

MINUTES

CORPORATE SERVICES & ECONOMIC DEVELOPMENT COMMITTEE

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

05 SEPTEMBER 2000

3:00 P.M.

PRESENT

Chair: R. Chiarelli

Members: D. Beamish, R. Cantin, B. Hill, G. Hunter, P. Hume, 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 01 August 2000 meeting.

CARRIED

DECLARATIONS OF INTEREST

No declarations were filed.

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- Notes: 1. Underlining indicates new or amended recommendations approved by Committee.
2. Reports requiring Council consideration will be presented on 13 September 2000 in Corporate Services and Economic Development Committee Report Number 73. Item No. 7 will be presented in Corporate Services and Economic Development Committee Report No. 74, In-Camera.

ECONOMIC AFFAIRS

1. TRANSFER OF FERRY LANDING – CUMBERLAND ***
- Executive Director, Economic Affairs report dated 25 Aug 00

Councillor A. Loney, commenting on the operator having the right of first refusal, asked why the Region would want to sell land that could be used for parkland or for other public amenities. The Director, Economic Affairs, Réjean Chartrand, clarified that this clause only applies to the 20-year period of the lease, after which time the Region owns the property. Councillor Loney suggested a clause be inserted stating that, if at any time the ferry operation is terminated, the Region retains the property. In reply to further questions from the Councillor, Mr. Chartrand said the Region would need to entertain an offer to purchase from a third party in order for to consider selling the property. If there were such an offer, the property would need to be first offered to the ferry operator. He added that, presumably, the lease would only be terminated if the profitability of the service became uninteresting for the operator. Councillor Loney posited there was a way to amend the agreement to ensure that the lands are not precluded from being kept for public use. Mr. Chartrand indicated that a distinction could be made between other private sector interests and not-for-profit organizations with a public interest.

Councillor R. van den Ham pointed out that these negotiations have gone on for a number of years. He said he was pleased to see the matter come to fruition and he cautioned against the agreement being amended, expressing the view that the Region has done well to get what it got. Councillor van den Ham said his understanding was that, if the agreement is terminated for any reason, the Region owns the property and until it is offered for sale, there is no need to grant the operator the right of first refusal. He sought assurances from Mr. Chartrand that the agreement would contain clauses allowing other uses of the dock, specifically by the tour boat industries, as he felt this is an untapped resource.

The Committee then considered the staff recommendation:

That Corporate Services and Economic Development Committee recommend Council:

- **Approve the transfer of the ferry landing located in Cumberland, from Transport Canada to the Region, for the sum of \$1.00, subject to the structural restoration of the facility by Transport Canada, prior to the transfer;**

- **Approve the entering into of an operating agreement with Les Services de traversier Masson-Cumberland for the management and use of the landing to operate a ferry service between Masson and Cumberland, as per the general conditions contained in this report;**
- **Authorize the Regional Chair and Regional Clerk to execute all necessary legal documents and agreements to implement these recommendations.**

CARRIED

ENVIRONMENT AND TRANSPORTATION

2. RESURFACING PROGRAMME - 2000 - TRANSFER OF FUNDS ***
- Environment and Transportation Commissioner's report dated 14 Aug 00

Councillor R. Van den Ham wanted to know which roads would and which would not get re-surfaced because of this adjustment. The Environment and Transportation Commissioner, M. Sheflin, indicated that all the necessary roadwork for 2000 has been completed. He added that the principal reason for keeping the funds in two accounts is because the Province promised to provide capital funding for five years. Councillor van den Ham asked to be provided with a list of the work to be undertaken.

Councillor A. Loney suggested the roadways in question should be referred to as "former provincial highways" to correct the erroneous impression the Region is paving the Province's roadways.

That the Corporate Services and Economic Development Committee and Council approve the transfer of funds in the amount of \$1,000,000 from the Resurfacing - Provincial Highway - Transfers Program, Order No. 900072, to the Resurfacing Program - 2000, Order No. 900400.

CARRIED

3. IMPROVEMENT TO WATER DISTRIBUTION SYSTEM
VARIOUS LOCATIONS, CONTRACT NO. ETL00-3027
(REJECTION OF CONTRACT AWARD)
- Environment and Transportation Commissioner's report dated 31 Jul 00

That the Corporate Services and Economic Development Committee and Council approve the rejection of all bids received pursuant to Contract No. ETL00-3027, Improvement To Water Distribution System, Various Locations.

CARRIED

4. ROAD WEATHER INFORMATION SYSTEM
NETWORK EXPANSION
- Environment and Transportation Commissioner's report dated 16 Aug 00

That the Corporate Services and Economic Development Committee and Council approve the purchase of two Road Weather Information Stations to be added to the Regional Road Weather Information System (RWIS), and the appointment of Mark F. Pinet & Associates Limited, Nepean, to coordinate and supervise the installation of the above mentioned RWIS stations, for a total contract provision of \$145,000.00.

CARRIED

PLANNING AND DEVELOPMENT APPROVALS

5. LOAN GUARANTEE: WEST CARLETON AIRPORT AUTHORITY
- Planning and Development Approvals Commissioner's report dated 17 Aug 00

That Corporate Services and Economic Development Committee recommend Council provide a loan guarantee to an approved lending institution, in support of an application by the West Carleton Airport Authority for an amount not to exceed \$200,000 for the purpose of constructing a twenty (20) bay hangar on the Carp Airport property. The amortization period will be for a maximum of twenty years. The terms of the loan are to be to the satisfaction of the Region's Finance Commissioner.

CARRIED

6. LAND LEASE, CARP AIRPORT

- Planning and Development Approvals Commissioner's report dated 24 Aug 00

Councillor A. Loney expressed concern about the length of the proposed lease and the financial impact any future legislated changes could have on the Region. The Director, Property Services Division, Rob Ennor, indicated that the group is seeking a commitment to a long-term lease, the rent of which would be adjusted every five years, something that is typical to what the Region does. Councillor Loney said he was trying to understand how much of a requirement the company has for beyond 20 years, adding this appears to be a reasonably good period of time to amortize building costs. He pointed out that, de facto, the period being proposed was 40 years. Mr. Ennor reiterated the intent is to give the company stability. He added that it is a fairly significant user of the space today, it will be a much larger user in the future and since the facility is a big, open building, he did not see how this use would conflict with any other use. Councillor Loney asked whether refusal to grant the proposed term would break the deal. Mr. Ennor replied this was not necessarily so, but he would suggest a minimum of thirty years be granted. Councillor Loney said he would be prepared to amend the recommendation accordingly.

Councillor R. Cantin expressed the hope that, in the options to renew, there is sufficient room to protect the Region's interest in the advent of increased costs. He pointed out that the lessee will have to pay the property taxes and he expressed concern about whether the leasehold improvements will increase that amount.

Councillor G. Hunter proposed that the recommendation be amended to read: "...subject to the approval of the Corporate Services and Economic Development Committee and Council". He noted there are still many unknown factors and Council has to ensure it getting the best deal it can for the taxpayers, who are the real owners of the facility.

Councillor B. Hill asked that the Committee not amend the term proposed in the lease, that is 20 years with two 10-year options. She pointed out that, once the company has invested in upgrading the facility, it would want the security of knowing it will be located there for some time to come.

Committee discussion focused on process and timing, some members inquiring about whether the lease can be finalized before November 13th, when Council will enter "lame duck" status. Councillor Cantin asked that the Legal Department comment on this situation before the item is presented to Council.

Councillor Loney proposed a “friendly amendment” to Councillor Hunter’s Motion, specifically that final approval of the lease be delegated to the Corporate Services and Economic Development Committee only. Further to a suggestion from the Acting Chief Administrative Officer, J. LeBelle, Chair Chiarelli directed that Property Services have a final report ready for presentation to Council before November 13th. The Committee also agreed that the report could be tabled at the meeting.

Moved by G. Hunter

That Corporate Services and Economic Development Committee recommend Council authorize the West Carleton Airport Authority to negotiate a lease with Helicopter Transport Services (Canada) Inc., having an initial term of twenty (20) years with two ten (10) year options. Details of the lease remain to be negotiated. Final approval of the conditions will be subject to the approval of the Corporate Services and Economic Development Committee.

CARRIED, as amended

INFORMATION PREVIOUSLY DISTRIBUTED

ENVIRONMENT AND TRANSPORTATION

1. CONSTRUCTION COSTS
- Environment and Transportation Commissioner’s memorandum dated 04 Aug 00
2. MERIVALE ROAD WATERMAIN
AMBERWOOD CRESCENT TO BECKSTEAD ROAD
- Director Engineering Division’s memorandum dated 26 Jul 00

REGIONAL CLERK

3. RECORD OF TENDER OPENINGS (JULY 2000)
(As per Corporate Policy Manual Section 4.6.6)
Regional Clerk’s memorandum dated 01 Aug 00

INQUIRIES

1. PROPOSED PROVINCIAL STANDARDS FOR AGRICULTURAL OPERATIONS

Councillor G. Hunter asked whether the Region intends to respond to the proposed Provincial Standards for Agricultural Operations which, he indicated, could lead to added responsibilities and costs for municipalities?

2. LIGHT RAIL BETWEEN MERIVALE ROAD AND KANATA

Councillor G. Hunter inquired whether the McCormick Rankin study on light rail between Merivale Road and Kanata was approved under the Chief Administrative Officer's Delegated Authority. If this is the case, what is the proposed cost and what are the study's Terms of Reference?

3. CHILD CARE SUBSIDY: LEGAL CHALLENGE BY GLEBE PARENTS' DAY CARE

Councillor B. Hill put forward the following inquiry:

- a) Who authorized the \$10,000 and \$15,000 towards the legal challenge by the Glebe Parents' Day Care?
- b) Which budget did the money come from?
- c) To whom was the cheque issued?
- d) What costs has the group incurred to-date?
- e) What was the (amount of) \$25,000 based on?

IN-CAMERA

MUNICIPAL ACCESS AGREEMENTS, TELECOMMUNICATION COMPANIES AND ENBRIDGE CONSUMERS GAS

- Joint A/Regional Solicitor and Environment and
Transportation Commissioner's report dated 11 Aug 00

The Committee agreed to receive a presentation from Ms. Lise Lawler, Manager of Operations, Enbridge Consumers' Gas, prior to moving In-Camera to discuss this item. Mr.

Ernest McArthur, Regional Legal Department, outlined the recommendations contained in the report.

Ms. Lawler began by saying that Enbridge finds itself in the difficult position of trying to respond to a report it has not seen and that is to be discussed In-Camera. She posited that the decision to stop issuing road cut permits is not in the best interest of the Region or the community for the following reasons:

- Negotiating a separate access agreement with the Region to cover a four-month period before amalgamation is neither possible nor practical;
- The entire geographic area of the new City of Ottawa is covered by franchise agreements with the existing municipalities. These will be renewed and rolled into one document based on a model franchise agreement approved by the Ontario Energy Board;
- Since all regional roads will come under the authority of the City of Ottawa, there will be no need for a separate agreement post-amalgamation;
- Imposing a four-month ban on permits will unfairly impact new customers in communities that will not receive gas service in time for the heating season as a result of staff's recommendation.

Councillor R. Cantin said his concern was that each road cut impacts on the life of a roadway and he asked Ms. Lawler to comment on why the Region should accept this fact. She responded by saying the company works with all parties to impact the roads as little as possible, and pays taxes on the gas plants that are in the rights-of-way. Councillor Cantin expressed the belief those taxes are not enough to pay for the shortened life of the road. He said that if the Region were to cut into Enbridge's services, the company would hold the Region liable, but if the company damages a road by expanding its services, the Region is responsible for costs and this is where the situation stops making sense. Ms. Lawler reiterated that the company goes through a permit process where the Region can indicate what line the company can take within the right-of-way.

Mr. McArthur said what is important is that no process is in place. He called it unsatisfactory that no agreement exists and staff's suggestion is that the company agrees to being negotiating an agreement. Ms. Lawler said Enbridge has gone through a process in front of the Board with the Federation of Canadian Municipalities (FCM) (the Region was also represented) and is awaiting the Board's decision on a model franchise agreement. The Board's position is that it's not in the public interest to have different terms or conditions in different areas within the Province. Mr. McArthur informed the Committee that a Statement of Fact was settled upon at the Board hearing and 95% of the issues were resolved. Regional staff is trying to resolve the remainder of the issues and believes that, if negotiations do not begin now, it will be another 12 months before they can begin.

The Regional Chair, Bob Chiarelli, asked if one of the outstanding issues is the Federation of Canadian Municipalities' (FCM) resolution requiring that a municipality pay no cost to relocate the utilities' infrastructure during road construction. Mr. McArthur confirmed this is the issue staff wishes to resolve. Chair Chiarelli said that, if the Region were to grant approvals to Enbridge, the company could agree to negotiate the relocation costs at later while it enjoys the benefits of the easement. Ms. Lawler indicated that the company is currently signing extensions to any agreements expiring before the model franchise agreement from the Ontario Energy Board comes up. She added that, although Enbridge does not have an agreement with the Region, it is not in a position to negotiate something because the OEB's model is the one that would be used.

Chair Chiarelli wanted to know if the company was prepared to defer requiring the Region to pay a portion of relocation costs until a permanent agreement is in place as opposed to requiring the Region pay its portion now while the company gets interim approval. Ms. Lawler, speaking in reference to the reconstruction of the Laurier Street Bridge, said the company has given the Region a no-cost option that the Region has rejected. Mr. McArthur clarified that the "no cost option" means the gas lines will remain on the bridge, an option that the Region does not believe is in its best interests or in those of the community.

Councillor A. Loney asked what would happen if the Region refused to pay but insisted on the gas lines being relocated. Mr. McArthur said he was not sure what Enbridge's reaction would be, but if there were an agreement, the company could make an application for the Board to resolve the matter. The Environment and Transportation Commissioner, M. Sheflin, added that the risk is that the Region would have to pay a portion of the costs. He pointed out this is a situation where one user of the right-of-way has a problem whereas most of the other private sector users of that right-of-way have signed the standard FCM agreement. Councillor Loney asked if there isn't a clause that states that changes are to be made if and when the matter is resolved by another governing body. Mr. McArthur having replied in the affirmative, Councillor Loney said he was not hearing that regional staff insists on having a separate agreement from the one to be approved by the Ontario Energy Board. He wanted to know why, in light of this, the company fears negotiating an interim agreement. Ms. Lawler reiterated her earlier statement about Enbridge not being in a position to negotiate an agreement that would in effect last for four months.

Responding to a question from Chair Chiarelli, Ms. Lawler listed three areas in the southern part of the Region where installation would be held up if the road cut permits were not approved. She added that, typically, gas lines should be installed by mid-December, but gas service can be installed year-round.

Chair Chiarelli, alluding to Commissioner Sheflin's comments about the right-of-way agreements that have been negotiated with the other utilities, asked why the gas company could not accomplish this earlier. Ms. Lawler replied that, to her knowledge, no agreement has been in place since 1980, however the gas company has managed to install and deal with relocations during that period of time. When asked by Chair Chiarelli whether Enbridge would be prepared to put all its requests for the co-payment of relocations "on hold" until the matter is resolved according to the FCM resolution, Ms. Lawler indicated she could not commit to this today.

Councillor W. Stewart expressed the view that all matters coming before the Committee for consideration should be advertised through the regular agenda notification process. This would ensure that people with an interest, or who may be affected, have the opportunity to make representations. Mr. McArthur, referring to a comment from Ms. Lawler about Enbridge having to comment on a report it did not see, advised that the company was informed about its contents when staff first drafted the report in mid-August. The decision as to whether or not this item should be considered In-Camera was guided by concerns about the possibility that discussions would include Ontario Energy Board matters.

Councillor G. Hunter agreed with Councillor Loney's suggestion of continuing with business as usual until the Energy Board decision is rendered and he asked why this approach could not be taken. Chair Chiarelli replied that, when this possibility was raised, the Enbridge representative could not say whether the company would be agreeable. Replying to a further question from Councillor Hunter, Mr. McArthur reiterated that staff is simply asking that the company agree to sit down and begin negotiating with the Region.

At this point, the following was considered:

Moved by R. Cantin

That the Corporate Services and Economic Development Committee consider this item In-Camera, pursuant to Subsection 11 (1) (f) of Procedure By-law 112 of 1994, being the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

CARRIED

Moved by M. Meilleur

That the meeting resume in Open Session.

CARRIED

Moved by M. Meilleur

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

- 1. The extension of the interim staff authority to issue permits for all Telecommunication Companies to 9 March 2001;**
- 2. The denial of any road cut permit application by Enbridge Consumers Gas, in accordance with this report.**

CARRIED

ADJOURNMENT

The meeting adjourned at 4:30 p.m.

CO-ORDINATOR

CHAIR