

MINUTES

CORPORATE SERVICES AND ECONOMIC DEVELOPMENT COMMITTEE

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON

CHAMPLAIN ROOM

19 JANUARY 1999

3:00 P.M.

PRESENT

Chair: R. Chiarelli

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

Regrets: R. Cantin

CONFIRMATION OF MINUTES

That the Corporate Services and Economic Development Committee confirm the Regular and Confidential Minutes of the 05 January 1999 meeting.

CARRIED

DECLARATIONS OF INTEREST

No declarations of interest were filed.

OTHER BUSINESS

Prior to moving to the regular agenda, Chair Chiarelli provided an information briefing on the Request for Proposals (RFP) for the expanded convention centre. The Chair stated the funding partnership was in place providing \$400,000 toward the development of a business plan. He noted the Province of Ontario, the higher contributor, was taking the lead on the RFP process. A meeting was scheduled for 20 January 1999 with a number of interested bidders.

Notes: 1. Underlining indicates new or amended recommendations approved by Committee.
2. Reports requiring Council consideration will be presented to Council on 27 January 1999 in Corporate Services and Economic Development Committee Report Number 30.

Chair Chiarelli referenced the spectacular re-development of the downtown core which was currently underway through many projects with others in the near future. He reviewed examples of many activities, as follows:

- the Region facilitating the Canada Sports Hall of Fame in the Conference Centre with significant progress being made;
- RFP for the expanded convention centre;
- RFP for the Linkages project;
- Plaza Bridge re-construction and underground public space amenities;
- National Capital Commission (NCC) proposal on the Daly site;
- US Embassy coming to completion;
- possible Chateau Laurier expansion on its northern side; and
- Metcalfe Street proposal from NCC to be coming forward. The Chair reported he was trying to gain adherence of the NCC to the Regional Official Plan and attempting to insist that the Federal Government, if they proceed with the Metcalfe Street proposal, provide a very active program of converting commercial and retail space in the core for residential use. The Chair hoped to discuss with Council and Committee Chairs a process for setting up a public / private partnership for doing some additional visioning on what could be done to revitalize the downtown core.

With respect to the RFP document for the expanded convention centre, Chair Chiarelli stated it had been made available to Councillors. All questions were to be directed to the Provincial Manager, Carol Hancock, at (416) 325-6055. The Chair commented the Province had requested that any questions with respect to potential funding be placed on hold until the business plan came forward.

REGULAR ITEMS

ENVIRONMENT AND TRANSPORTATION

1. SCADA UPGRADE PROGRAMME
CONSULTANT APPOINTMENT - PHASE 2 CONTRACT CA-9616
DESIGN-BUILD CONTRACT AWARDS CA-9601 AND CA-9603
- Environment and Transportation A/Deputy Commissioner's report
dated 13 Jan 99
- "SCADA Upgrade Project Status" report dated 24 Nov 98 - IPD 5 Jan 99

Councillor Hume was Acting Chair for the discussion of this report.

Councillor Stewart thanked staff for the briefing on the SCADA program previously held. She stated many of her questions and concerns with regard to timing and cost had been answered, and she now recognized the need for the upgrade at this time.

Councillor Stewart referenced Recommendation No. 3 of the report, the award for Contract CA9603 to CRA Contracting Services, a Canadian branch of CRA Services. The Councillor inquired how long the Canadian branch had been incorporated. J. Miller, Director, Engineering Division, confirmed the incorporation date was 1992, however, was not sure if that was specifically for the Canadian branch. Mr. Miller explained CRA Services consisted of one holding company and three components: (i) consulting engineering in the American area (ii) consulting engineering in the Canadian area, and (iii) contracting firm providing the design-build project management capability. Mr. Miller stated staff have reviewed the assignment and were confident the consultant had the experience and would complete the project on time.

Councillor Stewart referencing the number of consultant appointments required. Mr. Miller stated the program involved many components, such as suppliers, process controls, separate equipment, etc., all which would require a team approach. He stated under some projects, it was required for a firm to bring in a number of sub-contractors. In this case, the Region was contracting with CRA Contracting Services and the sub-contractors were obligated to them.

Mr. Miller provided clarification for Councillor van den Ham regarding the project authorities, specifically the remaining balance of \$2 million. Mr. Miller indicated there would be additional equipment to purchase, and negotiations were underway with suppliers. He agreed to provide members of Council with a summary of the **three** accounts and the remaining balances.

The Committee then considered the staff recommendations.

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

- 1. the award of Contract CA9616 for Phase 2 of the technical project management services for the SCADA Upgrade Programme to Acres & Associated Environmental Limited, Etobicoke, for a total contract provision of \$1,584,884 from Capital Project 922-41762;**
- 2. the award of Contract CA9601 for the design and construction services for the SCADA Upgrade Programme Britannia and Lemieux Island Water Purification Plants component to Thorburn Penny Ltd., Burlington, for a total contract provision of \$4,116,690 from Capital Project 922-41755;**

3. **the award of Contract CA9603 for the design and construction services for the SCADA Upgrade Programme remote facilities component to CRA Contracting Services, Waterloo, for a total contract provision of \$2,595,271 from Capital Project 922-41755;**
4. **a pre-commitment of the 1999 Capital Budget for Accounts 922-41762, Turbidity Control Programme and 922-41755, SCADA Upgrade Programme to provide the necessary 1999 authority to award the professional services and design build contracts.**

CARRIED
(B. Hill dissented)

2. 1999, 2000 AND 2001 ANNUAL MONITORING AND OPERATING PROGRAM - TRAIL ROAD LANDFILL SITE AND NEPEAN LANDFILL SITE - CONSULTANT APPOINTMENT - CE-8034
- Environment and Transportation Deputy Commissioner's report dated 5 Jan 99

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

1. **The appointment of Golder Associates Ltd., Ottawa, to provide the 1999 monitoring and reporting services as required by the Certificates of Approval for the Trail Road and Nepean Landfill Sites, for a total contract provision of \$171,797.30;**
2. **The option to extend the appointment of Golder Associates Ltd. to provide the Annual Monitoring and Operating Program for the years 2000 and 2001, subject to satisfactory performance determined by an annual review by staff, at a total estimated cost of \$171,797.30 per year.**

CARRIED

FINANCE

3. YEAR 2000 AND THE REGION OF OTTAWA-CARLETON REPORT FOR THE FOURTH QUARTER OF 1998
- Finance Commissioner's report dated 13 Jan 99
- Presentation by the Year 2000 Project Team
- "Region of Ottawa-Carleton Year 2000 Program Report for the Fourth Quarter of 1998" issued separately

Councillor Hume was Acting Chair for the discussion of this report.

Mr. Greg Geddes, Director, Year 2000 (Y2K) Project Team, provided a presentation to the Committee. (Copy of the presentation is included in Committee Report No. 30 and is on file with the Committee Co-ordinator.) Upon conclusion of the presentation, Mr. Geddes responded to questions.

Councillor Holmes stated Y2K community organizations were being formed and referenced region-wide emergency planning. The Councillor inquired if staff were going to liaison with these organizations. D. Brousseau, Director, Emergency Measures Unit (EMU), stated they intended to meet with the Chief Administrative Officer to develop a plan on this matter. However, Mr. Brousseau noted the Region did not have the mandate to provide leadership in the community in the area of emergency preparedness. He added the EMU responded to emergencies through the co-ordination of bringing the responding partners together. Councillor Holmes stated there were community volunteers interested in working with the Region and hoped staff would be able to assist them.

Councillor Holmes referenced Ontario Hydro and inquired about their readiness. Mr. Geddes reported they had met with Ontario Hydro in November. He stated Hydro did not expect to see any major system failures. If there was a disruption, it would be minor such as several hours - up to a day, or other conservation measures may be taken.

In closing, Councillor Holmes inquired if the Team was prepared to provide presentations to the community on the Region's plans. Mr. Geddes confirmed presentations had been held in 1998, and would continue in 1999. Mr. Geddes reported plans were in progress to arrange 11 sessions through the area municipalities in March - April. These sessions would provide updates on the Region's program, the respective area municipality's program and may include the appropriate public utilities/ other agencies, noting the numbers of organizations involved.

Councillor Hunter referenced the recent Council Motion regarding the delay of the ambulance service transfer by one month. Mr. Geddes stated he believed the main objective of the delay was the need to avoid added complications around 31 December 1999.

With respect to Ontario Hydro's statement, Councillor Hunter referenced the procurement of generators and questioned its necessity. Mr. Geddes reported through the Ice Storm experience, it was determined in some cases back-up generators were not adequate, and some facilities did not have a back-up. He explained generators may be required for critical services such as police stations, the 9-1-1 system, homes for the aged. Mr. Geddes referenced the concern of the additional number of people in the Capital on 31 December 1999 for millennium celebrations.

Councillor Hunter referenced software that was found to not be Y2K compliant, yet not considered critical and there was a manual way around the problem. Mr. Geddes confirmed this type of situation was considered a “nuisance” problem and was low priority. He stated the current focus was on critical and high priorities. Low priorities would be considered at a later date, however, under the current fiscal environment, staff may have to learn to adapt to “nuisance” but manually fixable problems.

Councillor Hunter stated it may be beneficial to include in a future report a discussion on the various strategies to be used to overcome the problems, whether it was discarding and replacing software, or manually overriding the problem.

In response to a question from Councillor Hill, Mr. Brousseau reviewed the EMU staff component and their responsibilities, which included the management of the corporate radio system, 9-1-1 system and various EMU responsibilities. Councillor Hill believed the EMU should be preparing for the possible emergency situations, including the loss of public utilities, that may occur on 31 December 1999.

On a point of clarification, Mr. Geddes noted the budget was within authority. He believed there was confusion surrounding the budget summary slide and the estimated \$10.6 million for 1999 expenditures. Mr. Geddes stated there was authority for Year 2000 and expenditures above 1999 would be drawn against that authority. Mr. LeBelle reiterated the budget slide was presented on a year to year basis and assured Committee the project would come in on budget. Mr. Geddes reported the U.S. Government budget was originally \$1.6 billion and had now increased to \$6 billion.

Further to comments made by Councillor Holmes, Councillor van den Ham suggested an area within Window on the Region could be designated for information on Y2K issues, preparedness and status updates.

Councillor Loney commended staff for their excellent presentation, however, wondered if Committee required the extensive quarterly reporting. He acknowledged the information was originally requested by Council. However, he believed as the critical areas had been identified, Council was most interested in projects budget issues. The Councillor moved a Motion regarding the quarterly reporting. After lengthy discussion, the Committee agreed to continue to receive the Quarterly Reports as they were supplied to numerous outside agencies, Management and Corporate Issues Committees, and were an essential part of the official documentation on the Region’s steps for Y2K preparation. In addition, the material was placed on the Region’s web-site and was widely accessed, thereby saving a great deal of time in responding to inquiries. Councillor Loney withdrawn his Motion.

Moved by Councillor Loney

That the reporting for the balance of 1999 be on the basis of exception and a result of difficulties arising in the project. That an updated financial report continue to be provided on a quarterly basis, and a final report be provided upon the conclusion of the project.

MOTION WITHDRAWN

The Committee then considered the staff recommendation.

That the Corporate Services and Economic Development Committee and Council receive the “Region of Ottawa-Carleton Year 2000 Program Report for the Fourth Quarter of 1998” for information

RECEIVED

4. **BILL 79**
THE FAIRNESS TO PROPERTY TAXPAYERS ACT
- Finance Commissioner’s report dated 13 Jan 99

K. Kirkpatrick, Deputy Finance Commissioner, introduced the report. He stated on 18 December 1998, Royal Asset was given to Bill 79, the *Fairness to Property Taxpayers Act*. Mr. Kirkpatrick noted there were remaining important issues with the 10-5-5 capping program that were yet to be formalized through regulations expected in the near future.

With respect to the Act, Mr. Kirkpatrick explained it provided the following:

- Creates a performance standard for property tax policy for commercial, industrial and multi-residential properties. The performance standard may be achieved in one of two ways; either by using a new 10-5-5 capping tool provided by the Act, or by using one or more of the mitigation tools provided in the relevant legislation prior to the Act, which Council debated on 12 August 1998.
- The Act extends the deadline for certain decisions on the 1998 property tax policy until 31 January 1999. Mr. Kirkpatrick noted the municipal sector requested the extension to the end of March 1999, however, this was not granted.
- The Act provides the opportunity for Council to re-visit the 1998 property tax policy decisions made in 1998.

- The Act cancels the by-law passed by Council on 12 August 1998 providing the rebate program. It then amends the rebate program and any previous by-laws that had been passed by Council's implementing previous rebate programs are deemed void.
- The Act prevents any 1999 taxes from being levied against the commercial, industrial and multi-residential property classes until tax adjustments and re-billing for 1998 is complete. Mr. Kirkpatrick explained this may result in significant cash flow implications for area municipalities.
- The Act requires area municipalities to maintain "frozen assessment listings" for 1998, 1999 and 2000 for all commercial, industrial and multi-residential properties. This is essentially the 1997 assessment roll for these classes adjusted to reflect such items as assessment appeal results, demolitions, building additions, vacancies and occupancy changes. This frozen assessment listing must be maintained regardless of how the performance standard is accomplished (i.e. pre-existing tools or the new 10-5-5 capping tool) since it is used to calculate the maximum taxes billable to a property in each of these years.
- The new 10-5-5 capping program provided by the Act sets out a scheme for setting taxes for commercial, industrial and multi-residential properties for 1998, 1999 and 2000 or any combination of those years. Council may elect to use the 10-5-5 capping program in any one of those three years.

Mr. Kirkpatrick explained the provisions in the Act required Council to make two decisions, as follows:

1. Did Council wish to change any of the property tax policy decisions already taken for 1998 in terms of the relative burden of taxation between property classes, specifically the use of one or more of the optional property classes and the setting of tax ratios?
2. Did Council wish to achieve the 10-5-5 performance threshold by implementing the new 10-5-5 capping program or by using one or more of the previous mitigation tools in combination?

The Deputy Finance Commissioner reported staff recommended that the decisions made by Council on 12 August 1998 regarding 1998 policy not be changed due to the significant analysis and public consultation that was undertaken. In addition, he noted the policy issues that were dealt with as part of that process had not changed.

Referencing the other mitigation tools reviewed in 1998, Mr. Kirkpatrick stated staff continued to not recommend using those programs for the same reasons stated in Corporate Services and Economic Development Committee Report No. 18. In addition, staff did not recommend the amended rebate program. He believed the Province may consider this program only for areas where there were relevantly few properties and the cost of the program would be insignificant.

Mr. Kirkpatrick explained staff did not recommend the use of the phase-in program as it would not be effective, either alone or in combination with a rebate program, in achieving the performance standard set by the Act.

In closing, Mr. Kirkpatrick stated staff recommended the use of the 10-5-5 capping program as it was the superior alternative and would reliably produce the results required to meet the performance standard created by the Act.

Chair Chiarelli noted the significant impact Bill 79 had on the payments-in-lieu issue with the Federal Government that was not yet resolved. The Chair wished to reserve the option to approach the Province and believed the staff recommendations implied Council's endorsement of the Bill. Councillor Loney moved a Motion stating the Region would continue to register its objections to Bill 79 as it affects payments-in-lieu of taxes.

Mr. Kirkpatrick reported that recently staff were made aware that the Province had agreed to forward to the Regional Municipality of Halton and the Regional Municipality of Hamilton-Wentworth the funding they had committed to in the fall in 1998 for the rebate programs approved by those Councils. He stated Ottawa-Carleton Council also approved a rebate program with a Provincial share of approximately \$6 million. Mr. Kirkpatrick reported staff would be formally contacting the Minister requesting them to honour this commitment. He added that funding would be available to assist in mitigating the impact of a 10-5-5 capping program.

In response to a question from Councillor van den Ham regarding new 1998 tax bills for *all* commercial, industrial and multi-residential properties, Mr. Kirkpatrick confirmed new bills would be distributed in March 1999. He explained the Online Property Tax Analysis system used by the municipalities to assist with the administration of the 10-5-5 capping program should be available in February.

Councillor Hume referenced the revised deadline (28 February) for registration of vacant property space and how it would affect Ottawa-Carleton. Mr. Kirkpatrick reviewed the particulars around the commercial vacant class and commercial occupied class. He explained the deadline was extended because only a small percentage of the property owners had returned the registration forms. As a result, the Province recognized the need to ensure the 1999 data was more accurate and provided a deadline extension. He was not aware of the effect on Ottawa-Carleton.

Councillor Hill inquired about the frozen assessment listing. Mr. Kirkpatrick stated he believed the creation of the 1997 frozen assessment listing and the checking by the assessment office of omission and magnitude problems, would not assist with the situations in the rural townships.

Councillor Hume assumed the Chair as Committee Vice-Chair.

Mr. Tony Kue, President, Capital Parking and property owner in Toronto, Montreal and Ottawa, addressed the Committee on this matter. Mr. Kue reported that in comparing the taxes paid for similar properties in Toronto to Ottawa, he determined the amounts to be unfair with Ottawa's being substantially higher. Mr. Kue reviewed examples of similar properties in the two cities and the amount of taxes paid. He blamed the unfair situation as a result of the numerous re-assessments completed in Ottawa-Carleton over the years, noting older Toronto (downtown) has not been reassessed for many years. The speaker referenced the outrage expressed by the business and ethnic communities in Toronto when taxes were going to increase. In closing, Mr. Kue urged the committee members, as Ottawa-Carleton representatives, to voice their opposition.

In response to a question from Councillor Hunter, Mr. Kirkpatrick confirmed that with the implementation of the Ontario Fair Assessment System effective in 1998, all Ontario properties, including those in Toronto, were assessed as of their current market value 30 June 1996. Mr. Kue stated the taxes for 1997 were based on 1988 values at which time the market values were much higher, thereby, creating the inequity.

The Committee thanked Mr. Kue for his submission. They then considered the Loney Motion and report recommendations, as amended.

Moved by Councillor Loney

3. The Region of Ottawa-Carleton continue to register its objections to Bill 79 as it affects Payments-In-Lieu of taxes.

CARRIED

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

- 1. That the 10-5-5 capping program provided by the *Fairness to Property Taxpayers Act* be employed for the 1998, 1999 and 2000 taxation years for the multi-residential property class, all commercial property classes and all industrial property classes;**

2. **The adoption of the by-law necessary to implement the aforementioned recommendation in accordance with the legislation.**
3. **The Region of Ottawa-Carleton continue to register its objections to Bill 79 as it affects Payments-In-Lieu of taxes.**

CARRIED as amended

5. **CASH INVESTMENTS AND LOANS RECEIVABLE
(AS AT 4 DECEMBER 1998)**

- Finance Commissioner's report dated 29 Dec 98

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

RECEIVED

HEALTH

6. **PROGRAM TRAINING AND CONSULTATION CENTRE
FOR THE ONTARIO TOBACCO STRATEGY**

- Deputy Medical Officer of Health report dated 30 Dec 98

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

1. **The extension of the existing contract with RBJ Health Management Associates to provide additional services in the amount of \$63,130.00 (including GST) related to the fulfillment of the contract to carry out workplan activities for the Program Training & Consultation Centre from October 1, 1998 to March 31, 1999;**
2. **The extension of the existing contract with Centre for Applied Health Research, University of Waterloo to provide additional services in the amount of \$8,100.00 (including GST) related to the fulfillment of the contract to carry out workplan activities for the Program Training & Consultation Centre from October 1, 1998 to March 31, 1999.**

CARRIED

REGIONAL CLERK

7. REGIONAL DEVELOPMENT CHARGES BY-LAW
CULTURAL FACILITIES
- Manager, Arts Programs, report dated 11 Jan 99

That the Corporate Services and Economic Development Committee recommend Council write to the appropriate Minister and request that under the Ineligible Services (4) of the *Development Charges Act*, Item number 1 be eliminated from Ineligible Services, and that this request be forwarded to other cities in Ontario with a population at or over 50,000.

CARRIED

INFORMATION PREVIOUSLY DISTRIBUTED

CHIEF ADMINISTRATIVE OFFICER

1. Delegated Authority Monthly Report
November and December 1998 (As Per *Corporate Policy Manual* Section 4.6.7.4)
- Chief Administrative Officer's report dated 4 Jan 99

ENVIRONMENT AND TRANSPORTATION

2. Emergency Repair of 4th floor Thickening and Dewatering Overhead
Trolley Crane (In Accordance with *Corporate Policy Manual* Section 4.6.9)
- A/Environment and Transportation Deputy Commissioner's memorandum dated
04 Jan 99

REGIONAL CLERK

3. Record of Tender Openings for the Month of December 1998
(As Per *Corporate Policy Manual* Section 4.6.6)
- Regional Clerk's memorandum dated 31 Dec 98

ADJOURNMENT

The meeting adjourned at 5:05 p.m.

NEXT MEETING

02 February 1999
1999 Budget Review

CO-ORDINATOR

CHAIR