and 40 of the Expropriations Act for early or other possession in cases where such action is required to permit construction to proceed.**

CARRIED

PLANNING AND DEVELOPMENT APPROVALS

6. **LAND ACQUISITION - 1138 ALENMEDE CRESCENT
WEST TRANSITWAY EXTENSION PROPERTY
OWNER: TAM MINH TRAN**

-Planning and Development Approvals Commissioner's report
dated 10 Feb 98

That the Corporate Services and Economic Development Committee approve the acquisition of 1138 Alenmede Crescent, City of Ottawa, from Tam Minh Tran for the construction of the West Transitway Extension between Pinecrest Road and Acres Road, for a consideration of \$129,025.

CARRIED

7. **LAND ACQUISITION - 33 BELLFIELD STREET
WEST TRANSITWAY EXTENSION PROJECT - PHASE I
OWNER: MASTANSIR ISMAILY**

- Planning and Development Approvals Commissioner's report dated
10 Feb 98

That the Corporate Services and Economic Development Committee approve the acquisition of 33 Bellfield Street, City of Nepean, from Mastansir Ismaily for the construction of the West Transitway Extension between Pinecrest Road and Acres Road, for a consideration of \$170,000.

CARRIED

8. LEASE OF VACANT LAND-CORNER OF BASELINE AND WOODROFFE AVENUE, CITIES OF OTTAWA AND NEPEAN
- Planning and Development Approvals Commissioner's report dated
26 Feb 98 Issued Separately

The Committee heard from Mr. D. Kelly, representing Minto Developments Inc. and Canada Mortgage and Housing Corporation (CMHC), as well as the Leikin Group of Companies, owners of the Shoppers City West, a shopping center adjacent to the site of the proposed lease.

Mr. Kelly provided background information relative to the development of the Centrepointe community by the CMHC and Minto. He indicated that, as a condition of draft approval for the subdivision agreement at the time, CMHC was required to dedicate land to the RMOC for the following purposes:

- a possible future grade separation at the Woodroffe/Baseline intersection
- the Inner Ring Road (later called the Inner-provincial Highway by-pass), now deleted from the current Regional Official Plan
- other undefined transportation purposes.

Mr. Kelly expressed the view that, since none of the proposed uses have materialized, and under the principle of resulting trust, CMHC and Minto are entitled to any lands surplus to the RMOC's requirements or to any money obtained from the sale or lease of the lands.

Mr. Kelly spoke about a number of planning issues relative to the Shoppers City West site and the surrounding thoroughfares and intersections. Some of these included:

- maximum density requirements imposed by the City of Nepean zoning by-law
- the shopping center owner's responsibilities to its "anchor" and other tenants
- the potential for the proposed restaurant to "sterilize" the rest of the property and the impact this would have on future consolidation of the Shoppers City West site.

The Regional Chair, R. Chiarelli, asked for an interpretation of the legal rights of the original owners of the property. The Manager, Planning and Development Law, Mr. Tim Marc, said that, in his review of the relevant documentation, he had found no provisions linking these lands to any transportation purposes, therefore this was a straight conveyance. Speaking to a reference about a land transfer tax affidavit, Mr. Marc noted this document refers to road modifications but makes no link to transportation purposes. He added that he did not agree that the principle of resulting trust advanced by Mr. Kelly has been established to the level Mr. Kelly suggests.

In response to a question from Councillor R. Cantin related to the square footage allocation for the shopping center site, the Planning and Development Approvals Commissioner, N. Tunnacliffe stated the amount of retail development permitted on the site is 35,000 square meters, with other non-retail uses permitted. He added that a restaurant on the proposed site is not inconsistent with the City of Nepean's view of how the property should be developed. Councillor Cantin inquired as to whether the proposed lease could be conveyed to a future owner. Mr. Marc confirmed this could be done.

Replying to a question from Councillor P. Hume about whether his clients are in a position to purchase the parcel today, Mr. Kelly replied in the affirmative. He added that should there be a restaurant on the property, it would not have the same value since Shoppers City West would lose approximately 5000 square feet of retail space.

Councillor Hume questioned why the proposal calls for leasing the property as opposed to selling it now. The Director, Property Services Division, Rob Ennor, indicated that, ultimately, the land should be offered to Shoppers City West to consolidate the site. He pointed out that the Leikin Group is unable to proceed with consolidation at this time. Representatives from Perkins Restaurants wanted to purchase the site but it was felt a leasing arrangement would be preferable, as staff could continue negotiating the sale of the property. While the preferred alternative was to sell the entire parcel initially, staff have negotiated in good faith with the proponents and would not want to leave them in an uncertain position. Chair Chiarelli asked if the position of the City of Nepean on this matter could be clarified. Mr. Ennor indicated that, while Nepean officials see the proposal as consistent with future development of the property, they are not prepared to make any commitments, nor have they agreed with any proposal at this stage. He added that the property is not properly zoned in either municipality (the City of Ottawa owns the north end of the property).

Mr. Colin Kinsman, representing Perkins Family Restaurants

The speaker indicated that his partner, Mr. Whitty and himself are local businessmen and they have negotiated with the Perkins Restaurant chain to build four to five restaurants in the Ottawa-Carleton area thereby creating 600 jobs. He went on to say that, as \$2 million is poured into a site, it must have visibility, be in an area of growth, have good demographics and good traffic movement. He spoke about first approaching the Leikin Group and being offered a location on the shopping center site that did not meet these requirements. Having ascertained that the location at the intersection of Woodroffe and Baseline would be more appropriate, and having discovered the RMOC owned it, the partners asked about purchasing the property. They were informed a lease arrangement would be more appropriate for the reasons outlined by Mr. Ennor.

Mr. Kinsman expressed his belief it would be appropriate to move forward with a restaurant at this location, taking into consideration any future ownership or development of the property. The restaurant will create 150 jobs, representing \$1.5 million a year in salaries and wages; potentially \$120,000 will flow to regional coffers, i.e., \$60,000 for the lease and another \$60,000 in property taxes. In addition, there will be expenditures of \$1.5 million in construction and equipment and \$1 million will be injected into local food suppliers, as the Perkins chain buys everything locally.

In response to comments from Councillor M. Meilleur about the company's social conscience, Mr. Kinsman described a program called "Give Kids the World", a 35 acre property owned by Perkins Restaurants in Orlando, Fla., where terminally-ill children from around the world and their families can stay for a seven-day paid holiday. Councillor Meilleur commended the partners for their efforts and spoke in support of their initiative. She pointed out that the majority of jobs in Canada are created by small businesses and she called the Perkins Restaurant at St Laurent Blvd a well-managed, first-class facility.

Committee discussion focused on the timing of the condition period. Mr. Ennor indicated that the original timing, identified as May 1998, will have to be extended possibly to the end of the year: zoning matters may take up to 18 months. Chair Chiarelli asked whether an extension should not be approved at this time. Mr. Marc suggested this matter be left in the hands of regional staff, noting that the applicants can always request to appear before the Committee if necessary.

Councillor G. Hunter asked whether the Transportation Department concurred with putting a restaurant in this location or whether there were concerns about ingress and egress to the site. Mr. Ennor indicated the Transportation Department was circulated for comments and is in favour of the lease. The Councillor asked whether the Leikin Group was interested in making a firm offer to the RMOC. Mr. Kelly said he had written to the Region in 1996 saying his clients were interested in purchasing any surplus lands in this area. He reiterated the problem lies with access to the site: when the Leikin Group built the Home Depot, it finalized the Navaho Drive Extension agreement and are committed to building it. The Region's share was to be the intersection, however when this project was removed from the Capital budget, other alternatives had to be examined.

Councillor Hunter asked what difference it would make, if the plan is to integrate the Home Depot site and Shoppers City West into one development, to have the restaurant at the proposed location as opposed to the original site proposed by the Leikin Group. Mr. Kelly replied that the site behind the gas station off Navaho Drive will eventually be a good one. The City of Nepean requires a detailed concept plan be done for Shoppers City West. An additional 260,000 square feet will be redeveloped and an additional 450,000 square feet of office space will be permitted on the site: incorporating the parcel in question will not affect the retail component but will have an impact on where the office component can be located.

Replying to questions of clarification from Councillor Hume, Mr. Kelly indicated that the site plan identifies a retail “pad” of 11,000 square feet fronting on Navaho Drive. When this is developed, an equal amount will be removed from the ultimate square footage and integrating the proposed site would mean losing an additional 5,000 square feet.

Further to these comments and observations, the Committee considered the staff recommendation:

Moved by B. Hill

That the Corporate Services and Economic Development Committee approve the lease of approximately 1.19 acres of vacant land being part of Lot 35, Concession 2, Rideau Front, City of Nepean, to Terence John Whitty, In-trust, at an annual rent of \$60,000 pursuant to an Offer of Lease that has been received, conditional on the Lessee obtaining the required zoning and all necessary approvals from the Cities of Ottawa and Nepean.

CARRIED
(P. Hume, G. Hunter
dissented)

REGIONAL CLERK

9. ICE STORM RELIEF AND APPRECIATION DAY-
“HEROES AND HORSES EVENT” GRANT REQUEST
- Regional Clerk’s report dated 24 Feb 98

Councillor R. van den Ham proposed an amendment to Recommendation 2, specifically, that the \$10,000 grant be approved, conditional upon the appropriate financial controls being put in place.

Councillor M. Meilleur asked whether there was a possibility the Province of Ontario would re-pay the grant. Staff having replied in the negative, both Councillors G. Hunter and W. Stewart indicated they could not support the recommendation.

Councillor R. Cantin said he understood the group was just beginning its work and he suggested the grant be made repayable. After further discussion, the following Motions were brought forward:

Moved by D. Beamish

That the word “grant” be replaced by the word “loan” in Recommendation 2.

CARRIED

Moved by R. van den Ham

That Recommendation 2 be amended by adding the words “conditional upon the establishment of appropriate financial controls”.

CARRIED
(G. Hunter dissented)

10. **MISSISSIPPI VALLEY CONSERVATION AUTHORITY
RMOC APPOINTMENT**
- Regional Clerk's report dated 24 Feb 98

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

- 1. the nomination of Mr. Neil Williamson for appointment to the Mississippi Valley Conservation Authority, to complete the remainder of a term to expire 31 December 1998;**
- 2. the nomination of Mr. James MacAulay as an alternate candidate, for appointment to the Mississippi Valley Conservation Authority, in the event a vacancy becomes available.**

CARRIED

ADDITIONAL ITEM

**MUNSTER HAMLET WASTEWATER TREATMENT SYSTEM:
STATUS REPORT**

At the request of Councillor W. Stewart, the Corporate Services and Economic Development Committee agreed to suspend the Rules of Procedure to consider a joint Memorandum from the Environment and Transportation Commissioner and the Regional Solicitor on the Munster Hamlet Wastewater Treatment System.

Councillor Stewart emphasized the importance of resolving this issue in a timely manner. She explained she was bringing forward a Motion because she believed the RMOC is being given an opportunity to do something for the environment, for the residents of Goulbourn Township, particularly those in Munster Hamlet and for the regional corporation itself. The Councillor provided background information about the original Environmental Study Review (ESR) and about the feeling by Delta Engineering that their position was misrepresented.

She related the fact that the technology envisioned in the previous Delta submission, seen as experimental, was now acceptable to the Ministry of Environment and Energy (MOEE). She suggested that, in light of this new information, and of assurances from Delta that they can do the work for less money and within the MOEE's imposed compliance schedule, it was timely to look at a better level of wastewater treatment.

Councillor Stewart indicated letters of support have been received from Goulbourn Mayor Janet Stavinga, as well as a 600-name petition from the Munster Hamlet community. She requested that the tender advertisement be delayed until further direction by Council and that staff be directed to enter into an agreement with Delta Engineering to prepare an Addendum to the ESR that will appropriately reflect Delta's design-built technology. As well, regional staff should try to meet with MOEE staff to try to get a revised voluntary compliance program.

Councillor B. Hill proposed an Amendment that would allow other proponents who had qualified under the original proposal to submit a proposal.

Committee discussion focused on whether the proposed Amendment would re-open the entire issue. The Environment and Transportation Commissioner, M. Sheflin, clarified that the information provided by staff represents their professional opinion and recommendation and offers a process should Council want to proceed with further analysis. He added it was his understanding that once the ESR is released, it is open to anyone to make a presentation, after which the MOEE will make a ruling.

Mr. Tim Marc, Manager, Planning and Environmental Law, Regional Solicitor's office, added that Councillor Hill's amendment expresses what is implicit in an Addendum to the ESR. Councillor Stewart asked whether, in order to be eligible to participate, one would not have to be a member of the original proposal group that felt it had been misrepresented. Commissioner Sheflin replied there was nothing on record to indicate there had been any misrepresentation. He suggested that questions should have been raised about the representations that were made at the time.

Regional Chair Chiarelli sought to clarify who could participate in the process. Mr. Marc said that anybody who can meet the RMOC timelines, the financial cost requirements and the requirement of environmental protection would be evaluated on their merits regardless of whether they had been part of the original ESR. He added that the individual conducting the ESR will have to develop a public consultation process that satisfies the MOEE. In addition, a balance will need to be struck between the requirement to hear from the public and to meet concerns about the functioning of the lagoons.

Commenting on Councillor Hill's Amendment, Mr. Marc opined that the MOEE may not accept that proposals be limited to the original firms. Councillor Hill said it had been her understanding that only those firms that had been there originally could participate, however she agreed her Amendment could be reworded, if necessary.

The Committee heard from the Mayor of Goulbourn, Janet Stavinga. She began by thanking Regional Councillor Betty Hill for her assistance, as well as Regional Chair Chiarelli for his openness on this matter. She asked Mr. Marc whether this would allow for objective evaluation of the proposal by CMS, or that of any other company with a better tertiary treatment process. Mr. Marc replied in the negative. Mayor Stavinga noted that CMS could now provide tertiary treatment and it's proposal should be given scientific evaluation. Councillor Stewart clarified her intent was not to exclude CMS from the process, adding that if someone has a better proposal it should be considered.

Mayor Stavinga said it will be necessary to deal with the objectivity of the analysis, whether now or at the Bump-Up stage of the Environmental Assessment process; She added that failure to deal with transparency and credibility during the public consultation process will generate concern amongst residents. She expressed the view the Region is being given an opportunity to re-build trust and to develop good and open dialogue with the residents of Goulbourn and Munster Hamlet.

Further to advice received from Mr. Marc, Councillor Hill agreed to re-word her Amendment to Councillor Stewart's Motion. Councillor Stewart requested it be made clear that staff being asked to meet with the Ministry would not result in extending the timelines and that no extension would be allowed. Mr. Marc said he agreed the process should be as strict as possible and should be balanced against the need for public consultation.

Mayor Stavinga indicated that Goulbourn Township wants to be closely involved in the process, with open dialogue and direct communication. She re-stated her gratitude for progress to-date, and she asked that all relevant documentation on this matter be forwarded to her. Environment and Transportation Commissioner Sheflin requested that a representative from Goulbourn be delegated to work with regional staff.

Further to these comments and observations, the following Motions were considered:

Moved by B. Hill

That the following be added to Councillor W. Stewart's Motion:

RESOLVED THAT any other proponents of wastewater treatment facilities who can meet the requirements of improving the level of treatment; can guarantee to meet the compliance schedule; and can guarantee its price, be allowed to submit a proposal for the treatment of wastewater for the Munster Hamlet lagoon system.

CARRIED

Moved by W. Stewart

WHEREAS serious questions have been raised about the misrepresentation of Delta Engineering's original proposal in the Environmental Study Report; and

WHEREAS the community of Munster Hamlet and the Township of Goulbourn are not satisfied with the preferred alternative solution approved by Regional Council; and

WHEREAS Delta Engineering has submitted a proposal that will replace the preferred alternative with an effective combination of proven, highly compatible systems that will improve the level of wastewater treatment (from secondary to tertiary or higher); and

WHEREAS Delta Engineering is prepared to guarantee that the compliance schedule set by the Ministry of the Environment is met; and

WHEREAS Delta Engineering is prepared to guarantee its price which will save Regional taxpayers an estimated \$2.2 million;

BE IT THEREFORE RESOLVED THAT the advertisement of the tender call be delayed until further direction by Council; and

FURTHER THAT, staff be directed to enter into an agreement with Delta Engineering of Ottawa, to prepare an Addendum to the Munster Wastewater Treatment Plant ESR, that properly and accurately reflects the Delta Snowfluent combination Intermittent Filtration proposal as an alternative to Spray Irrigation, for submission to the RMOC and appropriate authorities; and

FURTHER THAT, Delta Engineering be directed to carry out this work in a timely fashion so that the project will not be delayed in any way; and

FURTHER THAT, regional staff meet with staff from the MOE to attempt to obtain a revised voluntary compliance program.

CARRIED

ADJOURNMENT

The meeting adjourned at 9:15 p.m.

NEXT MEETING

17 Mar 98

CHAIR

A/CO-ORDINATOR