

Minutes of a Public Meeting of Council of
The Corporation of the Township of Pelee
Held at the Royal Canadian Legion Hall
On May 3, 2017 for the Purposes of
2017 Budget Deliberations

Mayor: Absent
Deputy Mayor: Dave DeLellis
Councillors: Darlene Wiper
Dayne Malloch
Aurella Moritz

Staff: Katrina DiGiovanni, CAO/Clerk
Michelle Feltz, Treasurer
Kyle Davis, Environmental Services Manager
Ralph Hooper, Pheasant Farm Manager
Vanessa Taylor, Campground Manager
Charlene Malloch, Marina Manager
Paul Feltz, Roads Superintendent
Wray Ramsay, Drainage Superintendent
Nick Goulden, Parks & Facilities Manager
Kevin Long, Vol. Fire Department

Budget Deliberations

The Treasurer gave an outline on the budget process and stated that the operations budget has been balanced with a small surplus, she commented that this was achieved with last year's municipal tax levy. The Treasurer outlined any changes and reductions that have been made to operations, through the budget process to date. She commented that other than changes made through operations, any additional funding will have to come from tax rate increases, borrowing, reserves, and user charges or be deferred until next year.

1.) Environmental Services Manager, Kyle Davis (Water Plants & Env Services)

West Shore Water System

Mr. Davis commented that last year the township saw an increase in revenues from both the bottle and bulk water filling stations and that there has already been additional interest and customers utilizing the bulk station and delivery service. He commented that there was a small decrease in salaries due to changes in his job description. Mr. Davis went through line by line and indicated what was included in each budget category. He commented he had budgeted for an upgrade to the SCADA system and software license, which was an additional under computer expense.

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Councillor Malloch asked about the hydro increase Mr. Davis commented that last year was the commercial rate and now it's classified as industrial, as well as the bottle filling station that uses additional hydro.

Mr. Davis continued to work through line items and stated an increase in testing costs due to regulations requiring additional testing for certain compounds for 2017. He commented that there would be a decrease in fuel for the tanker under East Shore Water because the tanker is now being used for the West Shore system for deliveries to homeowners. He commented on costs under consultants which included building a reporting program and software to complete annual reporting. He stated under the current system it takes approximately 4.5 weeks to build the data set; with new software reporting system it would be done automatically. The Deputy Mayor requested that investigation be made to see if the cost of this software could be investigated. It was stated that consultant costs also included costs for an OCWA operators in case of emergency situation and lack of operators to staff the plant.

Mr. Davis discussed the 2016 water metre installation project and commented that 80% were completed, but the remainder could not complete due to weather. He stated that there was a staffing change with the previous company so an alternate contractor would have to be found, and that parts were already paid for to complete the rest of the project.

East Shore Water System

Mr. Davis stated that there was an increase in revenue due to a change in user fees and that the campground would now be billed for actual water usage and inter departmental transfer would be done to accommodate for the usage.

Mr. Davis outlined the capital request to put a small addition on the building to house a portion of the distribution line that was requested to be replaced and re-routed. He commented that the current pipe was in very poor condition and at risk of blowing at different locations. Mr. Davis stated that every year there are at least 2 breaks further down the line that have to be repaired each year.

Environmental Services

Mr. Davis stated that the entire budget was down in 2016 due to less presence and testing for blue green algae and that he was hopeful to have reduction of presence and testing for blue green algae for 2017. He commented on the costs of water testing at the school as per the lease agreement for the use of the library building. He also commented on the budget item for training, which included a project management course as recommend by the CAO/Clerk.

2.) Pheasant Farm Manager, Ralph Hooper

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Mr. Hooper commented on the increase in salaries due to additional staff to cover sick time leave. He commented that he was hopeful to see an increase in revenue due to the increase in the license fees for 2017. He stated that the number of birds would remain the same to accommodate for any potential rise in hunter attendance. The CAO/Clerk commented that the township was still waiting to see if changes were approved to be able to reformat the hunts by the MNRF. Councillor Moritz inquired if it would be possible to begin tours of the farm again, the manager commented that with the risks associated with the bird flu back in the states we have to be very careful of who attends the farm and ensure that no one can contaminate the birds. Councillor Wiper inquired about transferring the Parks & Recreation John Deere mower to the farm so a new one didn't have to be purchased.

3.) Campground Manager, Vanessa Taylor

Ms. Taylor highlighted expenses under building and lot maintenance including the need to replace the air conditioning unit. She commented that she would also like to improve signage at the road. The Manager then went on to explain that when she opened the washrooms and got the water running it was discovered that the hot water tanks were leaking and needed to be replaced and that due to the large number of campers present the project had to be completed already. She commented revenue from the army group would more than cover the cost of the tanks.

Discussion ensued about possible alternatives for energy and that solar panels should be looked into to assist in powering the campground and hot water tanks. Ms. Taylor commented that she felt it was part of her vision for the overall potential of the campground and that she would like to see serious investment to improve the building, and the potential for additional revenue if there were some serviced sites. Deputy Mayor DeLellis suggested looking into the possibility of having 3-4 serviced sites for RV's and trailer with water and/or hydro hook-ups for 2018. Discussion ensued on the possibility of having a sewage dump site at the campground for trailer usage. Deputy Mayor DeLellis commented on the amount of dead trees and the need to look at removing the rest of the falling and dead trees; the Manager stated she recognised the safety concern and that it was continually being worked on by the Parks and Facilities Department. Deputy Mayor DeLellis also commented that he would like to see the trail system at the campground maintained, signed and mapped out. Ms. Taylor stated that this could be looked into and hopefully improved.

The Treasurer asked about the timeline for the installation and any associated costs with the donated funds for the basketball court. The Deputy Mayor proposed a 50x80 concrete pad for basketball and tennis court, as well as the installation of the beach volleyball court. The Deputy Mayor commented that he would like to get the project done in May.

4.) Marina Manager, Charlene Malloch

Ms. Malloch addressed the need to begin work on the water system and asked if any further information had been received regarding the use of the well at the Bonnet Building. The

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CAO/Clerk asked the Marina Manager to provide the Environmental Services Manager with her water metre reading records to explore other options. The Manager went on to address the request for the safety ladders, the centre dock repairs and the electrical pedestals. The CAO/Clerk stated that funding was received through a matching grant from Small Craft Harbours for this project. The Marina Manager commented on some pins and chains that had come lose after the last storm and stated that Kehoe Marine would send the parts but did not believe it was their error in installation that caused the bolts and chains to come lose. Deputy Mayor DeLellis asked if the contractor could be contacted to outline issues and possible remedies.

The CAO/Clerk stated that she would call the contractor with the Marina Manager. Discussion ensued about repairs and issues that will have to be looked into and a solution found.

Discussion continued on obtaining an update quote on the work for centre dock repairs, safety ladders and electrical pedestals.

5.) Road Superintendent, Paul Feltz

Mr. Feltz began by asking if council had any concerns or questions with the Roads Budget. The Treasurer stated that AMO gas tax would be allocated for an updated roads assessment as part of the asset management plan being conducted through Public Sector Digest. Mr. Feltz stated that this updated assessment was needed in order to access grant funding; he commented that the current conditions are drastically different than when the original "Roads Needs Study" was undertaken. He recognized that due to financial realities that we were behind in meeting the recommendations of the original report but expressed concerns. The Treasurer commented that the new assessment study will confirm condition ratings, length of roads, road materials and estimated cost of replacement. Mr. Feltz outlined what was included in the Equipment Maintenance section of the budget. Councillor Malloch asked why the dust suppressant cost was up for 2017. Mr. Feltz commented that the cost was higher due to the increased concentration of dust suppressant that would be need after the new gravel is laid on East Shore Road, along with the regular applications. The Manager commented that the price per litre had not changed. Councillor Malloch asked to check costs from 2014-2016.

Mr. Feltz commented that the fuel budget had been decreased by \$5,000 because there was not a lot of ploughing that had to be done through the winter.

Mr. Feltz began to outline capital needs, and commented on a five year forecast for ageing equipment, including the possible replacement of the Valtra tractor, after the amount of repairs it had to undergo over the last few years. He commented on the need for a cement pad at the roads yard to be able to sort and store aggregate. The Treasurer commented that \$2000 could be transferred from roads reserve to fund the cement pad. Mr. Feltz commented that the long term goal to address storage of aggregates would be the use of the septic farm space if it was decommissioned. Councillor Malloch stated that at this point the cost for decommissioning was

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too high.

Discussion ensued about storage and cleaning out of Cowie building. Mr. Feltz commented that he would have a discussion with Parks and Facilities about storing equipment in the Cowie building for the winter. Councillor Wiper asked if a new tractor was purchased if it would be shared with other departments. Mr. Feltz responded that it would likely be split between Parks, Roads, Campground and the Airport. Councillor Wiper suggested splitting it between the departments and saving within reserves over the next 5 years. Deputy Mayor DeLellis asked how the VALTRA was working after the repairs. Mr. Feltz stated that it was currently working fine and mowing would begin with it soon. Councillor Malloch asked how general maintenance was completed. Mr. Feltz stated that it was done in house for all the greasing, oil changes and general maintenance, and that only inspections and larger repairs were done on the mainland. Discussion ensued on possibilities for equipment and maintenance tracking and logs. Mr. Feltz stated that maintenance logs are maintained regularly. Discussion ensued on potential uses for equipment and future needs and possibilities.

Mr. Feltz stated that he would like to resolve the maintenance and gravel laying on East Shore Road. Deputy Mayor DeLellis asked if when the shoulders were be taken off if it could be used by Parks for fill in campsites. Mr. Feltz stated that he would discuss this possibility with the Parks Manager. Deputy Mayor DeLellis stated he was concerned about the maintenance on East Shore Road and laying gravel prior to the half marathon, he further stated concerns over the large rocks that were exposed. Mr. Feltz commented that those rocks were base stone and critical to the road, he commented that due to the lack of gravel the base was now exposed. Councillor Malloch suggested not grading or laying gravel until after the half marathon, he suggested further packing the base stone in with the back hoe and filling the potholes.

**6.) Drainage Superintendent, Wray Ramsay & Environmental Services Manager,
Kyle Davis (Pump House Operations & Capital)**

Drain Superintendent- Wray Ramsay

Mr. Ramsay commented that his wages, expenses and benefits would be submitted to OMAFRA for the 50% grant for the Drainage Superintendent works. Deputy Mayor DeLellis asked about the increase in wages. Mr. Ramsay commented that with the additional projects he would need to be on the Island more and that all possible wages had to be represented when applying for the OMAFRA grant because it could not be changed at a later date if more costs were incurred

Deputy Mayor DeLellis commented on the canal bank repairs and asked about thoughts on moving Centre Dyke Road. Mr. Ramsay responded that either moving the canal or the road would assist with the cave-ins. Discussion ensued about information and direction that would be needed.

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Big Marsh-Kyle Davis

Mr. Davis referenced the feedback from the last Drainage Committee meeting and stated that the recommendation from committee was to go with the budget as proposed. The Treasurer, outlined the revenue side of the budget from user fees and the 1/3 grant for applicable landowners. Mr. Davis commented that the CWWF grant approval was still pending. Mr. Davis explained that the expenses were derived from a 5 year average for operations and maintenance. Mr. Davis continued to work through line items; including equipment maintenance completed for engine issues and maintenance completed this winter; he stated that the remainder of the budgeted amount was to send an additional clutch away for service. Mr. Davis commented that consultants design work for the fuel and exhaust system compliance were additional fees on top of money asked for in the CWWF grant. He then summarized the work to be completed through the project.

Councillor Malloch stated concern over what neighbouring communities were putting into pump houses and continuing to put additional funds into further regulation updates. Mr. Davis stated that there was a 10 year life expectancy for inspections and compliance under TSSA and that not completing the compliance updates the township would run the risk of having tanks tagged and put out of operations.

Curry Marsh-Kyle Davis

Mr. Davis commented that SCF funding to replace the south pump was a wise decision and it that has been operating better than expected and reduced operating time. He then commented on the electric pump and that it had not been fully installed and running as of yet, he continued to outline repairs already completed on the electric pump and a plan moving forward for further inspection. Mr. Davis commented on the winter bubbler upgrades under capital and electric pump.

7.) Environmental Services Manager, Kyle Davis (Transfer Station)

Mr. Davis commented that there had been an increase in fee collection and that bulk load is the busiest mover and revenue is slightly offsetting the cost of bin removal. Discussion ensued about depositing concrete at the transfer station and alternative use of clean concrete. Mr. Davis stated that anything deposited at the Transfer Station had to stay within the waste stream. Discussion ensued about rate changes for bulk waste. Mr. Davis moved on to discuss tonnage fees for removal of waste off the Island.

He stated that under Building and Lot Maintenance he had included fees to apply to ERCA for berm repair and muskrat remediation.

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Councillor Malloch asked about looking into the costs of purchasing trucks and removing waste off the Island ourselves. Councillor Moritz asked about looking into electronic waste programs.

Mr. Davis discussed capital requests including concrete pads under the construction and demolition bins and under the tires and white good bins. He then commented on a crusher and bailer in order to crush and bail aluminium to assist in recouping costs. He commented that a small bailer would be needed and additional small bins to further separate aluminium.

8.) Parks & Facilities Manager, Nick Goulden
a. Parks & Facilities

Councillor Wiper commented that the Pheasant Farm was looking into purchasing a mower and asked if the farm could make use of the John Deere. Mr. Goulden stated that he did not see an issue with that and suggested that the bobcat be traded in to get second zero turn mower to save time in mowing. Councillor Malloch asked about the Building and Lot Maintenance amount and what is was comprised of. Mr. Goulden stated that he did not know what was budgeted for in that category. The Treasurer commented that part of it was for a new roof on the gazebo, she commented that she would look into the items budgeted for by the Parks Manager and provide it to Council.

Mr. Goulden commented on capital items including a Zero Turn mower. The Treasurer commented that the cemetery building roof and siding was also included. She also commented on the repairs of the Cowie Building doors and Council asked for a cost breakdown for the repairs.

Deputy Mayor DeLellis commented on building up some of the sites to make them more useable and discussed using some of the excess topsoil from road work to be placed as fill to easterly sites. Deputy Mayor DeLellis asked if Mr. Goulden could do the repairs to the sites. The CAO/Clerk commented that the mulch at the Transfer Station could also be used to repair and build up sites. Councillor Wiper suggested that Mr. Goulden speak to the Drainage Superintendent about the drainage issues in that section of the Campground. Deputy Mayor DeLellis addressed the safety concerns over the fallen and dead trees and suggested that a schedule be made on what needs to be completed and a timeline for completion.

b. Airport

The Treasurer commented on the landing fees collected from Griffings and OSTC. Councillor Malloch asked about the building and lot maintenance for the airport building and brushing on the drains on the side of runways to improve site lines.

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Councillor Wiper asked about the runway light replacement; Mr. Goulden responded that the quote from five years ago was for \$25,000 under capital. Councillor Wiper commented that these lights were used for guiding in planes during foggy weather, assisting with winter flights. Councillor Moritz asked about increasing landing fees for Griffings. The CAO/Clerk commented that she would look into this. Deputy Mayor DeLellis asked if Mr. Goulden had the information on costs and plans for airport building updates, Mr. Goulden responded that he did not.

9.) Vol. Fire Department Kevin Long

Mr. Long has been working with the Pelee Island Fire Department for the last three years and outlined his training experience. His main concern is with equipment. He noted that pagers had been updated with a new base station at the office. He confirmed that two weeks ago the Island was switched over to a digital system in order to reduce interruptions and improve connection. He noted that some of the bunker gear was replaced while some is out of date. The standard is that this equipment last for 10 years. The department's plan is to phase in the purchase of new gear and supplement with donated gear that is still valid. The breathing apparatus are being certified. Mr. Long has been in negotiations for a new truck since December. Negotiations are now in the hands of the CAOs of Pelee and Essex. It is hoped that there is potential for the truck to be donated or that they can use the fire department reserve to fund the purchase. The old pumper is now out of service; not safe for use. There is a need to increase the number of D-Z drivers. He is trying to get certified drivers fast tracked prior to July when the process changes. The Deputy Mayor asked Mr. Long to come back to a regular council meeting to discuss the course of progress for the fire department.

10.) Treasurer & CAO/Clerk, Administrative & Other

The Treasurer noted that the 2017 operating budget was balanced with a very small surplus. She outlined the change in assessment by class due to the reassessment cycle. She stressed that in order to generate the same municipal tax revenue as in 2016 the municipal tax rate would need to increase by 1.38%. Discussion ensued about the effects of assessment reductions and the impact to tax rates in order to recover the same amount or revenue from taxation as the previous year. Additionally, an example of the impacts during the first year of a new assessment cycle was provided. The Treasurer explained how all assessment decreases have to be recognized in the first year of the cycle while assessment increases are phased in over the four years of the cycle.