

## Regular Council Agenda AGENDA

Tuesday, June 26, 2018, 7:00 pm  
Tecumseh Town Hall  
[www.tecumseh.ca](http://www.tecumseh.ca)

	<b>Pages</b>
1. Order	
2. Moment of Silence	
3. National Anthem	
4. Roll Call	
5. Disclosure of Pecuniary Interest	
6. Minutes	
a. Regular Council Meeting - May 22, 2018	4 - 11
7. Supplementary Agenda Adoption	
8. Delegations	
a. Dan Piescic, Director Public Works & Environmental Services Retirement	
b. Judy Wellwood-Robson	
Re: Senior of the Year Award Recipient	
c. Cynthia Swift, CPA, KPMG	12 - 70
Re: 2017 Draft Audited Financial Statements	
d. Joe Barile, General Manager, Essex Powerlines Corporation	
Re: In-House Water Billing	
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9. Communications - For Information	
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Re: Town of Lakeshore's resolution for federal investment in storm water management and drainage improvement instructure	
b. CN Rail dated May 30, 2018	75 - 77
Re: Annual Vegetation Management Program	
c. Alcohol and Gaming Commission of Ontario dated June 5, 2018	78 - 81
Re: Notice of Extension of Hours for the 2018 FIFA World Cup	
d. Town of Essex dated June 6, 2018	82 - 85
Re: Lakeshore Resolution on Demolition of All Buildings Containing Hazardous Materials	
e. City of Windsor dated June 14, 2018	86 - 86
Re: 2018 Homeownership Downpayment Assistance Release Program	

## 10. Communications - Action Required

- a. National Airlines Council of Canada dated June 14, 2018 87 - 92  
Re: Cross-country consultations on air passenger rights and the aviation ecosystem  
**Recommendation:**  
**That** a letter be sent to the Canadian Transportation Agency and the Minister of Transport advocating for an approach to passenger rights that recognizes the complexity of the aviation system and Canada's unique operating environment, **be supported**.
- b. Town of Amherstburg dated June 18, 2018 93 - 94  
Re: Cannabis Grace Period Request  
**Recommendation:**  
**That** the resolution from the Town of Amherstburg supporting the resolution from the City of Quinte West's requesting that a 6 month grace period be enacted once the cannabis legislation passes to ensure that municipal law enforcement officers and the OPP are adequately trained to enforce the legislation, **be supported**.

## 11. Committee Minutes

- a. Cultural and Arts Advisory Committee - April 16, 2018 95 - 97
- b. Town of Tecumseh Business Improvement Area - March 14, 2018, April 11, 2018 and May 9, 2018 98 - 112
- c. Youth Advisory Committee - May 28, 2018 113 - 115

## 12. Reports

- a. Financial Services
1. FS-2018-03 2017 Annual Report on Investment and Cash Management 116 - 122
  2. FS-2018-04 Water Sanitary In-House Billing 123 - 137
  3. FS-2018-07 2017 Year-End Budget Variance Report 138 - 151
  4. FS-2018-08 2017 Development Charge Reserve Fund Statement 152 - 160
- b. Parks & Recreation Services
1. PRS-2018-16 Energy Conservation and Demand Management Annual Update 161 - 170
  2. PRS-2018-17 Pathway to Potential 2018 Funding Agreement 171 - 199
- c. Planning & Building Services
1. PBS-2018-19, CIP Grant Funding, 12357 Tecumseh Road 200 - 210
  2. PBS-2018-20 2017 Year End By-law Enforcement Report 211 - 215
  3. PBS-2018-21, D11 1675MAN, Site Plan Control, 1675 Manning 216 - 248
- d. Public Works & Environmental Services
1. PWES-2018-15 OCWA Service Agreements 249 - 292

2.	PWES-2018-17 Flood Mitigation Strategy	293 - 305
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15.	New Business	
16.	Motions	
	a. In-Camera Meeting	
	b. Confirmatory By-law 2018-44	308 - 308
17.	Notices of Motion	
18.	Next Meeting	
	Tuesday, July 10, 2018	
	7:00 pm Regular Meeting of Council	
19.	Adjournment	

Minutes of a Regular Meeting of  
The Council of the Town of Tecumseh

Tecumseh Council meets in regular public session on Tuesday, May 22, 2018, in the Council Chambers, 917 Lesperance Road, Tecumseh, Ontario at 7:00 pm.

**1. Order**

The Mayor calls the meeting to order at 7:00 pm.

**2. Moment of Silence**

The Members of Council and Administration observe a moment of silence.

**3. National Anthem**

The Members of Council and Administration observe the National Anthem of O Canada.

**4. Roll Call**

Present:

Mayor

Deputy Mayor

Councillor

Councillor

Councillor

Councillor

Gary McNamara

Joe Bachetti

Bill Altenhof

Brian Houston

Tania Jobin

Rita Ossington

Absent:

Councillor

Andrew Dowie

Also Present:

Chief Administrative Officer

Director Corporate Services & Clerk

Director Parks & Recreation Services

Director Information & Communication Services

Director Financial Services & Treasurer

Director Planning & Building Services

Director Fire Services & Fire Chief

Deputy Clerk & Manager Legislative Services

Public Works & Environmental Services

Manager Planning Services

Manager Roads & Fleet

Manager Strategic Initiatives

Tony Haddad

Laura Moy

Paul Anthony

Shaun Fuerth

Luc Gagnon

Brian Hillman

Doug Pitre

Jennifer Alexander

Phil Bartnik

Chad Jeffery

Kirby McArdle

Lesley Racicot

**5. Disclosure of Pecuniary Interest**

There is no pecuniary interest declared by a Member of Council.



**6. Minutes****Motion: RCM - 162/18**

Moved by Councillor Rita Ossington  
Seconded by Deputy Mayor Joe Bachetti

**That** the minutes of the May 8, 2018 Regular Meeting of Council, as were duplicated and delivered to the members, and the minutes of the April 24, 2018 Public Meeting of Council, as amended on page 4 to correct St. Andrew to St. André, are adopted.

Carried

**7. Supplementary Agenda Adoption**

There are no supplementary agenda items.

**8. Delegations****a. Gloria McKibbin, The Royal Canadian Legion Col. Paul Poisson Branch 261 - Ladies Auxiliary**

The Mayor and Members of Council extend congratulations to the Legion's Ladies Auxiliary on their 80th Anniversary and Gloria McKibbin on being named Legionnaire of the Year.

**b. Tracy Pringle, Municipal Property Assessment Corporation (MPAC)**

Tracy Pringle, provides a summary report on the Town's 2017 Assessment and updates on behalf of MPAC.

**9. Communications - For Information****a. Township of Selwyn - dated April 30, 2018**

Re: Hockey Season Re-Alignment

**b. Town of Lakeshore Notice of Public Meeting - dated May 3, 2018**

Re: Purpose of Proposed Amendment 36, 38, 40 and 42 E. Pike Creek Road

**c. Minister of Infrastructure - dated May 4, 2018**

Re: Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure

**d. Letter from Canada Post - dated May 8, 2018**

Re: Municipal Identifier

**e. Town of Oakville - dated May 11, 2018**

Re: CN Intermodal Update

**Motion: RCM - 163/18**

Moved by Councillor Bill Altenhof  
Seconded by Councillor Rita Ossington

**That** Communications - For Information A through E as listed on the Tuesday, May 22, 2018 Regular Council Agenda are received.

Carried

**10. Communications - Action Required****a. Association of Municipalities of Ontario (AMO) - dated April 23, 2018**

RE: 2018-2020 AMO Board of Directors-Call for Nominations.

**Motion: RCM - 164/18**

Moved by Deputy Mayor Joe Bachetti  
Seconded by Councillor Bill Altenhof

**That** the nomination of Mayor Gary McNamara for the vacant position of Director, County Caucus on the 2018 – 2020 AMO Board of Directors, subject to the annual Budget, be supported.

Carried

**b. The Town of Tecumseh Business Improvement Area - dated May 16, 2018**

Re: Night Market

**Motion: RCM - 165/18**

Moved by Councillor Bill Altenhof  
Seconded by Councillor Tania Jobin

**That** the Town of Tecumseh Business Improvement Area be granted an exemption from the Town's Noise By-law No. 2002-07 as amended, on Friday, June 22<sup>nd</sup> at Green Valley Plaza from 5:00 to 10:00 pm; and on Friday, July 20<sup>th</sup> at the Tecumseh Towne Centre Plaza from 5:00 to 10:00 pm; to host the Night Market;

**And that** OPP be informed of this exemption from Noise By-law.

Carried

**11. Committee Minutes**

There are no Committee Minutes presented to Council.

**12. Reports****a. Corporate Services & Clerk****1. CS-2018-06 Records Retention By-law****Motion: RCM 166/18**

Moved by Deputy Mayor Joe Bachetti  
Seconded by Councillor Tania Jobin

**That** CS-2018-06 Records Retention By-law report be received;

**And that** By-law No. 2018-39 being a by-law to establish a new classification and retention schedule for Corporate Records and Temporary Records for The Corporation of the Town of Tecumseh and to repeal By-Law No. 2003-62, be adopted.

Carried

**b. Planning & Building Services****1. PBS-2018-17 CIP Grant Funding, 12214 Tecumseh Rd., Building Permit Fee Grant**

2. PBS-2018-18 CIP Grant Funding, 1071 Lesperance Road

**Motion: RCM - 167/18**

Moved by Councillor Rita Ossington  
Seconded by Councillor Brian Houston

**That** the Grant Application for the Tecumseh Road Main Street Community Improvement Plan Financial Incentive Program, for the property located at 12214 Tecumseh Road (Roll No. 3744060000001700), be approved and deemed eligible for the following Financial Incentive(s) in accordance with Section 11.3 (5):

Planning Application and Permit Fee Grant, for a total amount of \$600.00 toward the building permit fee cost associated with the above-noted property; all of which is in accordance with the Tecumseh Road Main Street Community Improvement Plan and PBS-2018-17.

**And that** the Grant Application for the Tecumseh Road Main Street Community Improvement Plan Financial Incentive Program, for the property located at 1071 Lesperance Road (Roll No. 3744060000005100), be approved and deemed eligible for the following Financial Incentive(s) in accordance with Section 11.3 (5):

Building Façade Improvement Grant, for a total amount of \$15,000.00 towards the building façade improvements to the existing building;

Residential Grant Program, for a total amount of \$40,000 towards the costs associated with the rehabilitation and construction on the existing second floor residential unit and the conversion of the unit into two separate residential units; and

Development Charges Grant Program, for a total amount of \$5,416 being the development charge rate for the newly proposed one-bedroom residential unit on the second floor; all of which is in accordance with the Tecumseh Road Main Street Community Improvement Plan and PBS-2018-18.

Carried

**c. Public Works & Environmental Services**

1. PWES-2018-14 Bike Lanes on Lesperance Road

**Motion: RCM - 168/18**

Moved by Deputy Mayor Joe Bachetti  
Seconded by Councillor Brian Houston

**That** Report PWES-2018-14 Lesperance Road Bike Lane Pavement Markings be received;

**And that** a Public Information Centre on Lesperance Road Bike Lane Pavement Markings be held as soon as possible to gather public input on the project.

Carried

**2. PWES-2018-16 2018 Asphalt Tender Award****Motion: RCM - 169/18**

Moved by Councillor Bill Altenhof  
Seconded by Councillor Brian Houston

**That** the tender from Coco Paving Inc. in the amount of \$ 1,325,140 plus HST, for the 2018 Asphalt Paving Tender, be approved;

**And that** the Mayor and Clerk be authorized to enter into a contract for the services with Coco Paving Inc.

Carried

**13. By-Laws****Motion: RCM - 170/18**

Moved by Councillor Rita Ossington  
Seconded by Deputy Mayor Joe Bachetti

**That** By-law No. 2018-38 being a by-law to amend By-law No. 2003-58, being a by-law to prohibit parking on private property without the consent of the owner or occupant and to provide for the towing away of motor vehicles thereon;

**And that** By-law No. 2018-39 being a by-law to adopt a new Records Retention By-law; and to establish a new classification and retention schedule for corporate records for the Corporation of the Town of Tecumseh, and to repeal by-law no. 2003-62;

**And that** By-law No. 2018-40 being a by-law to authorize the execution of an Agreement between The Corporation of the Town of Tecumseh and the Optimist Club of St. Clair Beach;

**And that** By-law No. 2018-41 being a by-law to authorize the execution of an Agreement with Her Majesty the Queen in Right of Ontario as represented by the Minister of Community Safety and Correctional Services (Ministry) and The Corporation of the Town of Tecumseh and The Town of Tecumseh Police Services Board (Board);

**And that** By-law No. 2018-44 being a by-law to authorize the execution of an Agreement with Her Majesty the Queen in Right of Ontario as represented by the Minister of Community Safety and Correctional Services (Ministry) and The Corporation of the Town of Tecumseh and The Town of Tecumseh Police Services Board (Board).

Be given first and second reading.

Carried

**Motion: RCM - 171/18**

Moved by Councillor Rita Ossington  
 Seconded by Councillor Bill Altenhof

**That** By-law No. 2018-38 being a by-law to amend By-law No. 2003-58, being a by-law to prohibit parking on private property without the consent of the owner or occupant and to provide for the towing away of motor vehicles thereon;

**And that** By-law No. 2018-39 being a by-law to adopt a new Records Retention By-law; and to establish a new classification and retention schedule for corporate records for the Corporation of the Town of Tecumseh, and to repeal by-law no. 2003-62;

**And that** By-law No.2018-40 being a by-law to authorize the execution of an Agreement between The Corporation of the Town of Tecumseh and the Optimist Club of St. Clair Beach;

**And that** By-law No.2018-41 being a by-law to authorize the execution of an Agreement with Her Majesty the Queen in Right of Ontario as represented by the Minister of Community Safety and Correctional Services (Ministry) and The Corporation of the Town of Tecumseh and The Town of Tecumseh Police Services Board (Board);

**And that** By-law No.2018-44 being a by-law to authorize the execution of an Agreement with Her Majesty the Queen in Right of Ontario as represented by the Minister of Community Safety and Correctional Services (Ministry) and The Corporation of the Town of Tecumseh and The Town of Tecumseh Police Services Board (Board).

Be given third and final reading.

Carried

**14. Unfinished Business**

The Members receive the Unfinished Business listing for Tuesday, May 22, 2018.

**15. New Business****Property Standards**

A Member requests Administration to harmonize by-laws in relation to the storage and parking of disconnected trailers in residential areas throughout the Town.

**Community Policing Committee**

The Tecumseh Community Policing Committee will be hosting an information workshop for parents of students in grades 6 to 12 on May 23, 2018, from 6:00 to 8:00 pm, at l'Essor High School regarding the Understanding of the Changing Culture of Marijuana and the Opioid Crisis.

**Speeding on Riverside Dr.**

A member raises concern with vehicles speeding on Riverside Drive. The speed monitoring system is set-up and collecting data for review. He notes that the purpose of these monitoring devices is to act as a speed calming entity by informing drivers through flashing number signals their rate of speed. He remarks that there are discrepancies with the data collected, as it does not reflect normal driver behaviour reported by the residents when the monitoring system is not in place. A suggestion is made for Administration to inquire a covert monitoring system as a comparator and to determine if there are any discrepancies with the results.

A Member recommends that Administration review the current Police Service levels to address resident concerns on enforcement of driver behaviour and vehicles speeding in residential areas.

It is noted that speeding is not unique to any one area of the Town and that there may be more youth on the road when the school year is over.

### **Canada Post**

A member recommends that the Canada Post letter dated May 11, 2018, requesting that Tecumseh be used as a municipal identifier be circulated to the County, and to raise awareness with surrounding municipalities that the Windsor Essex area is under review if they are interested in participating.

### **Work on Roads by County**

Discussion is held on the notification by the County to Town Administration when roadwork is occurring in the Town and to provide notification to affected area residents. Traffic detour routes for roadwork must be considered especially with improvements to County Road 42. There are a number of residents that need to cross County Road 42 to access area schools and parks, etc. and pedestrians need to cross safely.

### **Parks Master Plan Update**

The Director Parks & Recreation Services advises on the upcoming Public Information Centre (PIC) on Monday, May 28, at the arena from 3:00 to 7:00pm and again on May 30, 3:00 to 7:00 pm at the Maidstone Recreation Centre. Individual meetings will be held with Council Members, as well as one on one meetings with the user groups.

### **Lacasse Park Playground**

The Director Parks & Recreation Services advises that the new Lacasse Playground equipment is being delivered and is expected to be installed later this week. The floor will be poured once the equipment is in place.

### **St. Mary's Splash Pad**

The Director Parks & Recreation Services provides an update on the installation progress of the Splash Pad at St. Mary's and indicates it will be operational by June 1. Grand opening details to come.

### **Stormwater Master Plan**

In response to a query, the Manager Engineering Services advises of works to date and pending open houses in early July regarding the Stormwater Master Plan.

## **16. Motions**

### **a. In-Camera Meeting**

#### **Motion: RCM - 172/18**

Moved by                      Councillor Brian Houston  
Seconded by                Deputy Mayor Joe Bachetti

**That** the direction given to Legal Counsel at the May 22, 2018 Closed Meeting of Council held at 6:00 pm in accordance with Section 239(2)(e)(f) which permits a meeting, or part of a meeting of council, to convene in closed session when the subject matter to be considered is advice that is subject to solicitor-client privilege, and/or litigation; regarding the lottery fee litigation be confirmed.

Carried

**b. Confirmatory By-law**

**That** By-Law 2018-43 being a by-law to confirm the proceedings of the Tuesday, May 22, 2018, regular meeting of the Council of The Corporation of the Town of Tecumseh be given first, second, third and final reading

Carried

**Motion: RCM - 173/18**

Moved by Deputy Mayor Joe Bachetti  
Seconded by Councillor Brian Houston

**That** By-Law 2018-43 being a by-law to confirm the proceedings of the Tuesday, May 22, 2018, regular meeting of the Council of The Corporation of the Town of Tecumseh be given first, second, third and final reading.

Carried

**17. Notices of Motion****18. Next Meeting**

The next Regular Council meeting will be held at 7:00 pm on Tuesday, June 26, 2018.

A closed meeting will also be held on June 26 at 6:00 pm.

**19. Adjournment****Motion: RCM - 174/18**

Moved by Councillor Tania Jobin  
Seconded by Councillor Brian Houston

**That** there being no further business, the Tuesday, May 22, 2018 meeting of Regular Council now adjourn at 7:57 pm.

Carried

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Gary McNamara, Mayor

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Laura Moy, Clerk

Consolidated Financial Statements of

**THE CORPORATION OF THE  
TOWN OF TECUMSEH**

Year ended December 31, 2017

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# THE CORPORATION OF THE TOWN OF TECUMSEH

## Consolidated Financial Statements

Year ended December 31, 2017

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## **Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of The Corporation of the Town of Tecumseh (the "Town") are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Management meets with the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Town. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

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## INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Town of Tecumseh

We have audited the accompanying consolidated financial statements of The Corporation of the Town of Tecumseh, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Corporation of the Town of Tecumseh as at December 31, 2017, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants, Licensed Public Accountants

Date of approval

Windsor, Canada

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# THE CORPORATION OF THE TOWN OF TECUMSEH

## Consolidated Statement of Financial Position

December 31, 2017, with comparative information for 2016

	2017	2016
<b>Financial assets</b>		
Cash and cash equivalents	\$ 32,927,479	\$ 28,588,182
Taxes receivable	2,043,548	2,260,072
Accounts receivable	1,646,800	1,644,429
Other	-	216
Promissory note receivable - government business enterprise (note 2)	1,544,408	1,544,408
Due from government business enterprise (note 2)	1,650,333	1,583,629
Accounts receivable - long term (note 3)	788,949	817,045
Investment - government business enterprise (note 4)	10,459,362	10,120,362
Investment - portfolio	1,000,000	400,000
	<b>\$ 52,060,879</b>	<b>\$ 46,958,343</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 3,742,158	\$ 3,661,347
Other current liabilities	3,312,588	2,384,483
Deferred revenue (note 5)	1,141,364	845,673
Employee future benefits payable (note 6)	10,193,131	9,287,461
Landfill post-closure liability (note 7)	606,908	598,654
Municipal debt (note 8)	18,071,912	19,975,762
	<b>37,068,061</b>	<b>36,753,380</b>
Net financial assets	14,992,818	10,204,963
<b>Non-financial assets</b>		
Tangible capital assets (schedule 1)	227,775,666	225,898,326
Inventories of supplies	170,574	77,813
Prepaid expenses	29,184	88,963
	<b>227,975,424</b>	<b>226,065,102</b>
Accumulated surplus (note 9)	<b>\$ 242,968,242</b>	<b>\$ 236,270,065</b>

Contingent liabilities (note 10)  
Contractual obligations (note 11)

See accompanying notes to consolidated financial statements.

Approved on behalf of Council:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Treasurer

# THE CORPORATION OF THE TOWN OF TECUMSEH

## Consolidated Statement of Operations and Accumulated Surplus

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget (note 14)	2017 Actual	2016 Actual
<b>Revenues:</b>			
Property taxes	\$ 21,940,212	\$ 22,153,294	\$ 21,207,679
Government transfers	3,677,897	2,931,412	2,730,495
User charges	11,689,893	11,752,247	11,924,551
Capital contributions	3,014,700	2,004,578	1,351,836
Investment income	638,900	811,577	711,807
Penalties and interest on property taxes	395,000	365,355	394,809
Income from government business enterprise (note 4)	738,975	772,352	963,660
Loss on disposal of tangible capital assets	(357,254)	(190,317)	(355,763)
Other	8,000	28,773	67,582
	<b>41,746,323</b>	<b>40,629,271</b>	<b>38,996,656</b>
<b>Expenses:</b>			
General government	4,439,947	4,201,953	4,219,070
Protection to persons and property	5,958,298	5,804,958	6,348,932
Transportation	7,636,607	6,293,797	7,299,032
Environmental	12,349,917	10,706,540	10,464,863
Social and family	44,564	51,531	51,100
Recreational and cultural	6,328,708	5,036,495	4,866,244
Planning and development	1,447,845	1,835,820	1,815,334
	<b>38,205,886</b>	<b>33,931,094</b>	<b>35,064,575</b>
Annual surplus	3,540,437	6,698,177	3,932,081
Accumulated surplus, beginning of year	237,102,953	236,270,065	232,337,984
Accumulated surplus, end of year	\$ 240,643,390	\$ 242,968,242	\$ 236,270,065

See accompanying notes to consolidated financial statements.

# THE CORPORATION OF THE TOWN OF TECUMSEH

## Consolidated Statement of Changes in Net Financial Assets

Year ended December 31, 2017, with comparative information for 2016

	2017 Budget (note 14)	2017 Actual	2016 Actual
Annual surplus	\$ 3,540,437	\$ 6,698,177	\$ 3,932,081
Acquisition of tangible capital assets	(7,313,550)	(6,405,814)	(8,432,082)
Change in tangible capital assets	(5,639,900)	(2,718,025)	(74,808)
Amortization of tangible capital assets	7,011,796	6,998,544	6,875,558
Loss on disposal of tangible capital assets	357,254	190,317	355,762
Proceeds from sale of tangible capital assets	-	57,638	73,365
	(5,584,400)	(1,877,340)	(1,202,205)
Net change in inventories of supplies	-	(92,761)	71,054
Net change in prepaid expense	-	59,779	(62,841)
	-	(32,982)	8,213
Change in net financial assets	(2,043,963)	4,787,855	2,738,089
Net financial assets, beginning of year	6,747,535	10,204,963	7,466,874
Net financial assets, end of year	\$ 4,703,572	\$ 14,992,818	\$ 10,204,963

See accompanying notes to consolidated financial statements.

# THE CORPORATION OF THE TOWN OF TECUMSEH

## Consolidated Statement of Cash Flows

Year ended December 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 6,698,177	\$ 3,932,081
Items not involving cash:		
Amortization	6,998,544	6,875,558
Income from government business enterprise	(772,352)	(963,660)
Loss on disposal of tangible capital assets	190,317	355,762
Change in non-cash operating working capital:		
Financial assets	147,665	1,063,324
Liabilities	2,218,531	386,611
Non-financial assets	(32,982)	8,213
Cash provided from operating transactions	15,447,900	11,657,889
Capital:		
Acquisition of tangible capital assets	(6,405,814)	(8,432,082)
Change in tangible capital assets	(2,718,025)	(74,808)
Proceeds on sale of tangible capital assets	57,638	73,365
Cash used in capital transactions	(9,066,201)	(8,433,525)
Investing:		
Accounts receivable - long-term - new	(300,416)	(388,993)
Accounts receivable - long-term - repayment	328,512	211,522
Investment portfolio purchases	(600,000)	(400,000)
Dividends from government business enterprise	433,352	420,660
Cash used in investing activities	(138,552)	(156,811)
Financing:		
Proceeds from issuance of municipal debt	196,800	267,100
Municipal debt principal repayment	(2,100,650)	(2,331,949)
Cash used in financing activities	(1,903,850)	(2,064,849)
Change in cash and cash equivalents	4,339,297	1,002,704
Cash and cash equivalents, beginning of year	28,588,182	27,585,478
Cash and cash equivalents, end of year	\$ 32,927,479	\$ 28,588,182

See accompanying notes to consolidated financial statements.



# THE CORPORATION OF THE TOWN OF TECUMSEH

## Notes to Consolidated Financial Statements

Year ended December 31, 2017

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The Corporation of the Town of Tecumseh was formed on January 1, 1999, by the amalgamation of the former municipalities of the Village of St. Clair Beach, the Town of Tecumseh and the Township of Sandwich South.

### 1. Significant accounting policies:

The consolidated financial statements of The Corporation of the Town of Tecumseh (the "Municipality") are the responsibility of management. They have been prepared in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants Canada. The Corporation of the Town of Tecumseh is a municipality in the Province of Ontario and operates under the provisions of the Community Charter. The Municipality provides municipal services such as fire, policing, roads, water, wastewater, planning, parks, recreation and other general government services.

The focus of PSAB consolidated financial statements is on the financial position of the Municipality and the changes thereto. The Consolidated Statement of Financial Position includes all the assets and liabilities of the Municipality. Financial assets are those which provide resources to discharge existing liabilities or finance future operations. Municipal position represents the financial position and is the difference between assets and liabilities. This provides information about the Municipality's overall future revenue requirements and its ability to finance activities and meet its obligations.

#### (a) Basis of consolidation:

##### (i) Consolidated entities:

The consolidated financial statement reflect the financial assets, liabilities, revenue and expenses of all municipal organizations, committees and Boards which are owned or controlled by the Municipality. The following entities have been consolidated:

Tecumseh Business Improvement Area Board  
Tecumseh Police Services Board

All inter-entity transactions and balances have been eliminated.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 1. Significant accounting policies (continued):

### (a) Basis of consolidation (continued):

#### (ii) Non-consolidated entity:

The investment in Essex Power Corporation ("EPC") is accounted for using the modified equity basis of accounting. Under this method, the government business enterprise's accounting policies, which follow International Financial Reporting Standards ("IFRS"), are not adjusted to conform with Public Sector Accounting Standards. Inter-entity transactions and balances are not eliminated.

The Municipality recognizes its equity interest in the annual income or loss of EPC in its Consolidated Statement of Operations with a corresponding increase or decrease in its' investment account. Any dividends that the Municipality receives from EPC are reflected as reductions in the investment account.

#### (iii) Accounting for County of Essex and School Board transactions:

Taxation and other revenues with respect to the operations of the County of Essex (the "County") and School Boards are not reflected in the Consolidated Statement of Operations. In addition, the revenues, expenses, assets and liabilities with respect to the operations of the County and School Boards are not reflected in these consolidated financial statements except to the extent that any amounts due to or from are reported on the Consolidated Statement of Financial Position in "accounts receivable" or "accounts payable".

#### (iv) Trust funds:

Trust funds and their related operations that are administered by the Municipality are not consolidated.

#### (v) Municipal debt:

The charges for municipal debt assumed by non-consolidated entities or by individuals, in the case of tile drainage and shoreline property assistance loans, are not reflected in these consolidated financial statements.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 1. Significant accounting policies (continued):

### (b) Basis of accounting:

#### (i) Accrual basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues, as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### (ii) Cash and cash equivalents:

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

#### (iii) Portfolio investments:

Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

#### (iv) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They generally have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

#### (v) Accounts receivable – long term:

Interest is recognized as income in the year that it is earned.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 1. Significant accounting policies (continued):

### (b) Basis of accounting (continued):

#### (vi) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Rate
Land improvements	20 – 50 years
Buildings	20 – 50 years
Leasehold improvements	15 – 50 years
Equipment / vehicles	3 – 40 years
Computer	4 – 12 years
Furniture and fixtures	10 years
Linear assets – roads	20 – 50 years
Linear assets – water	20 – 80 years
Linear assets – wastewater	65 years
Linear assets – stormwater	65 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use at which time they are capitalized.

The Municipality has a capitalization threshold of \$5,000 to \$10,000, so that individual tangible capital assets of lesser value are expensed, unless they are pooled because, collectively, they have greater than \$100,000 value, or for operational reasons. Examples of pools are desktop computer systems, furniture and fixtures, sidewalks and water meters.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 1. Significant accounting policies (continued):

### (b) Basis of accounting (continued):

#### (vii) Contribution of tangible capital assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

#### (viii) Leased assets:

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the Municipality, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

#### (ix) Inventories:

Inventories held for consumption are recorded at the lower of cost and replacement cost.

#### (x) Taxation and related revenue:

Taxes are recognized as revenue in the year they are levied. Property tax billings are prepared by the Municipality based on assessment rolls issued by the Municipal Property Assessment Corporation ("MPAC"). Tax rates are established annually by Municipal Council, incorporating amounts to be raised for local services, the requisition made by the County in respect of County services and amounts the Municipality is required to collect on behalf of the Province of Ontario in respect of education taxes. A normal part of the assessment process is the issuance of supplementary assessment rolls, which provide updated information with respect to changes in property assessment. Once a supplementary assessment roll is received, the Municipality determines the taxes applicable and renders supplementary tax billings. Taxation revenue is recorded at the time tax billings are issued. Assessments and the related property taxes are subject to appeal and write off for physical changes to the property. Tax adjustments as a result of appeals are recorded when the results of the appeal process are known. The Municipality is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 1. Significant accounting policies (continued):

### (b) Basis of accounting (continued):

#### (x) Taxation and related revenue (continued):

Government transfers without eligibility criteria or stipulations are recognized as revenue when the transfer is authorized. Government transfers with eligibility criteria but without stipulations are recognized as revenue when the transfer is authorized and all eligibility criteria have been met. Government transfers with or without eligibility criteria but with stipulations are recognized as revenue in the period the transfer is authorized, except when and to the extent that the transfer gives rise to an obligation that meets the definition of a liability.

Sanitary sewer and water operations are funded by various revenues including frontage, connection and usage charges. Charges for sewer and water usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

#### (xi) Deferred revenue:

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the Consolidated Statement of Financial Position. Government transfers of gas taxes, development charges collected under the Development Charges Act, 1997 and parkland contributions collected under the Planning Act are reported as deferred revenue in the Consolidated Statement of Financial Position. The revenue is recognized in the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

#### (xii) Retirement benefits and other employee benefit plans:

The Municipality accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 1. Significant accounting policies (continued):

### (b) Basis of accounting (continued):

#### (xii) Retirement benefits and other employee benefit plans (continued):

Employee benefits include vacation entitlement, sick leave benefits and certain post-employment benefits. Vacation entitlements are accrued as entitlements are earned. Sick leave benefits and other post-employment benefits that accumulate over the period of service provided by employees are subject to actuarial valuations and are accrued in accordance with the projected benefit method, prorated on service and management's best estimate of salary escalation and retirement ages of employees, inflation rates, investment returns, wage and salary escalation, insurance and health care cost trends, employee turnover and discount rates. Actuarial gains and losses are amortized on a straight-line basis over the expected average remaining service life of the employee group.

#### (xiii) Use of estimates:

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include valuation allowances for receivables, certain accrued liabilities and obligations related to employee future benefits and the landfill post closure liability, the carrying value of tangible capital assets and the evaluation of contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 2. Government business enterprise:

	2017	2016
Note receivable from EPC (note 4), Long-term interest rate of 4.00%, repayable up to 20% of the original balance of \$1,544,408 in each year. The Municipality can request payment in full upon a years notice subject to EPC's ability to make such payment. Term is from January 1, 2013 to December 31, 2017. The Municipality can defer any payment to a subsequent year.	\$ 1,544,408	\$ 1,544,408
Amount due from EPC relates to water and sewer billings collected by EPC on behalf of the Municipality under an ongoing agreement.	1,650,333	1,583,629



# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 3. Accounts receivable – long term:

Accounts receivable – long term consists of the following:

	2017	2016
Debentures	\$ 521,160	\$ 547,252
Other	267,789	269,793
	<u>\$ 788,949</u>	<u>\$ 817,045</u>

### (a) Debentures:

These accounts receivable are owing from taxpayers and are related to amounts recoverable with regards to infrastructure work completed and paid for by the Municipality but for which the taxpayers are responsible. Due to the work performed being substantial and the related costs being significant, the Municipality provides taxpayers the option to pay when the work is completed or to provide payments over a term of five years. If the taxpayer could prove undue hardship, then the Municipality allows for a term of 10 years.

	2017	2016
Receivable over a five year term in annual instalments of \$57,510 at an interest rate of 2.91% and will mature January 2021	\$ 216,295	\$ 267,100
Receivable over a five year term in annual instalments of \$43,013 at an interest rate of 3.04% and will mature January 2022	196,762	-
Receivable over a 10 year term in annual instalments of \$24,310 at an interest rate of 4.04% and will mature January 2022	108,103	127,271
Receivable over a five year term in annual instalments of \$157,330 at an interest rate of 2.91% matured January 2017	-	152,881
	<u>\$ 521,160</u>	<u>\$ 547,252</u>

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 3. Accounts receivable – long term (continued):

(b) Other:

	2017	2016
Lacasse Park Scoreboard donation of \$20,000 repayable at \$4,000 per year	\$ 2,000	\$ 4,000
Municipal Drain receivable over a five year term in annual Installments of \$4,051 at an interest rate of 3.25% and will mature in 2019	7,723	11,403
Municipal Drain receivables over a five year term in annual Installments of \$26,352 at an interest rate of 3.10% and will mature in 2020	74,904	98,385
Municipal Drain receivable over a five year term in annual Installments of \$48,134 at an interest rate of 2.51% and will mature in 2021	65,838	105,010
Municipal Drain receivable over a five year term in annual Installments of \$14,901 at an interest rate of 3.45% and will mature in 2021	67,376	-
Municipal Drain receivable over a five year term in annual Installments of \$7,910 at an interest rate of 2.95% and will mature in 2021	36,277	-
Sanitary Sewer receivable over a five year term in annual Installments of \$3,635 at an interest rate of 2.51% and will mature in 2021	13,671	16,883
Share of Waterfront Park Improvements	-	34,112
	\$ 267,789	\$ 269,793

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 4. Investment – Government Business Enterprise:

- (a) Pursuant to the Energy Competition Act, the Municipality incorporated companies created for the purposes of generating, distributing and retailing electricity. The corporations include the former Utilities of the Towns of Amherstburg, Lasalle, Leamington and Tecumseh.

The Corporation of the Town of Tecumseh holds a 26.44% interest in Essex Power Corporation.

- (b) Investment balance at December 31, is comprised of the following:

	2017	2016
2,678,177 Class A voting common shares – EPC	\$ 2,678,177	\$ 2,678,177
2,289,242 Class B non-voting common shares – EPC	2,289,242	2,289,242
373,943 special shares, Class A non-voting – EPC	373,943	373,943
Share of accumulated earnings 26.44%	5,118,000	4,779,000
	<u>\$ 10,459,362</u>	<u>\$10,120,362</u>

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 4. Investment – Government Business Enterprise (continued):

(c) Supplementary financial information for EPC:

	(in thousands of dollars)	
	2017	2016
Current assets	\$ 3,477	\$ 3,359
Accounts receivable	8,966	9,920
Unbilled revenue	5,502	6,631
Other current assets	1,305	1,560
Property, plant and equipment	61,410	58,159
Intangible assets	6,595	6,265
Goodwill	1,623	1,769
Deferred assets	1,157	708
Deferred tax assets	136	1,069
Regulatory balances	40,155	39,824
<b>Total assets and regulatory balances</b>	<b>\$ 130,326</b>	<b>\$ 129,264</b>
Current liabilities	\$ 28,191	\$ 29,573
Long-term liabilities	19,970	18,265
Post-employment benefits	2,838	3,417
Deferred tax liabilities	3,344	2,975
Other non-current liabilities	84	353
<b>Total liabilities</b>	<b>54,427</b>	<b>54,583</b>
Share capital	19,667	19,667
Retained earnings	16,338	15,609
Accumulated other comprehensive income (loss)	1,329	823
<b>Total equity</b>	<b>37,334</b>	<b>36,099</b>
Regulatory balances	38,565	38,582
<b>Total liabilities, equity and regulatory balances</b>	<b>\$ 130,326</b>	<b>\$ 129,264</b>
Total revenues	\$ 87,886	\$ 93,743
Total expenses	(83,485)	(92,802)
Finance income (costs)	(1,013)	(922)
Income tax expense (recovery)	(1,110)	(1,159)
Net movement in regulatory balances, net of tax	348	4,325
Other comprehensive income	506	-
<b>Total comprehensive income for the year</b>	<b>\$ 3,132</b>	<b>\$ 3,185</b>
26.44% share of comprehensive income	\$ 828	\$ 842
26.44% share of Green Share Dividend	(16)	(16)
26.44% share of regulatory adjustments	(39)	138
<b>Income from government business enterprise</b>	<b>\$ 773</b>	<b>\$ 964</b>

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 5. Deferred revenue:

	2017 Opening balance	Contributions received	Externally restricted investments income	Revenue recognized	2017 Ending balance
Development charges	\$ 467,837	\$ 944,405	\$ 11,207	\$ (734,515)	\$ 688,934
Gas tax	-	-	7,714	(7,714)	-
Parkland development fees	377,836	65,545	9,049	-	452,430
	\$ 845,673	\$ 1,009,950	\$ 27,970	\$ (742,229)	\$ 1,141,364

## 6. Employee future benefits payable:

Employee future benefits payable consists of the following:

	2017	2016
Sick leave benefit plan (note 6 (b))	\$ 339,972	\$ 338,663
Health and dental (note 6 (c))	9,853,159	8,948,798
	\$ 10,193,131	\$ 9,287,461

### (a) Pension:

Certain employees of the Municipality are eligible to be members of the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer pension plan. The plan provides defined pension benefits to employees based on their length of credited service and rates of pay. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable the Municipality to account for the plan as a defined benefit plan. At December 31, 2017, the OMERS plan is in a deficit position. Contributions rates for 2017 were 9.0% (2016 – 9.0%) for employee earnings below the year's maximum pensionable earnings and 14.6% (2016 – 14.6%) thereafter. During the year ended December 31, 2017, the Municipality contributed \$598,380 (2016 – \$570,430) to the plan. These contributions are the Municipality's pension benefit expense. No pension liability for this type of plan is included in the Municipality's Consolidated Statement of Financial Position.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 6. Employee future benefits payable (continued):

### (b) Sick leave benefit plan:

The Municipality provides paid sick leave that can be carried forward up to a maximum of 65 days and employees may become entitled to a cash payment of one-half of the sick bank balance when they leave the Municipality's employment. The benefit costs and liabilities recorded in 2017 are based on an actuarial valuation prepared by an independent firm. The date of the last actuarial valuation was as of December 31, 2016, with extrapolation of the calculation to December 31, 2017. Information about the Municipality's sick leave benefit plan is as follows:

	2017	2016
Accrued benefit liability, January 1	\$ 338,663	\$ 323,415
Expense for the year:		
Current service cost	27,711	26,826
Interest	10,213	9,731
Amortization of actuarial losses (gains)	(2,933)	(9,276)
Benefits paid for the year	(33,682)	(12,033)
Accrued benefit liability, December 31	339,972	338,663
Unamortized actuarial gains	(34,899)	(40,063)
Obligation, December 31	\$ 305,073	\$ 298,600

The main actuarial assumptions employed for the valuations are as follows:

	2017	2016
Discount rate	3.15%	3.30%
Rate of compensation increase	3.00%	3.00%

A sick leave reserve has been established in the amount of \$339,983 (2016 - \$338,183).

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 6. Employee future benefits payable (continued):

### (c) Health and dental:

The Municipality pays certain benefits on behalf of its retired employees.

The Municipality provides life insurance, dental and health care benefits to certain employee groups after retirement until the members reach 65 years of age. In addition, the Municipality provides dental and health care benefits beyond age 65 until death for the union employees hired prior to March 31, 2010 and for management employees hired prior to January 9, 2007. The benefit costs and liabilities related to this plan are based on an actuarial valuation prepared by an independent firm. The date of the last actuarial valuation was as of December 31, 2016, with extrapolation of the calculation to December 31, 2017.

Information about the Municipality's health and dental plan is as follows:

	2017	2016
Accrued benefit liability, January 1	\$ 8,948,798	\$ 8,138,993
Expense for the year:		
Current service cost	620,299	570,051
Interest	364,150	330,637
Amortization of actuarial losses	34,206	10,736
Benefits paid for the year	(114,294)	(101,619)
Accrued benefit liability, December 31	9,853,159	8,948,798
Unamortized actuarial losses (gains)	245,266	(844,180)
Obligation, December 31	\$ 10,098,425	\$ 8,104,618

The main actuarial assumptions employed for the valuations are as follows:

	2017	2016
Discount rate	3.60%	4.20%
Rate of compensation increase:		
Dental	3.00%	3.00%
Health care:		
initial	8.00%	8.00%
ultimate reached in 2022	5.00%	5.00%

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 7. Landfill post-closure liability:

Landfill #3 was closed in 1997 and requires care consisting of hauling and treating leachate for an indefinite period of time. Landfill #3 is the joint responsibility of the Municipality, the Town of Lakeshore and the City of Windsor. The site is administered by the Essex Windsor Solid Waste Authority.

	2017	2016
Landfill post-closure liability, January 1	\$ 598,654	\$ 586,608
Expense for the year:		
Interest	30,720	33,939
Amortization of actuarial losses	3,554	4,510
Amounts paid for the year	(26,020)	(26,403)
Landfill post-closure liability, December 31	606,908	598,654
Unamortized actuarial losses	177,944	182,367
Obligation, December 31	\$ 784,852	\$ 781,021

The main actuarial assumptions employed for the valuations are as follows:

	2017	2016
Discount rate	3.50%	4.00%
Annual growth rate	2.50%	2.50%



# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 8. Municipal debt:

- (a) The balance of municipal debt reported on the Consolidated Statement of Financial Position is made up of the following:

	2017	2016
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$348,228 including interest at 3.78%, due December 2036	\$ 9,379,890	\$ 9,712,333
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$106,736 including interest at 4.71%, due December 2025	1,409,291	1,551,348
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$75,229 including interest at 4.76%, due December 2026	1,091,046	1,186,161
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$68,111 including interest at 4.95%, due December 2027	1,064,308	1,144,844
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$61,485 including interest at 5.62%, due December 2028	998,801	1,062,923
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$129,277 including interest at 3.65%, due December 2020	728,432	954,199
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$31,583 including interest at 4.77%, due December 2029	572,105	606,738
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$139,915 including interest at 3.89%, due December 2019	533,470	785,181
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$26,241 including interest at 4.40%, due December 2030	515,398	544,248
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$20,666 including interest at 3.59%, due December 2031	451,708	476,164
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$28,680 including interest at 2.69%, due December 2022	266,676	315,867

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 8. Municipal debt (continued):

- (a) The balance of municipal debt reported on the Consolidated Statement of Financial Position is made up of the following (continued):

	2017	2016
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$11,979 including interest at 3.41%, due December 2032	279,493	293,559
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$28,020 including interest at 1.76%, due December 2021	215,536	267,100
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$20,941 including interest at 2.29%, due August 2022	196,800	-
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$82,880 including interest at 4.87%, due December 2018	159,897	312,282
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$11,356 including interest at 2.79%, due October 2022	105,312	124,680
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$7,084 including interest at 1.50%, due October 2020	41,408	54,803
Ontario Infrastructure and Lands Corporation Debenture – repayable in semi-annual installments of \$2,651 including interest at 3.97% due December 2033	62,341	65,086
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$190,267 including interest at 4.76%, repaid during the year	-	367,367
Ontario Strategic Infrastructure Financing Authority Debenture – repayable in semi-annual installments of \$76,664 including interest at 2.16%, repaid during the year	-	150,879
Tile Drain Loans – repayable in annual installments including interest from 6% to 8%, due in various amounts to December 2018	3,531	9,945
	18,075,443	19,985,707
The Municipality is contingently liable for the tile drain loans listed above. The responsibility for payment of principal and interest charges has been assumed by individual landowners	(3,531)	(9,945)
Net municipal debt at the end of the year	\$ 18,071,912	\$ 19,975,762

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 8. Municipal debt (continued):

(b) Principal due on municipal debt reported in (a) is summarized as follows:

	Recoverable from taxes	Recoverable from benefiting landowners	Total
2018	\$ 1,561,283	\$ 123,573	\$ 1,684,856
2019	1,459,443	126,130	1,585,573
2020	1,237,408	128,743	1,366,151
2021	1,028,481	117,192	1,145,673
2022	1,073,103	63,418	1,136,521
	6,359,718	559,056	6,918,774
2023 – 2027	5,208,450		5,208,450
Thereafter	5,944,688		5,944,688
	\$ 17,512,856	\$ 559,056	\$18,071,912

- (c) The municipal debt in the name of the Municipality has received the approval of the Ontario Municipal Board or has been approved by the Council of the Municipality by by-law. The annual principal and interest payments required to service these liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs and Housing.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 9. Accumulated surplus:

(a) Accumulated surplus consists of individual fund surplus (deficit) as follows:

	2017	2016
Surplus:		
Invested in tangible capital assets	\$227,775,666	\$225,898,326
Inventories	170,574	77,813
To be used to offset user charges and taxation	972,785	365,766
To be financed by user charges and municipal debt	(1,906,160)	(1,774,575)
Equity in EPC	10,024,624	9,685,624
Amounts to be recovered:		
Benefitting landowners	521,160	547,252
Vacation pay liability	(345,804)	(314,061)
Employee benefits payable	(10,133,733)	(9,228,063)
Landfill post-closure liability	(606,908)	(598,654)
Accrued interest on net long term liabilities	(51,900)	(56,300)
Municipal debt	(18,071,912)	(19,975,762)
Reserves and reserve funds (note 9 (b))	34,619,850	31,642,699
Total surplus	\$242,968,242	\$236,270,065

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 9. Accumulated surplus (continued):

(b) Reserves and reserve funds consist of the following

	2017	2016
Reserves set aside for specific purposes by Council:		
Capital / lifecycle	\$ 19,054,498	\$ 16,489,801
Tax rate stabilization	3,861,885	3,185,849
Storm sewer	284,345	284,345
Working capital	218,200	218,200
Business improvement area	61,002	50,981
Sick and vacation leave	685,823	652,423
General	17,435	20,543
Fire Education Awareness	8,945	8,945
Community Improvement Plan	359,539	151,525
<b>Total reserves</b>	<b>24,551,672</b>	<b>21,062,612</b>
Reserve funds set aside for specific purposes by Council:		
Water capital	10,168,476	9,999,585
Sanitary sewers	(1,809,363)	(1,104,902)
Post-retirement benefits	1,709,065	1,685,404
<b>Total reserve funds</b>	<b>10,068,178</b>	<b>10,580,087</b>
<b>Total reserve and reserve funds</b>	<b>\$ 34,619,850</b>	<b>\$ 31,642,699</b>

## 10. Contingent liabilities:

During the normal course of operations, the Municipality is subject to various legal actions, including some which could be substantial. The settlement of the actions that can be reasonably estimated is not expected to have a material effect on the consolidated financial statements of the Municipality. Other legal actions may be at an early stage and therefore the likelihood and magnitude of impact cannot be reasonably determined.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 11. Contractual obligations:

- (a) The former municipalities entered into agreements with the City of Windsor ("Windsor") whereby Windsor provides sewage treatment services to the Municipality at its Little River plant. In exchange for treatment services, the Municipality is responsible to the City of Windsor for a portion of debt charges associated with the Little River plant. Currently, there are no debt charges outstanding.

The Consolidated Statement of Financial Position does not reflect any assets or liabilities related to the Little River plant as the Municipality does not and will not have any ownership interest in the plant.

Included in the Consolidated Statement of Operations, are the following charges from the City of Windsor:

	2017	2016
Sewage treatment	\$ 1,180,838	\$ 1,496,318

- (b) The Municipality has entered into various service agreements. The two largest relate to Waste Collection and The Solicitor General of Ontario ("Police Services"). The obligations under these contracts approximate \$0.6M and \$3.2M respectively in expenditures on an annual basis. The duration of these contracts is five years. The contract with Police Services can be terminated by either party with written notice of one year.

## 12. Trust funds:

The Municipality does not administer any trust funds and, as such, there are no trust funds included in these consolidated financial statements.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 13. Operations of School Boards and the County of Essex:

The taxation, other revenues and expenditures of the School Boards and the County of Essex are comprised of the following:

	2017	2016
Taxation and share of payments in lieu and rights of way:		
School Boards	\$ 10,585,022	\$ 10,648,203
County	13,705,670	12,908,975
	24,290,692	23,557,178
Requisitions	24,290,692	23,557,178
Over levy for the year	\$ -	\$ -

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 14. Budget:

(a) The Financial Plan (Budget) By-Law adopted by Council on December 13, 2016 was not prepared on a basis consistent with that used to report actual results ("Canadian public sector accounting standards"). The budget was prepared on a modified accrual basis while Canadian public sector accounting standards now require a full accrual basis. The budget figures anticipated using surpluses accumulated in previous years to reduce current year expenditures in excess of current year revenues to \$nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. Subsequently Council approved a report from the Treasurer restating the Financial Plan (Budget) to conform with PSAB basis of accounting. As a result, the budget figures presented in the Consolidated Statements of Operations and change in net financial assets represent the Financial Plan adopted by Council on December 13, 2016 with adjustments as follows:

	2017	2016
Financial Plan (Budget By-Law surplus (deficit)) for the year	\$ (1,316,413)	\$ 2,630,796
Add:		
Share of government business enterprises surplus	702,000	700,000
Employee future benefits expenditures	-	-
Landfill post-closure expenditures	32,000	32,000
Loss on sale of tangible capital assets	(357,254)	(314,282)
Capital expenditures	12,953,450	11,157,600
	13,330,196	11,575,318
Less:		
Accrued interest expense	(6,200)	(5,100)
Dividend from government business enterprise	410,000	400,000
Employee future benefits expense	1,013,000	876,000
Landfill post-closure expense	36,000	33,000
Amortization	7,011,796	6,960,384
	8,464,596	8,264,284
Budget surplus	\$ 3,549,187	\$ 5,941,830

(b) The Business Improvement Area (BIA) is a Consolidated Entity which is not included in the Budget By-Law adopted by Council. These Consolidated Budget figures include the BIA budget approved by the BIA Board. Total overall budget surplus is:

	2017
Town	\$ 3,549,187
BIA	(8,750)
Budget surplus per Consolidated Statement of Operations	\$ 3,540,437



# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 15. Tangible capital assets:

The Consolidated Schedule of Tangible Capital Assets (Schedule 1) provides information on the tangible capital assets of the Town by major assets as well as accumulated amortization of the assets controlled. The reader should be aware of the following relating to tangible capital assets:

### (a) Contributed capital assets:

The Town records all tangible capital assets contributed by an external party at fair value on the earlier of the date received or of the transfer of risk and responsibility. Typical examples are roadways, water and sewer lines installed by a developer as part of a subdivision agreement. Transfers recorded amounted to \$nil (2016 - \$98,000).

### (b) Tangible capital assets recognized at nominal value:

Certain assets have been assigned a nominal value of one Canadian Dollar, because of the difficulty of determining a tenable valuation. These assets generally consist of small parcels of land acquired over seventy years ago.

### (c) Works of art and historical treasures:

The town has been given and purchased a number of paintings and other pieces of artwork. Altogether, there are 35 pieces that were appraised at \$96,000 in 2005. These pieces are insured for \$100,000. These have not been capitalized.

### (d) Capitalization of interest:

The Town has a policy of not capitalizing borrowing costs incurred when financing the acquisition of a tangible capital asset.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

## 15. Tangible capital assets (continued):

	2017	2016
General:		
Land	\$ 22,623,758	\$ 22,469,179
Land improvements	7,178,665	6,790,765
Buildings	26,517,937	27,492,469
Leasehold improvements	649,791	673,246
Equipment and vehicles	5,782,823	6,191,972
Computer	381,256	326,556
Furniture and fixtures	117,035	115,449
Infrastructure:		
Roads	61,448,128	61,787,765
Underground and other networks	94,840,682	94,533,359
Assets under construction	8,235,591	5,517,566
	<b>\$ 227,775,666</b>	<b>\$ 225,898,326</b>

## 16. Public Sector Salary Disclosure Act:

The Public Sector Salary Disclosure Act requires all municipalities to disclose which, if any, employees or officers received remuneration totaling more than \$100,000 during the year.

Position	Name	Salary paid	Taxable benefits
Chief Administrative Officer	T. Haddad	\$ 199,830	\$ 20,549
Director Parks & Recreation	P. Anthony	140,694	1,629
Director Corporate Services & Clerk	L. Moy	140,432	1,629
Director Planning Services	B. Hillman	140,171	1,629
Director Financial Services & Treasurer	L. Gagnon	140,171	1,629
Director Public Works	D. Piescic	136,902	1,629
Director Information & Com Services	S. Fuerth	124,550	1,443
Director Fire Services & Fire Chief	D. Pitre	116,422	1,389
Manager Planning Services/Senior Planner	C. Jeffery	115,794	1,341
Manager Water Services	D. Berthiaume	111,340	1,293
Manager Roads & Fleet	K. McArdle	111,340	1,293
Manager Engineering Services	P. Bartnik	109,374	1,293
Manager Building Services	M. Voegeli	108,105	1,251
Deputy Treasurer & Tax Collector	T. Kitsos	106,698	1,251

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

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## 17. Segmented information:

The Town of Tecumseh is a diversified local municipal government that provides a wide range of services to its citizens, including police, fire, water, wastewater and parks and recreation. For management reporting purposes the Government's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Town services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

### (a) General government:

General government consists of three categories: governance, corporate management and program support. It includes offices of Council, Chief Administrative Officer, Information Technology, Financial and Clerk Services.

### (b) Protection to persons and property:

Protection is comprised of Fire, Police, Conservation Authority and Protective Inspection and Control. The mandate of the Police Services department is to ensure the safety of the lives and property of citizens; preserve peace and good order; prevent crimes from occurring; detect offender; and enforce the law. Conservation Authority includes the Town's share of the Essex Region Conservation Authority. The Fire Service department is responsible to provide fire suppression service; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. Protective Inspection and Control ensures an acceptable quality of building construction and maintenance of properties through enforcement of construction codes, building standards and by-law for the protection of occupants.

### (c) Transportation:

The Public Works department is responsible for the delivery of municipal public works services to the planning, development and maintenance of roadway systems, snow clearing and removal and street lighting.

### (d) Environmental:

Includes water, wastewater as well as garbage collection and disposal. The department provides drinking water to citizens of Tecumseh, collecting and treating wastewater, and providing collection and disposal of waste. Recycling is provided at the County level.

# THE CORPORATION OF THE TOWN OF TECUMSEH

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2017

---

## 17. Segmented information (continued):

### (e) Social and Family:

It provides the Town's share of the Golden Age Club operations.

### (f) Recreational and cultural:

The department provides public services that responds to citizens' leisure and cultural requirements. Facilities include a wide variety of parks plus a twin pad arena, pool and various community facilities.

### (g) Business Improvement Area (BIA):

The BIA, a geographic area of the municipality, has a board of management which is an organization set up to provide business promotion and improvement functions. A BIA allows local business people and property owners to join together and with the support of the municipality, organize, finance and carry out physical improvement and promote economic development in their district. The local municipality is the body responsible for approving the budget of the BIA.

### (h) Planning and development:

The Planning and Development department facilitates the orderly growth of the Town through approval to all land development plans in accordance with the Official Plan.

For each reported segment, revenues and expense represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The General Revenue Fund reports on municipal services that are funded primarily by taxation such as property and business tax revenues. Taxation and payments-in-lieu of taxes are apportioned to General Revenue Fund services based on the Fund's net surplus. Certain government transfers, transfer from other funds, and other revenues have been apportioned based on a percentage of budgeted expenses. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1. For additional information see the Consolidated Schedule of Segmented Disclosure (Schedule 2).

# THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Tangible Capital Assets

Schedule 1

Year ended December 31, 2017

	General							Infrastructure			Totals	
	Land	Land improvements	Buildings	Leasehold improvements	Equipment / vehicles	Computer	Furniture and fixtures	Linear assets - Roads	Linear assets - Water, wastewater and storm	Assets under construction	2017	2016
Cost:												
Balance, beginning of year	\$ 22,469,179	10,163,332	39,395,189	1,206,298	11,876,072	1,159,738	209,687	113,642,633	140,237,506	5,517,566	\$ 345,877,200	\$ 339,031,907
Add: Additions during the year	154,579	835,971	122,854	31,861	507,289	155,861	22,977	2,033,698	2,540,724	6,822,007	13,227,821	13,208,655
Less: Disposals during the year	-	10,152	19,075	712	350,087	77,140	13,486	178,253	182,122	-	831,027	1,661,600
Other	-	-	-	-	-	-	-	-	-	(4,103,982)	(4,103,982)	(4,701,762)
Balance, end of year	22,623,758	10,989,151	39,498,968	1,237,447	12,033,274	1,238,459	219,178	115,498,078	142,596,108	8,235,591	354,170,012	345,877,200
Accumulated amortization:												
Balance, beginning of year	-	3,372,567	11,902,720	533,052	5,684,100	833,182	94,238	51,854,868	45,704,147	-	119,978,874	114,335,786
Add: amortization	-	448,071	1,094,176	55,316	823,164	101,161	21,391	2,300,050	2,155,215	-	6,998,544	6,875,558
Less: accumulated amortization on disposals	-	10,152	15,865	712	256,813	77,140	13,486	104,968	103,936	-	583,072	1,232,470
Other	-	-	-	-	-	-	-	-	-	-	-	-
Balance, end of year	-	3,810,486	12,981,031	587,656	6,250,451	857,203	102,143	54,049,950	47,755,426	-	126,394,346	119,978,874
Net book value of tangible capital assets	\$ 22,623,758	\$ 7,178,665	26,517,937	\$ 649,791	\$ 5,782,823	\$ 381,256	\$ 117,035	61,448,128	94,840,682	8,235,591	\$ 227,775,666	\$ 225,898,326

# THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Segment Disclosure

Schedule 2

Year ended December 31, 2017

2017	General government	Protection to persons and property	Transportation	Environmental	Social and family services	Recreation and culture	BIA	Planning and development	Totals
<b>Revenues:</b>									
Property taxes	\$ 3,036,481	\$ 5,149,586	\$ 5,527,621	\$ 5,085,660	\$ 20,498	\$ 2,637,409	\$ 108,983	\$ 587,056	\$ 22,153,294
Government transfers	18,462	179,871	1,383,530	513,589	27,497	709,711	1,125	97,627	2,931,412
User charges	209,441	861,094	229,642	8,683,485	1,969	1,661,075	9,694	95,847	11,752,247
Capital contributions	-	-	331,869	1,133,605	-	160,606	-	378,498	2,004,578
Investment income	155,350	183,011	77,575	260,906	1,238	108,460	1,199	23,838	811,577
Penalties and interest on property taxes	83,868	116,550	49,403	30,492	788	69,073	-	15,181	365,355
Income from government business enterprise	177,292	246,385	104,437	64,460	1,667	146,018	-	32,093	772,352
Gain (loss) on disposal of tangible capital assets	-	-	(74,842)	(78,186)	-	(37,289)	-	-	(190,317)
Other	-	-	-	-	-	28,773	-	-	28,773
	3,680,894	6,736,497	7,629,235	15,694,011	53,657	5,483,836	121,001	1,230,140	40,629,271
<b>Expenses:</b>									
Wages and benefits	3,042,372	1,631,062	1,252,389	1,489,990	-	2,113,449	51,738	590,398	10,171,398
Interest on municipal debt	-	-	(1,000)	104,256	-	363,014	-	-	466,270
Office supplies and equipment maintenance	208,851	20,807	6,508	44,334	585	9,787	4,546	3,188	298,606
Memberships	18,773	6,305	10,859	1,082	-	4,856	481	3,337	45,693
Conventions and training	79,090	17,805	5,800	21,074	-	14,616	1,362	17,786	157,533
Maintenance materials and supplies	34,284	78,232	518,813	155,184	-	485,941	-	-	1,272,454
Purchases for resale	-	-	-	1,339,171	-	37,822	-	-	1,376,993
Maintenance	7,553	87,420	190,835	281,172	6,154	185,680	-	-	758,814
Contract services	29,321	3,554,700	1,341,374	3,356,414	-	116,757	-	602,093	9,000,659
Professional	251,798	26,414	24,679	350,212	650	42,031	814	428,721	1,125,319
Vehicle and equipment leases	2,414	-	-	-	-	280	-	-	2,694
Utilities	28,560	48,584	220,242	194,898	6,309	371,581	-	2,410	872,584
Insurance	102,401	55,578	76,585	119,850	5,561	86,465	-	-	446,440
Grants and donations	10,000	-	-	255,014	21,000	-	-	16,987	303,001
Amortization	139,899	249,039	2,623,274	2,915,556	11,272	1,059,363	-	141	6,998,544
Other	114,341	29,012	23,439	60,206	-	130,265	52,041	59,779	469,083
Financial	30,368	42,203	17,889	29,168	285	39,599	-	5,497	165,009
	4,100,025	5,847,161	6,311,686	10,717,581	51,816	5,061,506	110,982	1,730,337	33,931,094
<b>Annual surplus (deficit)</b>	<b>\$ (419,131)</b>	<b>\$ 889,336</b>	<b>1,317,549</b>	<b>\$ 4,976,430</b>	<b>\$ 1,841</b>	<b>\$ 422,330</b>	<b>\$ 10,019</b>	<b>\$ (500,197)</b>	<b>\$ 6,698,177</b>

# THE CORPORATION OF THE TOWN OF TECUMSEH

Consolidated Schedule of Segment Disclosure

Schedule 2

Year ended December 31, 2017

2016	General government	Protection to persons and property	Transportation	Environmental	Social and family services	Recreation and culture	BIA	Planning and development	Totals
<b>Revenues:</b>									
Property taxes	\$ 2,950,552	\$ 5,274,751	\$ 5,383,934	\$ 4,599,750	\$ 18,879	\$ 2,383,930	\$ 106,249	\$ 489,634	\$ 21,207,679
Government transfers	41,852	214,365	1,497,730	304,460	23,810	572,301	1,034	74,943	2,730,495
User charges	203,388	783,111	243,911	8,992,513	1,938	1,597,483	8,664	93,543	11,924,551
Capital contributions	-	6,183	155,025	893,378	-	95,543	-	201,707	1,351,836
Investment income	146,688	162,165	65,132	227,011	1,005	90,493	994	18,319	711,807
Penalties and interest on property taxes	87,113	133,983	53,813	32,817	830	71,118	-	15,135	394,809
Income from government business enterprise	212,627	327,029	131,347	80,102	2,026	173,587	-	36,942	963,660
Gain (loss) on disposal of tangible capital assets	-	(4,874)	(246,880)	(132,493)	-	28,484	-	-	(355,763)
Other	-	35,000	-	-	-	32,582	-	-	67,582
	3,642,220	6,931,713	7,284,012	14,997,538	48,488	5,045,521	116,941	930,223	38,996,656
<b>Expenses:</b>									
Wages and benefits	2,733,763	1,634,581	1,219,653	1,409,405	-	2,027,691	53,522	525,610	9,604,225
Interest on municipal debt	-	-	343,867	158,964	-	375,233	-	-	878,064
Office supplies and equipment maintenance	201,995	19,121	6,679	34,481	1,530	15,083	6,161	4,534	289,584
Memberships	17,202	4,961	12,639	1,390	-	3,454	741	3,599	43,986
Conventions and training	55,775	19,895	7,129	29,705	-	15,126	1,143	14,901	143,674
Maintenance materials and supplies	22,515	70,546	818,589	141,165	803	436,706	-	-	1,490,324
Purchases for resale	-	-	-	1,424,208	-	45,089	-	-	1,469,297
Maintenance	9,468	101,629	325,117	286,103	1,197	182,193	-	-	905,707
Contract services	12,438	4,047,466	1,331,727	3,334,752	5,505	67,752	-	652,845	9,452,485
Professional	664,611	26,731	220,325	252,059	-	72,789	814	431,234	1,668,563
Vehicle and equipment leases	1,848	-	-	-	-	720	-	-	2,568
Utilities	35,622	51,820	365,996	213,865	6,907	362,826	-	3,230	1,040,266
Insurance	86,997	55,265	76,898	121,425	5,587	86,621	-	-	432,793
Grants and donations	15,500	-	-	118,603	21,000	-	-	3,470	158,573
Amortization	133,732	286,137	2,546,911	2,878,701	8,570	1,020,841	-	666	6,875,558
Other	84,343	30,781	23,503	55,833	-	135,441	58,729	54,119	442,749
Financial	31,610	48,617	19,527	16,128	301	44,484	-	5,492	166,159
	4,107,419	6,397,550	7,318,560	10,476,787	51,400	4,892,049	121,110	1,699,700	35,064,575
<b>Annual surplus (deficit)</b>	<b>\$ (465,199)</b>	<b>\$ 534,163</b>	<b>(34,548)</b>	<b>\$ 4,520,751</b>	<b>\$ (2,912)</b>	<b>\$ 153,472</b>	<b>\$ (4,169)</b>	<b>\$ (769,477)</b>	<b>\$ 3,932,081</b>



# The Corporation of the Town of Tecumseh

**Audit Findings Report**  
**For the year ended December 31, 2017**

*KPMG LLP*

Licensed Public Accountants

Prepared on May 28, 2018 for presentation on June 28, 2018

[kpmg.ca/audit](http://kpmg.ca/audit)





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# Executive summary

## Purpose of this report

The purpose of this Audit Findings Report is to assist you, as a member of Municipal Council ("Council"), in your review of the results of our audit of the consolidated financial statements of the Corporation of the Town of Tecumseh (hereinafter referred to as the "Municipality") as at and for the year ended December 31, 2017.

We appreciate the assistance of management and staff in conducting our audit. We trust that this audit findings report is of assistance to you, and we look forward to discussing our findings and answering your questions.

## Finalizing the audit

As of May 28, 2018, we have completed the audit of the consolidated financial statements, with the exception of certain remaining procedures, which include:

- receipt of the signed management representation letter;
- receipt of legal letter replies;
- completing our discussions with the Council;

- obtaining evidence of the Council's approval of the consolidated financial statements.

We will update you on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors' report will be dated upon the completion of any remaining procedures.

## Control and other observations

We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.

See page 7 and Appendix 3

## Critical accounting estimates

Overall we are satisfied with the reasonability of critical accounting estimates taken. The most critical areas of estimates relate to: tangible capital assets, employee future benefits and the landfill post-closure liability.

## Significant accounting policies and practices

There have been no initial selections of, or changes to, significant accounting policies and practices to bring to your attention.

We would like to discuss the following matters:

- The accounting policies and practices are considered appropriate to the Municipality's circumstances.
- The accounting policies have been applied consistently year-over-year.
- We did not identify any indicators of management bias in the application of accounting policies.

This Audit Findings Report should not be used for any other purpose or by anyone other than the Town Council. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.

# Financial statement presentation and disclosure

The presentation and disclosure of the financial statements are, in all material respects, in accordance with Municipality's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management representation letter included in the Appendices.

We also highlight the following:

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**Form, arrangement, and content of the financial statements**

The presentation and disclosure of the consolidated financial statements are, in all material respects, in accordance with the Municipality's relevant financial reporting framework. Misstatements, including omissions, if any, related to disclosure or presentation items are in the management's representation letter included in the Appendices.

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# Other matters

Professional standards require us to communicate to Town Council, Other Matters, such as material inconsistencies or material misstatements between MD&A and the audited financial statements, identified fraud or non-compliance with laws and regulations, consultations with other accountants, significant matters relating to the Municipality's related parties, significant difficulties encountered during the audit, and disagreements with management.

Matter	KPMG comment
Illegal and fraudulent activities	<ul style="list-style-type: none"> <li>– We did not identify, during the audit of the consolidated financial statement, any illegal acts or possibility illegal acts.</li> <li>– We did not identify, during our audit of the consolidated financial statement, any: <ul style="list-style-type: none"> <li>– Matters that pose questions regarding the honesty and integrity of management</li> <li>– Fraud or suspected fraud involving management</li> <li>– Fraud or suspected fraud involving employees who have significant roles in internal control over financial reporting</li> <li>– Fraud or suspect fraud (whether caused by management or other employees) that result, or may result, in non-trivial misstatement of consolidated financial statements</li> <li>– Matters that may cause future consolidated financial statements to be materiality misstated.</li> </ul> </li> </ul>
Dealings with Management	<ul style="list-style-type: none"> <li>– We received the full cooperation of management and employees and, to our knowledge, had complete access to the accounting records and other documents that we needed in order to carry out our audit.</li> <li>– We had no disagreements with management, and we have resolved all auditing, accounting and presentation issues to our satisfaction.</li> </ul>

# Adjustments and differences

Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and the audit committee that all identified differences be corrected. We have already made this request of management.

## Corrected adjustments

We did not identify any misstatements that were communicated to management and subsequently corrected in the consolidated financial statements.

## Uncorrected adjustments

We didn’t identify any significant misstatements that remained uncorrected at year end.

# Control observations

In accordance with professional standards, we are required to communicate to the Members of Council any control deficiencies that we identified during the audit and have determined to be significant deficiencies in ICFR.

## Significant deficiencies

Description	Potential effect
Internal control over financial reporting	<p>As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.</p> <p>Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.</p> <p>We did not identify any control deficiencies that we determined to be significant deficiencies in ICFR.</p>
Other control deficiencies	<p>During the course of our audit procedures, we did not identify other controls deficiencies in internal controls over financial reporting.</p>

# Appendices

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**Appendix 1: Required communications**

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**Appendix 2: Audit Quality and Risk Management**

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**Appendix 3: Background and professional standards**

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**Appendix 4: Fraud in the NPO Sector**

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# Appendix 1: Required communications

In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:

- **Auditors' report** – the conclusion of our audit is set out in our draft auditors' report as attached.
- **Management representation letter** – In accordance with professional standards, copies of the management representation letter are provided to the Audit and Finance Committee. The management representation letter is attached.
- **CPAB Big Four Firm Public Report (November 2016)** – Please refer to [http://www.cpab-csrc.ca/Documents/Annual%20Reports/CPAB\\_2016\\_Big\\_Four\\_Inspections\\_Report\\_EN.pdf](http://www.cpab-csrc.ca/Documents/Annual%20Reports/CPAB_2016_Big_Four_Inspections_Report_EN.pdf)
- **CPAB 2016 Big Four Public Report: Highlights for Audit Committees** – Please refer to [http://www.cpab-csrc.ca/Documents/AnnualReports/CPAB\\_2016\\_Big\\_Four\\_Highlights\\_EN.pdf](http://www.cpab-csrc.ca/Documents/AnnualReports/CPAB_2016_Big_Four_Highlights_EN.pdf)



THE CORPORATION OF THE TOWN OF TECUMSEH  
917 LESPERANCE ROAD  
TECUMSEH, ON N8N 1W9

KPMG LLP  
618 Greenwood Centre  
3200 Deziel Drive  
Windsor, Ontario N8W 5K8  
Canada

June 26, 2018

Ladies and Gentlemen:

We are writing at your request to confirm our understanding that your audit was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of The Corporation of the Town of Tecumseh ("the Entity") as at and for the period ended December 31, 2017.

**GENERAL:**

We confirm that the representations we make in this letter are in accordance with the definitions as set out in **Attachment I** to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

**RESPONSIBILITIES:**

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated November 27, 2013, including for:
  - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
  - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements, such as all financial records and documentation and other matters, including (i) the names of all related parties and information regarding all relationships and transactions with related parties; and (ii) the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of shareholders, board of directors and committees of the board of directors that may affect the financial statements, and providing you with access to such relevant information. All significant board and committee actions are included in the summaries.
  - c) providing you with additional information that you may request from us for the purpose of the engagement.
  - d) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
  - e) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, implementation and maintenance of internal control to prevent and detect fraud.
  - f) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

- g) providing you with written representations that you are required to obtain under your professional standards and written representations that you determined are necessary.
- h) ensuring that internal auditors providing direct assistance to you, if any, were instructed to follow your instructions and that management, and others within the entity, did not intervene in the work the internal auditors performed for you.

**INTERNAL CONTROL OVER FINANCIAL REPORTING:**

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

**FRAUD & NON-COMPLIANCE WITH LAWS AND REGULATIONS:**

- 3) We have disclosed to you:
  - a) the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud
  - b) all information in relation to fraud or suspected fraud that we are aware of and that affects the financial statements and involves: management, employees who have significant roles in internal control over financial reporting, or others, where the fraud could have a material effect on the financial statements.
  - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
  - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
  - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

**SUBSEQUENT EVENTS:**

- 4) All events subsequent to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

**RELATED PARTIES:**

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

**ESTIMATES:**

- 8) Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

**GOING CONCERN:**

- 9) We have provided you with all relevant information relevant to the use of the going concern assumption in the financial statements.

**NON-SEC REGISTRANTS OR NON-REPORTING ISSUERS:**

- 10) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002). We also confirm that the financial statements of the Entity will not be included in the consolidated financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

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By: Mr. Tony Haddad, Chief Administrative Officer

---

By: Mr. Luc Gagnon, Director Financial Services

## **Attachment I – Definitions**

### **MATERIALITY**

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Judgments about materiality are made in light of surrounding circumstances, and are affected by the size or nature of a misstatement, or a combination of both.

### **FRAUD & ERROR**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

### **RELATED PARTIES**

In accordance with Canadian accounting standards for the public sector (PSAB) *related party* is defined as:

- Related parties exist when one party has the ability to exercise, directly or indirectly, control, joint control or significant influence over the other. Two or more parties are related when they are subject to common control, joint control or common significant influence. Related parties also include management and immediate family members.

In accordance with Canadian accounting standards for the public sector (PSAB) a *related party transaction* is defined as:

- A transfer of economic resources or obligations between related parties, or the provision of service by one party to a related party, regardless of whether any consideration is exchanged. The parties to the transaction are related prior to the transaction. When the relationship arises as a result of the transaction, the transaction is not one between related parties.

# Appendix 2: Audit Quality and Risk Management

KPMG maintains a system of quality control designed to reflect our drive and determination to deliver independent, unbiased advice and opinions, and also meet the requirements of Canadian professional standards.

Quality control is fundamental to our business and is the responsibility of every partner and employee. The following diagram summarises the six key elements of our quality control systems.

Visit our [Audit Quality Resources page](#) for more information including access to our audit quality report, [Audit quality: Our hands-on process](#).

— Other controls include:

- Before the firm issues its audit report, the Engagement Quality Control Reviewer reviews the appropriateness of key elements of publicly listed client audits.
- Technical department and specialist resources provide real-time support to audit teams in the field.

- We conduct regular reviews of engagements and partners. Review teams are independent and the work of every audit partner is reviewed at least once every three years.
- We have policies and guidance to ensure that work performed by engagement personnel meets applicable professional standards, regulatory requirements and the firm's standards of quality.
- All KPMG partners and staff are required to act with integrity and objectivity and comply with applicable laws, regulations and professional standards at all times.



- We do not offer services that would impair our independence.
- The processes we employ to help retain and develop people include:
  - Assignment based on skills and experience;
  - Rotation of partners;
  - Performance evaluation;
  - Development and training; and
  - Appropriate supervision and coaching.
- We have policies and procedures for deciding whether to accept or continue a client relationship or to perform a specific engagement for that client.
- Existing audit relationships are reviewed annually and evaluated to identify instances where we should discontinue our professional association with the client.

# Appendix 3: Background and professional standards

## Internal control over financial reporting

As your auditors, we are required to obtain an understanding of internal control over financial reporting (ICFR) relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

Our understanding of ICFR was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies and therefore, there can be no assurance that all significant deficiencies and other control deficiencies have been identified. Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors.

The control deficiencies communicated to you are limited to those control deficiencies that we identified during the audit.

## Documents containing or referring to the audited financial statements

We are required by our professional standards to read only documents containing or referring to audited financial statements and our related auditors' report that are available through to the date of our auditors' report. The objective of reading these documents through to the date of our auditors' report is to identify material inconsistencies, if any, between the audited financial statements and the other information. We also have certain responsibilities, if on reading the other information for the purpose of identifying material inconsistencies, we become aware of an apparent material misstatement of fact.

We are also required by our professional standards when the financial statements are translated into another language to consider whether each version, available through to the date of our auditors' report, contains the same information and carries the same meaning.

## Appendix 4: Fraud in the NPO Sector

# Forensic Focus

[kpmg.ca/forensicsfocus](http://kpmg.ca/forensicsfocus)

## Boards Beware and Be Prepared! *Fraud in the Not-for-Profit Sector*

By Karen Grogan, Partner, Veronica Chapman, Senior Manager and Maria Shevkoplyas, Technician, KPMG Forensic Services, KPMG in Canada

It is difficult to swallow when a volunteer takes cash donations away from those in need for their personal use but it is appalling when an employee or Executive Director (ED) defrauds the organization they are entrusted to protect.

According to the Association of Certified Fraud Examiners (ACFE) 2016 Report to the Nations on Occupational Fraud and Abuse, the median financial loss to the NFPs reviewed was \$100,000.<sup>1</sup>

### The Opportunity

NFPs face unique and significant challenges which put them at greater risk of suffering from fraudulent schemes relative to for-profit organizations. In efforts to minimize administrative costs, many NFPs are understaffed and a lot of unilateral power is given to the executive director (ED) with insufficient or no internal controls in place and very limited Board of Directors (Board) oversight. This can lead to many issues, including fraud and improper spending.

An aware and diligent Board, acting as independent governance oversight, can be the last or often the only line of defense.

### Common Schemes of Misuse

Based on our experience, the most common ways employees defraud NFPs include:

- Claiming for reimbursement of personal items including travel and clothing via expense reports or directly charging the NFP's credit cards
- Using the NFP's service providers to obtain services personally such as landscaping or maintenance and processing the invoices for payment directly by the NFP
- Writing unauthorized cheques or electronically transferring funds to themselves or family members

- Taking cash donations or other cash inflows for personal use
- Approving funds to individuals/organizations that are outside of the NFP's purpose
- Employing family and friends and paying excessive wages
- Awarding vendor contracts to relatives or friends and paying prices that exceed fair market value



### Characteristics of a Fraudster

Over the years, we have identified patterns of behavior commonly demonstrated by fraudsters that may help alert you to potential impropriety.

Employees who have defrauded NFP's are often long-term employees (who may have been there since inception) in a position of trust. The fraudster may exhibit some of the following characteristics:



- They treat the NFP as their own and spend funds in any manner they wish
- Their actions often appear to be in a grey area of what would be considered unethical
- They treat other employees poorly and in a "bully" type fashion
- They make exceptions to the rules – for example providing funds to inappropriate individuals or projects that conflict with the NFP's mandate
- They control who serves as members of the Board of Directors, and may enlist friends and family to join the Board as well as those they consider "weak" in order to influence or otherwise control the Board's decision making
- They do not obtain approvals from the Board for expenses even when required to do so by internal policy
- They direct more junior staff members to submit their expenses so they can approve their own expenses without escalation to the Board

#### Preventative Measures

Board oversight is very important in the fight against fraud at NFPs. Setting the right tone at the top and providing clear ethical guidance can be achieved through implementing written policies and procedures including a code of conduct policy that describes what behaviours/actions are unacceptable. Although a written policy will not in itself prevent fraudulent behavior, it can help define expectations and can act as justification for dismissal when a breach is identified. It can also provide stronger evidence for wrongful dismissal suits, civil litigation or criminal charges. To reduce the risk of fraudulent activities, Boards should consider the following:

- Written policies and procedures – including conflict of interest, and guidance addressing personal versus business expenses and travel reimbursement policies
- Implementing strong internal controls over disbursements, including:
  - Segregation of duties (ordering, receiving, invoice approval, and payment)
  - Proper authorization of transactions (including escalation and review of adequate supporting documentation)
  - Control over the NFP's credit cards to ensure all credit card statements are submitted with accompanying itemized receipts for review and approval even if the expenses are incurred by the ED or other high ranking employees of the NFP
  - Ensure expense reports of the highest ranking employee (ED) are submitted to the Board for approval
  - Ensure expenses are submitted for approval by the most senior person involved in the expenditure (i.e. group meals) so the ED is not approving their own expenses
  - Control electronic fund transfers (EFTs) so that two electronic approvals are required<sup>2</sup>

- Implementing strong internal controls over fund receipts (donations or other sources), including:
  - Segregate duties between those recording receipts, depositing funds, and reconciling the bank accounts
  - Issue donations on pre-numbered receipts and ensuring the continuity of the receipt number sequence in the collection records
  - Ensure supervision of cash collections and maintenance of detailed supporting records including sign-off by each person involved

#### Recovery Measures

The expense of civil litigation in an attempt to recover losses from the fraudster may be costly, lengthy and take time away from the mandate of the NFP. Therefore even if an NFP has controls in place to prevent and/or detect fraudulent activity, it would still be prudent to purchase fidelity insurance that may cover not only the loss from the fraud but the forensic accounting fees required to investigate and quantify the loss. The resulting forensic report can be used for both civil and criminal purposes. In some criminal proceedings the court may also order restitution be made to the NFP.

The implications of fraudulent acts at NFP's reach far beyond the financial losses. They can result in damage to the reputation of the NFP, a loss of trust among donors, and they disrupt the NFP's business operations and ability to perform its mission. As a Board of an NFP you must be aware of the risks and be prepared to recognize weaknesses and take action to prevent, detect and respond to fraud.

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**Re:** Water & Sanitary In-House Billing – Progress Report

**BACKGROUND:**

- Since June 2000, Essex Powerlines Corporations (EPL) has performed the Town's billing functions, including meter reading, bill processing and collection.
- The Town has assumed the majority of the meter reading function with the installation of Encoder Receiver Transmitters beginning in 2011. There has been no concurrent reduction in the fees charged by EPL to reflect a reduction in meter reading function.
- EPL controls the Town's water and wastewater customer database. The Town's ability to respond to customer service issues is challenging under this existing system.
- The Town relies on this customer database as an important source for study updates, day-to-day operations, account analysis and budget variances.
- Accessing the Town's water data via EPL is a challenge that adversely affects the Town's operations.
- In a report to Council dated April 24, 2018 (Report No. FS-2018-04), Administration recommended that the water and sanitary billing functions be assumed by the Town and be performed in-house.
- In response to the Town's proposal to assume all billing functions (meter reading, bill processing and collection), EPL, in a letter dated February 16, 2018, offered a number of changes to EPL's operations in order to improve overall customer service.
- A significant number of issues would still result despite EPL's proposal to improve customer service. The issue of most prominence and for consideration is providing the best customer service balanced with an affordable cost.

**CURRENT SITUATION:**

- Following the Town's proposal to assume the water and sanitary billing function in-house at the April 24, 2018 Regular Meeting of Council, EPL requested the Town defer this proposal and engage in further dialogue.
- In a letter dated May 2, 2018, EPL requested the following:

- The Town and EPL collaborate in working group sessions to quantify and address the Town's concerns with EPL's customer service.
  - Given its long-standing relationship with EPL, the Town should carefully evaluate its decision based on a short term and longer-term basis.
  - The Town recognize technological advances that affect the management of water, wastewater and electricity and real time data management of these resources/services.
  - The Town recognize EPL's enhanced digital billing initiative for customers to track usage patterns, identify unusual occurrences and access timely information.
  - The Town consider that it will require the technology in place for leak detection or water quality alerts.
  - The Town consider the liabilities associated with the Town's proposal to move all residential customers to a quarterly billing cycle.
  - The Town consider the annual dividend streams from EPL, which has helped reduce Tecumseh's tax base cost by close to 2% annually.
- Meetings have been held between EPL and Town Administration to discuss EPL's operational and financial issues and EPL's proposal to improve overall service.
  - Two meetings were held between EPL staff and Town Administration on May 28<sup>th</sup> and June 12<sup>th</sup>, 2018 to further discuss EPL proposal and their recent changes to their abilities to provide timely service responses to the Town's requests.
  - It should be noted that all four shareholders have, or are considering, moving water billing in-house:
    - Amherstburg Council approved bringing water billing in-house at their meeting of May 14, 2018.
    - Leamington administration is reviewing their services and considering in-house billing in 2019.
    - LaSalle has already moved their water billing in-house in 2017.

## **RECOMMENDATIONS:**

- Administration requires additional time to review and assess how the above noted changes in service delivery by EPS meets the Town's requirements. Accordingly, Administration requests approval for additional time to complete the review and assess the changes made and proposed by EPL.
- Several outstanding issues (financial costs, term, transitional issues, etc.) remain to be negotiated with EPL. This will take place over the next few weeks.
- A follow-up report to Council regarding this matter will be presented at the July 24, 2018 RCM.



Ms. Laura Moy  
Director Corporate Services and Clerk  
The Corporation of the Town of Tecumseh  
917 Lesperance Road  
Tecumseh, Ontario N8N 1W9

MAY 25 2018

Dear Ms. Moy:

I am writing in response to your letter of March 22, 2018, to the Prime Minister, regarding the resolution of the Town of Tecumseh supporting the Town of Lakeshore's resolution for federal investment in storm water management and drainage improvement infrastructure.

The Government of Canada has a long history of making strategic investments in a wide range of infrastructure categories. Infrastructure is the foundation of sustainable and inclusive communities—it removes barriers, brings people together, and allows all Canadians to be active participants in their community. Moreover, good infrastructure fosters an environment where the best of Canadian innovation can grow.

The Government of Canada is investing more than \$180 billion under the long-term *Investing in Canada* plan. Our priority is to promote infrastructure that will create good, well-paying jobs that can help the middle class grow and prosper. Key areas for investment include public transit, green and social infrastructure, transportation infrastructure that supports trade, and infrastructure in rural and northern communities.

The Government of Canada's Disaster Mitigation and Adaptation Fund will support community resilience that will result in increased infrastructure capacity to withstand and adapt to climate-related risks and natural disasters. As a national, competitive, merit-based program, the Fund is designed to support investments that will mitigate current and future climate risks, such as floods, wildfires and droughts.

The Integrated Bilateral Agreement in place with Ontario will provide \$11,846,483,456 in federal funding dedicated to infrastructure projects in Ontario over the next decade. This new funding will see the Government of Canada and the Province of Ontario make unprecedented investments in public transit, green infrastructure, communities, recreational and cultural infrastructure, as well as rural and northern communities.

RECEIVED

MAY 29 2018

...2

Under the new Agreement, proposed projects must first be prioritized by the province before they are submitted to Infrastructure Canada for consideration. I would encourage the Town of Tecumseh to submit its proposals to the Province of Ontario so that it may determine whether the projects should be prioritized for funding consideration under the Green Infrastructure stream or the Rural and Northern Infrastructure stream.

Your proposal may also be eligible under the federal Gas Tax Fund, provided that the municipalities involved, as the ultimate recipients under the program, choose to apply their allocation to this project.

Additional details and updates on Canada's future infrastructure investments and funding programs can be found on the Infrastructure Canada's website at [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca).

Thank you for writing on this important matter.

Yours sincerely,



Amarjeet Sohi, P.C., M.P.

RECEIVED

MAY 29 2018

Town of Tecumseh

**From:** Daniel Salvatore  
**Sent:** Friday, June 01, 2018 2:31 PM  
**To:** Mayor  
**Cc:** Tony Haddad  
**Subject:** NOTICE - CN RIGHT-OF-WAY VEGETATION CONTROL



To: Town of Tecumseh

Dear Mayor McNamara,

At CN, we are committed to environmental safety and sustainability. We are therefore reaching out in order to advise you that, as we do each year, we will be undertaking vegetation control activities, for safety purposes, in your area between May 28<sup>th</sup> and August 31<sup>st</sup>, 2018.

Consistent with the federal *Rules Respecting Track Safety*, we are required to clear our right-of-ways from any vegetation that may pose a safety concern.

The elimination of weeds within the right-of-way is a safety requirement, which reduces the risk of tripping for our staff and contractors working on or near the tracks, and allows for proper drainage of the track structure. Elimination of weeds also greatly reduces the potential for fires.

Vegetation control also limits the risk of damage to the track and supporting infrastructure caused by invasive or fast-growing plants. It also prevents the spread of noxious weeds. In short, CN's vegetation control program is a critical contributor to safe and efficient railway operations.

Hence, these vegetation control measures assist in contributing to the overall safety and efficiency of the railway.

We have retained professional contractors whom are qualified to undertake this work. They are required to comply with laws and regulations applicable to CN. In addition, the contractors ensure that vegetation control is performed with consideration of the environment and in accordance with the highest industry standards.

We look forward to collaborating with you and answering any questions you may have regarding our vegetation control operations in your community. For any questions or for more information, please contact the CN Public Inquiry Line by telephone at 1-888-888-5909, or by email at [contact@cn.ca](mailto:contact@cn.ca).

Please find attached a copy of our Annual Vegetation Management Program Community Notice. We invite you to share it with your community by publishing it on your website, in local newspapers, on social media or in any form of media you feel appropriate to inform your citizens.

Yours sincerely,

 **Daniel Salvatore**

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Manager, Public Affairs Ontario  
Corporate Services

[1 Administration Road](#)

MacMillan Yard - Administration A Building  
Concord, Ontario L4K 1B9

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## **COMMUNITY NOTICE**

### **Annual Vegetation Management Program**

CN is required to clear its rights-of-way from any vegetation that may pose a safety hazard. Vegetation on railway right-of-way, if left uncontrolled, can contribute to trackside fires and impair proper inspection of track infrastructure. As such, for safe railway operations, the annual vegetation control program will be carried out on CN rail lines in the province of Ontario. A certified applicator will be applying herbicides on and around the railway tracks (mainly the graveled area (the ballast)). All product requirements for setbacks in the vicinity of dwellings, aquatic environments and municipal water supplies will be met. This program will take place from May 28, 2018 to August 31, 2018.

Visit [www.cn.ca/vegetation](http://www.cn.ca/vegetation) to see the list of cities affected.

For more information, you may contact the CN Public Inquiry Line at 1-888-888-5909.

May 30, 2018

Alcohol and Gaming  
Commission of Ontario

90 Sheppard Avenue East  
Suite 200  
Toronto ON M2N 0A4

Commission des alcools  
et des jeux de l'Ontario

90, avenue Sheppard Est  
Bureau 200  
Toronto (Ontario) M2N 0A4



Tel./Tél.: 416-326-8700 or/ou 1-800-522-2876 toll free in Ontario/sans frais en Ontario

[www.agco.ca](http://www.agco.ca)

## Notice of Extension of Hours for 2018 FIFA World Cup

The Registrar of Alcohol, Gaming and Racing (Registrar) has approved the start of liquor service in the province at 9:00 a.m. for liquor sales licensees during the 2018 FIFA World Cup tournament. This approval is temporary and only for the duration of tournament play, which starts on June 14, 2018 and ends on July 15, 2018. The extension of hours for this period is intended to allow service to coincide with the beginning of some games, which because of the time difference involved, will be televised in Ontario early in the morning. The closing service time of 2:00 a.m. will remain unchanged.

Temporary extensions of service hours are permitted under the *Liquor Licence Act* for liquor sales licensees for events of municipal, provincial, national or international significance. While temporary extensions are not normally provided for events taking place outside of the province, the Registrar recognizes that the 2018 FIFA World Cup is an event of international significance for many communities in Ontario and is one of the most watched sporting events in the world. In Ontario specifically, the tournament attracts a large and enthusiastic following within the province's broad multicultural communities.

The extension of hours will apply to licensed establishments province-wide. If a municipality objects to the extension of hours in their jurisdiction then they may notify the Registrar in writing of their objection and local wishes will be respected.

Whether or not an establishment decides to begin serving at 9:00 a.m. is an individual business decision for each liquor sales licensee. Please note however that while individual establishments need not apply to the AGCO for approval to begin alcohol service at 9:00 a.m. during the 2018 FIFA World Cup, they are responsible for ensuring that the municipality in which they are located is one that has not objected to this extension of hours.

Further information on this policy, including a list of municipalities where the extension of hours is not permitted, can be obtained by calling AGCO Customer Service at 1-800-522-2876 or by visiting the AGCO webpage on the [Extension of Hours for 2018 FIFA World Cup](#).

## Temporary Extension of Hours for 2018 FIFA World Cup Questions and Answers

### **Q1: What are the extended hours for alcohol sale and service during the 2018 FIFA World Cup?**

**A1.** Hours of alcohol sales and service will be extended to 9:00 a.m. from 11:00 a.m. from June 14 to July 15, 2018. The extension of hours applies to all licensed areas at your establishment, including the patio.

### **Q2: Do I need to make an application to the AGCO to temporarily extend my hours of alcohol service during the World Cup?**

**A2.** No, individual applications and approvals are not required. A municipality may indicate to the AGCO that it objects to the extension of hours. A municipal motion or letter from the Mayor or City Clerk may be submitted to the Registrar of Alcohol, Gaming and Racing. Any such objections will be respected and the extension of hours will not apply in these municipalities.

### **Q3: I am not interested in opening early for World Cup. Do I have to open at 9:00 a.m.?**

**A3.** No. Whether or not to open or to provide alcohol service at 9:00 a.m. will be an individual business decision of each licensee.

### **Q4: Can I serve liquor before 9:00 a.m. or after 2:00 a.m.?**

**A4.** No, liquor may only be sold and served from 9:00 a.m. until 2:00 a.m. from June 14 to July 15, 2018, inclusive.

### **Q5: Can I still serve liquor at 9:00 a.m. on days when there isn't a World Cup game or when games start later than 9:00 a.m.?**

**A5:** Yes, the AGCO has approved the extension of hours to 9:00 a.m. from June 14 until July 15, 2018 whether or not there is a game on that day or if the game starts later than 9:00 a.m.

### **Q6: Can we put a T.V. on the patio to watch the games?**

**A6:** Yes. The extension of hours applies to all the licensed areas at your establishment, including the patio if licensed.

## Temporary Extension of Hours for 2018 FIFA World Cup Questions and Answers

### **Q7: I have conditions on my licence. Can I still serve liquor at 9 a.m.?**

**A7:** The temporary extension of hours does not override any conditions that are on your licence. For example, if you have a condition that stipulates that you cannot start the sale and service of alcohol until a specific time (for example, at noon or 5:00 p.m.), the temporary extension of hours for World Cup does not apply to your establishment. You must adhere to any conditions that are on your licence.

### **Q8: Does this extension apply to Special Occasion Permit holders?**

**A8:** No, this extension applies only to establishments with a Liquor Sales Licence and does not apply to Special Occasion Permit holders.

### **Q9: Will there be any changes in how the *Liquor Licence Act* is enforced?**

**A9:** No. Licensees are expected to be in compliance with the *Liquor Licence Act* and its regulations at all times during the approved hours of operation.

### **Q10: I am a resident and I don't agree to the temporary extension of hours, so who can I send my objection to?**

**A10:** If you have an objection to the extension of hours in your area, please contact your local municipality to voice your concerns.

### **Q11: Does a municipal by-law need to be passed for extension of hours in my community?**

**A11:** No. The Registrar has approved the temporary extension of hours to liquor sales licensed establishments province-wide. The Registrar recognizes that the 2018 FIFA World Cup is an event of international significance for communities in Ontario and the extension will apply to licensees province-wide to ensure consistency throughout the province and to allow municipalities the opportunity to provide their views. Municipalities have the ability to object to the extension of hours in their area by notifying the Registrar in writing of their objections. Local wishes will be respected.

### **Q12: Can I request a temporary extension of hours for other events not taking place in Ontario?**

**A12:** Events taking place outside of Ontario, though broadcasted in Ontario, have generally not been considered to be events of significance eligible for extended hours. Liquor sales licensees may apply to the AGCO if they wish to

## Temporary Extension of Hours for 2018 FIFA World Cup Questions and Answers

request a temporary extension of hours for service for events which are of municipal, provincial, national or international significance, and the requests will be assessed on a case by case basis.

### **Q13: I live outside Toronto. Why doesn't my municipality have the same authority as Toronto to extend the hours of alcohol service?**

**A13:** In 2006, the provincial government made changes to the *Liquor Licence Act* allowing the City of Toronto to extend hours of sale and service of alcohol for events of municipal, provincial, national or international significance by passing a by-law to that effect. The City of Toronto is the only municipality that has this authority.

### **Q14: Why has the AGCO changed its policy regarding the temporary extension of hours?**

**A14:** The AGCO has not changed its policy. The Registrar of Alcohol and Gaming recognizes that the World Cup is one of the largest and most watched sporting events in the world, and attracts a considerable following amongst the many and diverse communities in this province. Although events taking place outside Ontario have generally not been considered to be events of significance eligible for extended hours, given the very high level of interest in the World Cup and the unique circumstances of this event, the Registrar is satisfied that this is an event of significance and has granted this temporary extension. The Registrar is also satisfied that there are no additional public safety concerns and that the overall intent of the legislation is maintained, which is to allow extensions only under exceptional circumstances.

### **Q15: How will I know if extended hours will be allowed in my municipality?**

**A15:** A list of municipalities which will not have extended hours during the FIFA World Cup will be posted on the AGCO website.

### **Q16: When was the last time a province-wide temporary extension of liquor service hours was approved by the Registrar?**

**A16:** A temporary extension of the start of liquor service hours was approved in the province in 2010, allowing a start time of 10:00 a.m. from June 11 to July 11, 2010 for the 2010 FIFA World Cup. The extension of hours for this period was intended to allow service to coincide with the beginning of some games, which because of the time difference involved, were televised in Ontario early in the morning. No requests were received for an extension for the 2014 FIFA World Cup hosted by Brazil (one hour time difference to Ontario Eastern Time).



June 6, 2018

Darlene Mooney, Deputy Clerk  
Town of Lakeshore  
419 Notre Dame Street  
Belle River, ON N0R 1A0

Re: Lakeshore Resolution on Demolition of All Buildings Containing Hazardous Materials

Dear Ms. Mooney,

I am pleased to advise that Essex Town Council passed the following resolution in support of the Town of Lakeshore resolution on the above-noted matter passed June 4, 2018,

"Moved by Councillor Bondy  
Seconded by Councillor Snively  
(R18-06-287) That a copy of correspondence sent from the Town of Kingsville, dated May 27, 2018 advising that they support the Town of Lakeshore's resolution asking for the Government of Ontario to review and revise the laws regarding the alteration, renovation and/or demolition of all buildings containing hazardous materials, to ensure that proper steps and preventative measures are taken to protect the public from exposure to hazardous materials, be received and supported. "Carried"

I trust you will find this satisfactory, but should you have any comments or questions regarding this matter please feel free to contact the undersigned.

Yours truly,

A handwritten signature in black ink, appearing to read "R. Auger", written over a white background.

Robert W. Auger, LL.B.  
Clerk, Legal and Legislative Services  
Ext. 1132  
Email: [rauger@essex.ca](mailto:rauger@essex.ca)



cc: Hon. Kathleen Wynne, Premier of Ontario

cc: Hon. Andrea Horwath, Leader of New Democratic Party

cc: Hon. Doug Ford, Leader of the Progressive Conservative Party

cc: Association of Municipalities Ontario (AMO)

cc: Town of Kingsville, Town of Amherstburg, Town of Tecumseh, Municipality of  
Leamington, Town of LaSalle



## TOWN OF LAKESHORE

419 Notre Dame St.  
Belle River, ON N0R 1A0

April 27, 2018

All Ontario Municipalities

VIA EMAIL

To Whom It May Concern:

**RE: RENOVATION AND/OR DEMOLITION OF ALL BUILDINGS  
CONTAINING HAZARDOUS MATERIALS**

---

At their meeting of April 24, 2018 the Council of the Town of Lakeshore duly passed the following resolution.

Councillor Wilder moved and Councillor Bailey seconded:

**WHEREAS** municipalities are encouraged to develop planning strategies that allow for the redevelopment of existing properties;

**WHEREAS** redevelopment of existing properties involves the alteration, renovation and/or demolition of existing buildings, which due to their age of construction, may contain hazardous materials such as lead and asbestos;

**WHEREAS** disturbing hazardous materials increases health risks to those who are exposed to it;

**WHEREAS** the current law in Ontario allows for some buildings to be altered, renovated and/or demolished, without being required to adhere to the standard health and safety requirements regarding the identification, isolation, handling and disposal of hazardous materials; and

**WHEREAS** homes and public spaces, such as schools, parks and workplaces, are often located next to buildings containing hazardous building materials, which are being altered, renovated and/or demolished.



**NOW THEREFORE BE IT RESOLVED** that the Government of Ontario be urged to review and revise the laws regarding the alteration, renovation and/or demolition of all buildings containing hazardous materials, to ensure that proper steps and preventative measures are taken to protect the public from exposure to hazardous materials;

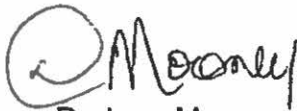
**BE IT FURTHER RESOLVED** that a copy of this motion be sent to the Honourable Kathleen Wynne, Premier of Ontario, the Honourable Doug Ford, Leader of the Progressive Conservative Party, the Honourable Andrea Horwath, Leader of the New Democratic Party, and all MPPs in the Province of Ontario; and

**BE IT FURTHER RESOLVED THAT** a copy of this Motion be sent to the Association of Municipalities of Ontario (AMO) and all Ontario municipalities for their consideration.

**Motion Carried Unanimously**

Should you require any additional information with respect to the above matter, please contact the undersigned.

Yours truly,

A handwritten signature in black ink, appearing to read 'Darlene Mooney', with a large circular flourish at the beginning.

Darlene Mooney  
Deputy Clerk

/km

cc: Hon. Kathleen Wynne, Premier  
cc: Mr. Jagmeet Singh, Leader of the New Democratic Party of Canada  
cc: Hon. Andrea Horwath, Leader of New Democratic Party  
cc: Members of Provincial Parliament in Ontario  
cc: Association of Municipalities Ontario (AMO)

Newspaper ad

## 2018 Homeownership 10% Downpayment Assistance Program

### Investment in Affordable Housing Program for Ontario Extension (IAH-E)

The Federal and Provincial governments partnered to fund a Homeownership Downpayment Assistance Program. It is estimated the program can provide assistance for a limited number of households. Downpayment assistance of 10% of the purchase price of an eligible home, up to a maximum of \$21,200 is provided by a 20-year forgivable loan registered on title as a second mortgage.

Completed applications will be generally processed on a first come, first serve basis having regard to a fair distribution of the program funds across Windsor and Essex County. The program expires when program funds are depleted or November 30, 2018, whichever occurs first.

The Homeownership Downpayment Assistance Program Application Form and supplementary documents are available to download on the City of Windsor's website. You may also request a Homeownership Program Application Form to be mailed to you by completing and submitting the Request for Application Form provided below or on the City of Windsor's website.

***Applications cannot be picked up at City Hall or at 400 City Hall Square East.***

<b>2018 Homeownership Downpayment Assistance Program</b> <b>Request for Application Form</b> <i>Please print clearly</i>				
Please mail an Application package for the 2018 Homeownership 10% Downpayment Assistance Program to me using the information I provided in this form.				
First Name			Last Name	
Street No.	Unit No.	Street Name		
City/Town		Postal Code	Phone Number (optional)	
<b><i>A completed version of this form may be submitted</i></b>				
<b>By Mail to:</b> Program Development Officer, Housing Services, 400 City Hall Square East, P.O. Box 428 Windsor Ontario N9A 6L7				
<b>By Fax at:</b> 519-256-7107				
<b>Online:</b> <a href="http://www.citywindsor.ca">www.citywindsor.ca</a> click on: For Residents ► Housing ► Homeownership Program				

If you have any questions regarding this program, contact the Program Development Officer, Housing Services at (519) 255-5200 Ext. 5470 or call 311.

*Disclaimer: Details contained herein are for informational purposes only, and are not to be relied upon as a comprehensive or precise representation of the program, its terms and conditions or eligibility rule.*

**From:** Massimo Bergamini [<mailto:admin=airlinecouncil.ca@mail171.atl221.rsgsv.net>] **On Behalf Of** Massimo Bergamini  
**Sent:** Thursday, June 14, 2018 3:00 PM  
**To:** Tony Haddad  
**Subject:** Cross-country consultations on air passenger rights



**NACC**  
National Airlines  
Council of Canada



**CNLA**  
Conseil national des lignes  
aériennes du Canada

To all Mayors and councils:

Re: Cross-country consultations on air passenger rights and the aviation ecosystem

As a mayor and municipal leader, you understand better than most the importance of safe, efficient and economical transportation to your community and to Canada. With the Canadian Transportation Agency (CTA) holding [public consultations on a new passenger rights regime](#), I want to enlist your support to ensure that these hearings contribute to an improved, more competitive air passenger transportation system.

Every day in Canada, some 350,000 air travellers have safe and uneventful flights. Thousands of people in many organizations including airlines, airports, air traffic control, and government agencies responsible for border control, security, customs and immigration contribute to the success of every flight.

But for those air travellers, most of these interactions occur behind the scenes. Which is why it is not surprising that when something goes awry, responsibility is often assigned to the most visible player—the air carrier. There is little

discussion of the role played by others involved in their flight or the impact of external forces, such as weather or distant ground stops.

Commercial aviation is highly complex anywhere. Canada's operating environment, including climate, geography and population distribution requires an exceedingly high level of coordination and operational sophistication. Adding to the cost and complexity of commercial aviation in this country are federal policies that make it increasingly difficult for our air transport system to remain globally competitive.

Together, these thousands of people, dozens of organizations along with our policy and regulatory environment make up Canada's aviation ecosystem. Attempts to improve passenger air travel through government regulation must look at the ecosystem as whole.

For example, system-wide capacity issues are caused by labour and other shortages in our partner organizations and government agencies. The Canadian Air Transport Security Authority (CATSA) and the Canada Border Services Agency (CBSA) have stagnant budgets with which to manage growing responsibilities.

Airport infrastructure dictates many aspects of airline operations, as do government regulations. For example, de-icing regulations, essential as they are, can lead to tarmac delays because of capacity issues. Canada's climate and challenging weather conditions, which are in no one's control, can disrupt airline scheduling.

Focusing solely on airlines and developing a punitive system to enforce new regulations, while easy, may well fail to deliver the travel experience Canadian

air passengers want and deserve. Consider the experience of the United States, where harsh regulations fining airlines for tarmac delays seem to have backfired.

According to [a study by Dartmouth College and the Massachusetts Institute of Technology](#), the regulations have “significantly increased” the number of passenger delays, with each minute of time saved waiting on the tarmac translating into roughly three minutes of total passenger delay.

This is due primarily to increases in flight cancellations, resulting in passengers needing to rebook and often leading to extensive delays in reaching their final destination. Such an unanticipated outcome in Canada would be particularly challenging for northern, remote and Atlantic communities, which are more vulnerable to weather-related events.

This example points to the need for a balanced and holistic approach that recognizes operational and safety realities and encourages system-wide improvements in capacity and operations, including security, border screening, air traffic control and airport infrastructure.

We have created a video (see below) to explain the complexity of the commercial aviation ecosystem and why every policy that affects aviation must recognize that ecosystem and ensure better coordination, greater synergies and more collective accountability among its members.

We encourage you to share the video with your council colleagues, staff and constituents. We also encourage you to advocate to the CTA and the Minister of Transport for an approach to passenger rights that recognizes the complexity of the aviation system and Canada’s unique operating environment.

Our member airlines want to work with you and your communities to make passenger air travel in Canada better for everyone. No one will benefit from a simplistic approach that creates unintended consequences that hurt the people they intended to help.

If you have any questions or concerns, please do not hesitate to contact me directly at [mbergamini@aviationcouncil.ca](mailto:mbergamini@aviationcouncil.ca).

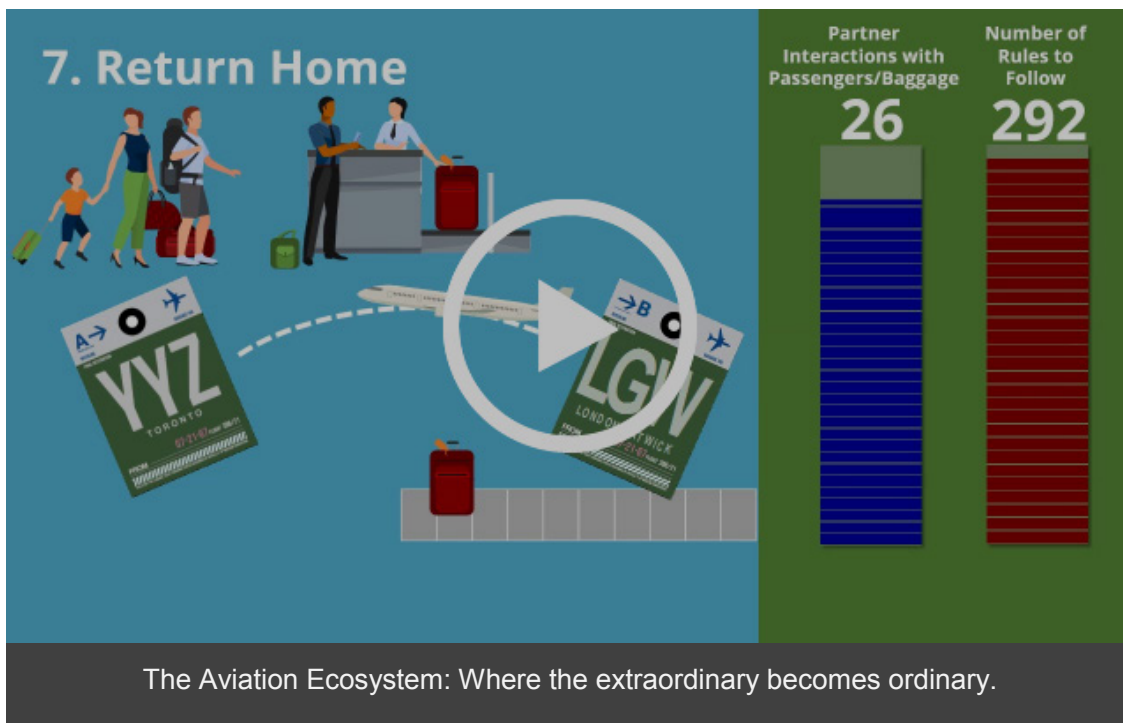
Sincerely,



Massimo Bergamini  
President & CEO

**NATIONAL AIRLINES COUNCIL OF CANADA**

*The National Airlines Council of Canada is the trade association that represents Canada's largest commercial airlines: Air Canada, WestJet, Jazz Aviation, and Air Transat. Together, our members transport 92 percent of domestic passengers in Canada and employ almost 50,000 Canadians from coast to coast to coast.*



**NACC**  
National Airlines  
Council of Canada

### BACKGROUND: The Aviation Ecosystem

Every day, more than 15,000 passenger aircraft take off and land at Canadian airports. Those 15,000 flights carry some 350,000 passengers, double the number in 1995, the vast majority of whom experience pleasant, on-time flights.

Every flight, domestic or international, is governed by hundreds of regulations and involves thousands of people in multiple organizations. This is the aviation ecosystem, and it includes air traffic control, airlines, airports, border agencies, ground handling, the federal regulator, security - even passengers have a role in ensuring its smooth function.

Canadian aviation is recognized globally for excellence. But the pressure of growing demand and the vastness of our territory, along with the greater likelihood of extreme weather in Canada require all aviation partners - airlines, airports, government, air traffic control, and others - to work together to manage system capacity and meet demand.

Many aspects of the system, not obvious to passengers, can affect airline performance. For example, delays anywhere and for a number of reasons—including weather, security, border processes, or others—will affect the rest of the system.

The aviation eco-system is finely balanced. From air space to airport slots to ground handling to security and border screening, its successful operation involves careful capacity management.

Maintaining balance and improving the air travel experience requires a holistic and integrated approach that recognizes operational and safety realities and encourages system-wide improvements in capacity and operations, including security, border screening, air traffic control and airport infrastructure.

The international experience tells us that attempts to improve passenger air travel must look at the ecosystem as whole. For example, US tarmac delay rules with their highly punitive monetary administrative penalties have resulted in a reduction in tarmac delays, but an increase in flight cancellations and in overall in transit time for passengers<sup>1</sup>.

Prescriptions for change developed without considering the entire system risk unintended consequences, including new costs for travellers.

<sup>1</sup> Tarmac Delay Policies: A Passenger-Centric Analysis, MIT International Center for Air Transportation (ICAT), January 2016

airlinecouncil.ca Page | 1

Background: The Aviation Ecosystem.



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# The Corporation of The Town of Amherstburg

June 18, 2018

VIA EMAIL

Ms. Lynn Dollin, President  
Association of Municipalities of Ontario  
200 University Ave., Suite 801  
Toronto, ON M5H-3C6  
Email: [amopresident@amo.on.ca](mailto:amopresident@amo.on.ca)

**RE: Resolution – Cannabis Grace Period Request**

Dear: Ms. Lynn Dollin,

At its meeting of June 11<sup>th</sup>, 2018, Amherstburg Town Council passed the following resolution:

***“That a letter BE SENT in support of the City of Quinte West’s resolution regarding their request that a 6 month grace period be enacted once the cannabis legislation passes to ensure that municipal law enforcement officers and the OPP are adequately trained to enforce the legislation.”***

Sincerely,

Tammy Fowkes - Deputy Clerk, Town of Amherstburg

cc: Taras Natyshak – MPP, Essex  
Tracey Ramsey – MP, Essex  
Ontario Municipalities

encl: City of Quinte West Resolution re: Cannabis Grace Period Request

## CITY OF QUINTE WEST

*Office of the Mayor  
Jim Harrison*



**P.O. Box 490  
Trenton, Ontario, K8V 5R6**

**TEL: (613) 392-2841  
FAX: (613) 392-5608**

May 28, 2018

Ms. Lynn Dollin, President  
Association of Municipalities of Ontario  
200 University Ave, Suite 801  
Toronto, ON M5H 3C6

### **RE: Resolution – Cannabis Grace Period Request**

Dear: Ms. Lynn Dollin,

This letter will serve to advise that at a meeting of City of Quinte West Council held on May 22, 2018 Council passed the following resolution:

"That the Council of the City of Quinte West requests that once the cannabis legislation is passed that a six month grace period be enacted to ensure that municipal law enforcement officers and the Ontario Provincial Police are adequately trained to enforce the said legislation;

And further that this resolution be circulated to the local MP, MPP, AMO, and other municipalities. **Carried**"

We trust that you will give favourable consideration to this request.

Sincerely,

CITY OF QUINTE WEST

A handwritten signature in black ink that reads "Jim Harrison".

Jim Harrison  
Mayor

cc: MP Neil Ellis, Bay of Quinte  
cc: MPP Lou Rinaldi, Northumberland-Quinte West

Minutes of the Cultural and Arts Advisory Committee  
for the Corporation of The Town of Tecumseh

A meeting of the Cultural & Arts Advisory Committee for the Town of Tecumseh was scheduled to be held on Monday, April 16, 2018, in the Sandwich South Meeting Room at Town Hall, 917 Lesperance Road, Tecumseh at 7:00 pm.

**1. Call to Order**

The Chairperson calls the meeting to order at 7:14 pm.

**2. Roll Call**

**Present:**

Councillor  
Councillor  
Chair  
Member  
Member

Brian Houston  
Rita Ossington  
Marian Drouillard  
Ian Froese  
Christopher McNamara

**Also Present:**

Manager Committee & Community Services

Christina Hebert

**Absent:**

Vice-Chair  
Member  
Member

Rhonda Dupuis  
Dwayne Ellis  
Phil Kane

**3. Disclosure of Pecuniary Interest**

None reported.

**4. Delegations**

None.

**5. Communications**

**a. Cultural and Arts Advisory Committee Minutes - February 12, 2018**

**b. Cultural and Arts Advisory Committee Minutes - March 19, 2018**

**Motion: CAAC – 10/18**

Moved By	Councillor Brian Houston
Seconded By	Member Ian Froese

**That** the Minutes of the Cultural & Arts Advisory Committee meeting held February 12, 2018 and March 19, 2018, be approved.

Carried

**6. Reports**

None.

## 7. Unfinished Business

### a. Soirée Coffee House

The Manager Committee & Community Services reviews the Event Matrix and provides updates respecting the Soirée Coffee House.

#### Advertising

- Notices were placed in the Shoreline Week and Essex Free Press, as well as promotion on the Town's social media.
- Information relating to the event details will be prepared and circulated closer to the date.
- Chair Marian Drouillard will contact Snapd to advise of the event.

#### Program

- Chair Marian Drouillard has offered to be the Master of Ceremony, together with a representative from l'Essor.
- The event poster has been circulated to the Members.

#### Performers

- The Members review the ten (10) applications received to date. The l'Essor Jazz Band and Ste. Marguerite d'Youville Band will be performing once again.
- It is suggested the performers submit a brief biography to assist the MC's when introducing each performance.
- l'Essor is making arrangements with the Sound/Lighting technician and live streaming.

#### Refreshments

- The Tecumseh Area Historical Society will be providing the popcorn again and l'Essor's Culinary Department will be providing the hors d'oeuvres.
- Refreshments and pastries will be provided by the Committee.
- The Committee will again arrange for the paper tablecloths and crayons for artistic doodling.
- The centrepieces will be arranged by the Committee. l'Essor will provide decorative pots for use.
- The Members' assistance in set up/take down the night of the event is appreciated.
- l'Essor's janitors will be providing cleaning services following the event.

### b. Street Name Recognition

The Members review the detailed information relating to Col. Paul Poisson.

The Committee commits to researching George Hayes, as it relates to the significance of the naming recognition of Hayes Avenue.

Member Ian Froese will inquire if the Tecumseh Area Historical Society has historical information.

### c. 2021 100th Anniversary

Councillor Rita Ossington advises as an amalgamated community, recognition of events, anniversaries, etc. need to be inclusive of the community as a whole.

The Tecumseh Fire Services will be celebrating its 100th Anniversary in 2021, which serviced both Tecumseh and former Village of St. Clair Beach.

Additionally, it is suggested the Tecumseh Area Historical Society could organize an event, such a 'Tecumseh Days' in recognition of the anniversary.

**d. Outdoor Recreation Games**

The Chair Marian Drouillard and Member Ian Froese convey the discussion held with the Director Parks & Recreation Services in regards to the outdoor recreation games.

It is noted the chess/checker cement structure serves multi-purpose use versus the ping pong table. Liability and weather/maintenance issues are discussed.

The Parks Master Plan is scheduled for review and provides an opportunity to assess if there is a desire/interest by residents for such outdoor recreation games.

**8. New Business**

None.

**9. Next Meeting**

The next meeting of the Cultural & Arts Advisory Committee will be held on Monday, May 28, 2018.

**10. Adjournment**

**Motion: CAAC – 11/18**

Moved By	Councillor Brian Houston
Seconded By	Member Chris McNamara

**That** there being no further business, the April 16, 2018 meeting of the Cultural & Arts Advisory Committee now adjourn at 8:16 pm.

Carried

---

Marian Drouillard, Chair

---

Christina Hebert, Manager Committee &  
Community Services

## Minutes of a Regular Meeting of the Town of Tecumseh Business Improvement Area (TOTBIA)

A Regular General Meeting of the Town of Tecumseh BIA (TOTBIA) Members held as of Wednesday, *March 14, 2018* at Town Hall, 917 Lesperance Rd., Tecumseh, ON, at the hour of 6:00 PM.

(TOTBBM-1-3)

### CALL TO ORDER

The meeting was called to order at 6:15 p.m. by Candice Dennis, Chair

(TOTBBM –2-3)

### ROLL CALL

Present:	Chair	Candice Dennis
	Vice Chair	Tony Nehme
	Treasurer	Paul Bistany
	Director	Maureen Harris
	Director	Linda Proctor
	Director	Daniel Hofgartner
	Councilor	Bill Altenhof

Regrets:	Director	Jules Champoux
	Councillor	Brian Houston
	Coordinator	Paula Rorai

Minute Taker:	Admin	Anne Rigo
---------------	-------	-----------

(TOTBBM – 3-3)

DISCLOSURE OF PECUNIARY INTEREST - No disclosures were declared.

(TOTBBM – 4-3)

DELEGATIONS – Brian Hillman, Director Planning & Building Services. Delegation posted to future meeting.

(TOTBBM – 5-3)

### COMMUNICATIONS

#### 5.1

<u>Motion:</u> (BBM-6/18)	Moved by:	Maureen Harris
	Second by:	Linda Proctor

**THAT** the minutes of the Town of Tecumseh TOTBIA Regular Board of Management Meeting held on February 21, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

#### 5.2 LETTERS FROM - P. Rorai reports on the following communication:

5.2.1 None at this time.

(TOTBBM – 6-3)

### REPORTS

#### 6.1 CHAIR REPORT:

- None at this time.

#### 6.2 TREASURER REPORT: P. Bistany reports on the following month end financials:

6.2.1 Month End Financial Report as of December 31, 2017

BIA Operating Account (8111130)	Bank Balance stands at:	\$ 52,795.21
Outstanding Payables	See Detail Page	\$ 6,319.63
BIA Ledger Balance stands at:	See Detail Page	<u>\$ 46,475.58</u>

<b>BIA Reserve Account</b>	Balance last month:	\$ 13,202.74
	Transfer from Operating (see <b>NOTE</b> )	\$
(Opened September 20, 2012)	Interest	<u>\$ 35.88</u>
		<u>\$ 13,238.62</u>

BIA Petty Cash stands at: \$ 715.46

BIA Liabilities and Equity at: December 31, 2017 \$ 63,070.86

Year To Date Levy Tax Requisition:	1st Quarter @ March 31, 2017	\$ 27,472.00
	2nd Quarter @ June 30, 2017	\$ 27,028.00
	3rd Quarter @ September 30, 2017	\$ 27,250.00
	4th Quarter @ December 31, 2017	<u>\$ 27,662.38</u>
	<b>Total to Date;</b>	<b>\$ 109,412.38</b>

**Instalments are due March 31, June 30, September 30, December 31**

Total Tax Levy received for the **2017** fiscal year **\$109,412.38**

Total Tax Levy received for the **2016** fiscal year **\$107,125.54**

Total Tax Levy received for the **2015** fiscal year **\$117,883.89**

Total Tax Levy received for the **2014** fiscal year **\$119,496.93**

Total Tax Levy received for the **2013** fiscal year **\$105,270.54**

**Motion: (BBM-7/18)** Moved by: Tony Neheme  
Second by: Linda Proctor

**THAT** the Month End Treasurer's Report as of December 31, 2017 be approved as distributed.

**APPROVED.  
CARRIED.**

**6.2.2 Month End Financial Report as of January 31, 2018**

BIA Operating Account (8111130)	Bank Balance stands at:	\$ 43,913.70
Outstanding Payables	See Detail Page	\$ 1,186.93
BIA Ledger Balance stands at:	See Detail Page	<u>\$ 42,726.77</u>

<b>BIA Reserve Account</b>	Balance last month:	\$ 13,238.62
	Transfer from Operating (see <b>NOTE</b> )	\$
(Opened September 20, 2012)	Interest	<u>\$ 37.16</u>

	\$	13,275.78
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BIA Petty Cash stands at:	\$	550.41
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BIA Liabilities and Equity at:	December 31, 2017	\$	63,070.86
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Year To Date Levy Tax Requisition:	1st Quarter @ March 31, 2018	\$	
	2nd Quarter @ June 30, 2018	\$	
	3rd Quarter @ September 30, 2018	\$	
	4th Quarter @ December 31, 2018	\$	
	<b>Total to Date;</b>	\$	

**Instalments are due March 31, June 30, September 30, December 31**

Total Tax Levy received for the **2017** fiscal year **\$109,412.38**

Total Tax Levy received for the **2016** fiscal year **\$107,125.54**

Total Tax Levy received for the **2015** fiscal year **\$117,883.89**

Total Tax Levy received for the **2014** fiscal year **\$119,496.93**

Total Tax Levy received for the **2013** fiscal year **\$105,270.54**

**Motion: (BBM-8/18)** Moved by: Maureen Harris  
Second by: Daniel Hofgartner

**THAT** the Month End Treasurer's Report as of January 31, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

**6.2.3** Month End Financial Report as of February 28, 2018

BIA Operating Account (8111130)	Bank Balance stands at:	\$	39,116.03
Outstanding Payables	See Detail Page	\$	4,207.18
BIA Ledger Balance stands at:	See Detail Page	\$	34,908.85

<b>BIA Reserve Account</b>	Balance last month:	\$	13,275.78
	Transfer from Operating (see <b>NOTE</b> )	\$	
(Opened September 20, 2012)	Interest	\$	35.13
		\$	13,310.91

BIA Petty Cash stands at:	\$	470.50
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BIA Liabilities and Equity at:	December 31, 2017	\$	63,070.86
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Year To Date Levy Tax Requisition:	1st Quarter @ March 31, 2018	\$	
	2nd Quarter @ June 30, 2018	\$	



3rd Quarter @ September 30, 2018	\$
4th Quarter @ December 31, 2018	\$
<b>Total to Date;</b>	<b>\$</b>

**Instalments are due March 31, June 30, September 30, December 31**

Total Tax Levy received for the **2017** fiscal year **\$109,412.38**

Total Tax Levy received for the **2016** fiscal year **\$107,125.54**

Total Tax Levy received for the **2015** fiscal year **\$117,883.89**

Total Tax Levy received for the **2014** fiscal year **\$119,496.93**

Total Tax Levy received for the **2013** fiscal year **\$105,270.54**

**Motion: (BBM-9/18)** Moved by: Maureen Harris  
Second by: Daniel Hofgartner

**THAT** the Month End Treasurer's Report as of February 28, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

A question was raised regarding the time/date when the BIA AGM is held and why the 2016 Year End Financial Audit was presented to the Board so late (in February, 2018). A. Rigo explains that normally the BIA receives a release letter from the Auditor soon after they have completed the previous year-end audit. The BIA Treasurer and Coordinator sign the letter and the Auditor then forwards the BIA several copies of the Year End Financial Report along with their invoice; this however did not happen for the 2016 Year End Financial Report. It was discovered that the BIA office had not received copies of the 2016 Year End Financial Report and as well had not been invoiced. It was agreed that the BIA office will contact the Auditor following the completion of year-end adjusting entries and inquire on when the report will be received and invoiced. Once the Year End Audit Report is received it will be included on the next BIA Board meeting agenda. It was also explained that the Year End Financial Report are also included on the BIA Annual General Meeting Agenda.

**6.3 COORDINATOR REPORT** – A. Rigo reports that the Tecumseh Corn Festival Sponsorship of \$500 will be deferred to the next Board meeting. The Board agrees to have an entry in the Corn Festival parade and will decide at a later meeting the details. There was discussion on considering a farmers market with a possible location at Lakewood Park. The discussion talked about local markets in the area (Riberdy and Riverside Sportsman Club) that are established and it has been difficult to obtain farmer market vendors at both the Tecumseh Night Market and Fall Into Health Day events. Information was shared regarding the Tecumseh Family Game Nights which are ongoing until May; additional information is on the Town's website. SKZ Landscaping will begin stonescaping the gazebo in the BIA Parkette within the next 3 weeks; dependent on the weather.

**6.4 COUNCIL REPORT** - Councillor Altenhof reports on items from previous Council's meetings:  
February/27<sup>th</sup>/2018:

- Optimist club will be hosting the 41st annual Victoria Day Fireworks event
  - Event is scheduled to occur on Sunday/May/20th
  - Rain-date is scheduled for Monday/May/21st
  - OPP officers will be present through park during evening of event
  - Council has approved event
- Council has approved a 1 year moratorium on commercial development and hotel building permit fees.
  - Potential loss of approximately \$24,126 in permit revenue was identified
  - Potential catalyst to initiate commercial/hotel development identified by Council
  - 2017 Permit report presented a \$104k amount above budgeted allocation
- Council received 2017 Permit report indicating:
  - Total construction costs of \$42.77M (down \$8.6M from 2016)
  - Number of permits at 763 for 2017 (up by 167 from 2016)
- Revenue from permits for 2017 was noted to be \$423,033
  - \$104,033 higher than budgeted amount of \$319k

- Council received 2017 Tecumseh Water Distribution System – Inspection Report, noting:
  - The Town’s inspection risk rating is 0.00% and the final inspection rating is 100.00%.
  - Those ratings represent the best possible rating achievable.
  - Water Services staff is to be commended for their outstanding achievements

## 6.5 COMMITTEE REPORTS

- 6.5.1 Banner Contest – L. Proctor reports that this years’ theme: “Your Favorite Year-Round Outdoor Activity” and all flyers have been distributed to local schools and businesses. Deadline for all original drawings and/or photographs is April 9, 2018 and Awards Ceremony will be held on May 11, 2018.
- 6.5.2 Sign Survey – No report at this time.
- 6.5.3 Tecumseh Night Market – L. Proctor reports we have a few commitments for this year including two bands for each event and to confirm locations; one event will be at Tecumseh Town Centre but there has been no contact from Green Valley Plaza as of yet. Spoke with the AGCO regarding inviting a winery on sight and it was not recommended. The AGCO is willing to meet with the Committee and the Coordinator to answer additional questions and concerns. The Committee will be seeking sponsorships to help with expenses such as security fencing, tables, chairs, portable toilets, etc.

(TOTBBM – 7-3)

### UNFINISHED BUSINESS

- 7.1 TOTBIA Constitution Draft –The final draft will be completed and ready for the Board to review at the April 11<sup>th</sup> meeting.
- 7.2 2018 BIA Budget – The Chair announced that the Budget was approved at the March 13<sup>th</sup> regular Council meeting.

(TOTBBM – 8-3)

### NEW BUSINESS

- 8.1 Associated Membership – P. Rorai will have a draft program ready for the Board to discuss.
- 8.2 Bike Racks – No reports at this time.
- 8.3 Strategic Plan – There was a discussion regarding updating the current strategic plan and to hold a special meeting on April 21 or 28th for planning and asks that the Coordinator send to the Board the current strategic plan.
- 8.4 Director M. Harris suggested setting up Doodle Poll to coordinate calendars, meetings, events, etc.
- 8.5 Councillor B. Altenhof inquiring signage to identify business district.

(TOTBBM – 9-3)

### NEXT MEETING

The next TOTBIA Regular General Meeting is scheduled on **Wednesday, April 11, 2018** at 6:00 PM in the Lacasse Conference Room.

(TOTBBM – 10-3)


### ADJOURNMENT

**Motion:** (BBM- 10/18)

Moved by: Maureen Harris  
Second by: Bill Altenhof

**THAT** there being no further business, the March 14, 2018 regular general meeting of the BIA Board of Management be adjourned at 7:25 PM

**CARRIED.  
APPROVED.**



\_\_\_\_\_  
Candice Dennis, Chair



\_\_\_\_\_  
Anne Rigo, Administrative Assistant

A Regular General Meeting of the Town of Tecumseh BIA (TOTBIA) Members held as of Wednesday, *April 11, 2018* at Public Works Bldg., 1189 Lacasse Blvd., Tecumseh, ON, at the hour of 6:00 PM.

(TOTBBM-1-4)

## CALL TO ORDER

The meeting was called to order at 6:05 p.m. by Tony Nehme, Vice Chair

(TOTBBM –2-4)

## ROLL CALL

Present:

Vice Chair	Tony Nehme
Treasurer	Paul Bistany
Director	Maureen Harris
Director	Linda Proctor
Director	Daniel Hofgartner
Councilor	Bill Altenhof
Director	Jules Champoux
Councillor	Brian Houston

Regrets:	Chair	Candice Dennis
Minute Taker:	Coordinator	Paula Rorai

(TOTBBM – 3-4)

DISCLOSURE OF PECUNIARY INTEREST - No disclosures were declared.

(TOTBBM – 4-4)

DELEGATIONS – Brian Hillman, Director Planning & Building Services – Summarized the original Sign By-Law and identified the changes and amendments that are included in the draft of new Sign By-law and distributed

(TOTBBM – 5-4)

## COMMUNICATIONS

### 5.1 TOTBIA Board of Management Meeting Minutes

Motion: (BBM-11/18) Moved by: P. Bistany  
Second by: J. Champoux

**THAT** the minutes of the Town of Tecumseh TOTBIA Regular Board of Management Meeting held on March 14, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

### 5.2 LETTERS FROM - P. Rorai reports on the following communication:

- 5.2.1 Letter from Dillion Consulting regarding the *Notice of Study Commencement Sylvestre Industrial Park area Sanitary Sewer Extension Class Environmental Assessment*; dated March 13, 2018.

(TOTBBM – 6-4)

## REPORTS

### 6.1 CHAIR REPORT:

- None at this time.

### 6.2 TREASURER REPORT: P. Bistany reports on the following month end financials:

- 6.2.1 Month End Financial Report as of March 31, 2018

BIA Operating Account (8111130)	Bank Balance stands at:	\$	59,817.05
Outstanding Payables	See Detail Page	\$	3,481.67
BIA Ledger Balance stands at:	See Detail Page	\$	56,335.38
<b>BIA Reserve Account</b>	Balance last month:	\$	13,310.91
	Transfer from Operating (see <b>NOTE</b> )	\$	
(Opened September 20, 2012)	Interest	\$	39.00
		\$	13,349.91
BIA Petty Cash stands at:		\$	404.44
BIA Liabilities and Equity at:	March 31, 2017	\$	72,610.88
Year To Date Levy Tax Requisition:	1st Quarter @ March 31, 2017	\$	27,250.00
	2nd Quarter @ June 30, 2017	\$	
	3rd Quarter @ September 30, 2017	\$	
	4th Quarter @ December 31, 2017	\$	
	<b>Total to Date;</b>	\$	<b>27,250.00</b>

**Instalments are due March 31, June 30, September 30, December 31**

Total Tax Levy received for the **2017** fiscal year **\$109,412.38**

Total Tax Levy received for the **2016** fiscal year **\$107,125.54**

Total Tax Levy received for the **2015** fiscal year **\$117,883.89**

Total Tax Levy received for the **2014** fiscal year **\$119,496.93**

Total Tax Levy received for the **2013** fiscal year **\$105,270.54**

**Motion: (BBM-12/18)** Moved by: J. Champoux  
Second by: L. Proctor

**THAT** the Month End Treasurer's Report as of March 31, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

**6.3 COORDINATOR REPORT** – P. Rorai ask if the Board want to be a sponsor for the Tecumseh Corn Festival this year. It was suggested that the BIA have a tent at the Corn Festival instead of the BIA being a sponsor that the BIA encourages our Members to be a vendor and/or sponsors and BIA to cover the parade entry fee for Members. It was recommended that P. Rorai obtain the Sponsorship Package and Vendor Application for this year's Corn Festival and the Board will review at next meeting. SKZ Landscaping will begin stonescaping the gazebo in the BIA Parkette within the next 3 weeks; dependent on the weather.

**6.4 COUNCIL REPORT** - Councillor Altenhof reports on items from previous Council's meetings:

March 27, 2018:

- Top 100 Festival Award – Tecumseh Corn Festival
  - The Tecumseh Corn Festival has once again been acknowledged as one of the Top 100 Festivals in Ontario for 2017.

- The Tecumseh Corn Festival has received this acknowledgement for a number of years.
  - Council publically recognized the efforts of the 2017 Organizing Committee at the March/27 RCM.
- Taste of Tecumseh Festival 2018
  - The 2018 Taste of Tecumseh Festival is schedule to occur on June 15th and 16th, 2018.
  - Council has approved authorization for the Optimist Club to facilitate the serving of beverages (in conformance to the Town's Municipal Alcohol Risk Management Policy), and relief from the Noise By Law to allow for musical entertainment and event announcements.
- Windsor Sport and Culture Annual Celebration
  - Council has approved a relief from the Noise By-Law to permit the Windsor Sports and Culture Club to operate appropriate equipment to allow for the Annual Celebration to be held on August 4th, 2018 from 10am until 8pm
  - The event is annual and is currently in its 14th year.
- St. Clair College Baseball at Lacasse Park
  - The St. Clair College Baseball team (the St. Clair Green Giants) will once again hold its scheduled home games at Lacasse Park.
  - The season runs from June 9th to August 31st.
  - Council has approved St. Clair College to sell and serve alcoholic beverages at the Lacasse Park Baseball Diamond, subject to compliance with the provisions of the Town's Municipal Alcohol Risk Management Policy
- Rosati Development, North Side of Tecumseh Rd, near old St. Gregory Church
  - Council has approved a Public Council Meeting (PCM) to hear input from stakeholders associated with a proposed development on the north side of Tecumseh Rd., at a location to the south of the old St. Gregory's Church.
  - The PCM will occur on April 24th at 5pm at Town Hall.
  - The proposed development incorporates a maximum of 22 Townhouse units and 1 four storey apartment building with a maximum number of 55 units allocated.
  - The development will require an amendment to the St. Clair Beach Official Plan and applicable Zoning By-law

April 10, 2018:

- Main Street Revitalization Grant.
  - Administration recommends that a new accessible pathway at the Tecumseh Heritage Museum, which is in the Town's Tecumseh Road Main Street CIP Area, be approved, at an estimated cost of \$12,500 plus HST, and that the by-law authorizing the Town to enter into an Agreement with the Association of Municipalities of Ontario be approved to receive funding from the Province from its Main Street Program.
  - Tecumseh's one time allocation is \$58,195.14.
  - The remainder will be spent prior to 2020.
- Tree Carving Cadillac and LaSalle.
  - Administration is recommending that Erie Treasures Custom Chainsaw Art be contracted in the amount of \$4,500 plus HST to carve the likeness of Antoine de Lamothe Cadillac and René-Robert Cavelier, Sieur de LaSalle in the damaged tree at Lakewood Park and that an additional \$1,000 plus HST be allocated to landscape the area after the carving has been completed.
  - Funds would be provided from the One-Time Strategic Issues Lifecycle Reserve.
- Results of Public Consultation Process and Recommended Changes to the TTS for 2018. Administration is recommending to:
  - Eliminate the East Pointe Trails bus stop
  - Shift the Manning-to-Little River transit route to Manning-Tecumseh-Green Valley-St. Gregory-Revland-St. Thomas Street
  - Move Riverside Drive route to Dillon Drive
  - Provide two-way service on Southfield-Brouillette-Shawnee and eliminate Tecumseh Road service between Southfield and Shawnee.
  - Eliminate Tecumseh Towne Centre bus stop.
- CIP Grant Funding, 1071 Lesperance Road.
  - Administration is recommending approval of a Grant Application for the Tecumseh Road Main Street Community Improvement Plan Financial Incentive Program, for the property located at 1071 Lesperance Road and deemed eligible for Financial Incentives in an amount of \$3,000.00 toward the preparation of architectural drawings.

Treasurer P. Bistany inquired about the Town of Tecumseh Streetscaping/Landscaping Grant if TOTBIA Members could apply to purchase items placed in front of their stores/business to improve i.e. bike racks, garbage bins, benches, etc. Councillor Brian Houston will obtain the regulations and report back to the Board at their next meeting.

## 6.5 COMMITTEE REPORTS

- 6.5.1 Banner Contest** – L. Proctor reports this years' theme: "Your Favorite Year-Round Outdoor Activity" was highly received with enthusiasm by local teachers, parents and students and the BIA office is receiving submissions and the deadline date is April 9th. Linda informs the Board that the Tecumseh Cultural and Arts Advisory Committee, in partnership with École secondaire catholique l'Essor, will be hosting their annual Soirée Coffee House on Friday, May 11, 2018 from 7:00 to 10:00 pm at École secondaire catholique l'Essor in the Tecumseh-l'Essor Arts Centre. The event will take place on the same evening as the BIA Banner Ceremony and the Committee has suggested perhaps the BIA Banner Ceremony could be hosted in conjunction with the Soirée Coffee House, to marry the two arts initiatives, at the Tecumseh-l'Essor Arts Centre. An inquiry was made as to what equipment would be needed and the location in the high school where the banners would be hung and we were told that they do not have the necessary fixtures/equipment to hang the banners. The Arts Department does have a few easels, but likely not a suitable number, as well as assuming easels would not properly display the banners. Fencing could be rented to hang the banners; however that would be an additional cost. The gymnasium would likely be available that evening and provide sufficient space for the Banner Ceremony, but again fencing would need to be rented. The BIA contacted Parks and Rec to ask if the Center Ice Conference Room was available on different days and the Banner Ceremony will now be held on Friday, May 4<sup>th</sup>. Should the Board wish to move the event to l'Essor we can certainly look to alternative options to display the banners and/or consider options for future years.
- 6.5.2 Sign Survey** – J. Champoux reports the summary of the Sign Survey immediately after the Delegation, Brian Hillman completed his presentation on the Draft of the new Sign By-Law. See Sign Survey Results hand out.
- 6.5.3 Tecumseh Night Market** – L. Proctor reports currently there are eleven vendors committed to either both Night Markets and some are also participating in the Fall Into Health Day event in September; one vendor has paid in full for all three events. The Committee met with the Green Valley Plaza management and is waiting for approval to have the June 22 event and the Committee will confirm with the owners of the Tecumseh Towne Centre Plaza for the July 20 event.

(TOTBBM – 7-4)

### UNFINISHED BUSINESS

- 7.1 TOTBIA Constitution Draft** –The final draft will be reviewed during the Strategic Planning Meeting, then forward to the Clerk and then presented to the Members at the next AGM.
- 7.2 Associated Membership** – P. Rorai will have a draft program ready for the Board to discuss at the next Board meeting.
- 7.3 Bike Racks** – P. Rorai reported on several prices and models that were recommended by the Parks & Rec Department that would coincide with the CIP.
- 7.4 BIA Parkette** – P. Rorai reports that a follow up call to SKZ Landscaping was sent earlier today asking to confirm when the stonescaping on the gazebo in the parkette will begin as both the Town Parks & Rec department and the Board need to be notified of the start date.
- 7.5 Strategic Plan** – There was a discussion regarding updating the current strategic plan and to hold a special meeting on April 28, 2018. It was recommended that P. Rorai send an email to the Directors reminding them of the date of the Strategic Plan meeting and the dates of the Tecumseh Night Markets and Fall Into Health Day.

(TOTBBM – 8-4)

### NEW BUSINESS

- 8.1 None at this time.

(TOTBBM – 9-4)

### NEXT MEETING

The next TOTBIA Regular General Meeting is scheduled on **Wednesday, May 9, 2018** at 6:00 PM in the Lacasse Conference Room.

(TOTBBM – 10-4)  
**ADJOURNMENT**

**Motion:** (BBM- 13/18)

Moved by: P. Bistany

Second by: M. Harris

**THAT** there being no further business, the April 11, 2018 regular general meeting of the BIA Board of Management be adjourned at 8:15 PM

**CARRIED.  
APPROVED.**

  
\_\_\_\_\_  
Tony Nehme, Vice Chair  
\_\_\_\_\_  
Paula Rorai, Coordinator



## Minutes of a Regular Meeting of the Town of Tecumseh Business Improvement Area (TOTBIA)

A Regular General Meeting of the Town of Tecumseh BIA (TOTBIA) Members held as of Wednesday, *May 9, 2018* at Public Works Bldg., 1189 Lacasse Blvd., Tecumseh, ON, at the hour of 6:00 PM.

**(TOTBBM-1-5)**  
**CALL TO ORDER**

**NON-APPROVED  
BOARD MINUTES**

The meeting was called to order at 6:05 p.m. by Candice Dennis, Chair

**(TOTBBM –2-5)**  
**ROLL CALL**

Present:	Chair	Candice Dennis
	Vice Chair	Tony Nehme
	Treasurer	Paul Bistany
	Director	Linda Proctor
	Director	Daniel Hofgartner
	Councilor	Bill Altenhof
	Director	Jules Champoux
	Councillor	Brian Houston
Regrets:	Director	Maureen Harris
Minute Taker:	Coordinator	Paula Rorai

**(TOTBBM – 3-5)**  
**DISCLOSURE OF PECUNIARY INTEREST** - No disclosures were declared.

**(TOTBBM – 4-5)**  
**DELEGATIONS** – No delegations at this time.

**(TOTBBM – 5-5)**  
**COMMUNICATIONS**

**5.1** TOTBIA Board of Management Meeting Minutes

**Motion: (BBM-14/18)** Moved by: L. Proctor  
Second by: B. Altenhof

**THAT** the minutes of the Town of Tecumseh TOTBIA Regular Board of Management Meeting held on April 11, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

**5.2 LETTERS FROM - P. Rorai reports on the following communication:**

- 5.2.1 By-Law Number 2018-27 being a by-law to levy a special charge of the Business Improvement Area and to provide for its collection for the year 2018 in the amount of \$109,000.00.

**(TOTBBM – 6-4)**  
**REPORTS**

**6.1 CHAIR REPORT:**

- None at this time.

**6.2 TREASURER REPORT:** P. Bistany reports on the following month end financials:

**6.2.1** Month End Financial Report as of April 30, 2018

BIA Operating Account (8111130)	Bank Balance stands at:	\$ 52,549.81
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Outstanding Payables	See Detail Page	\$ 299.45
BIA Ledger Balance stands at:	See Detail Page	\$ 52,250.36
<b>BIA Reserve Account</b>	Balance last month:	\$ 13,349.91
	Transfer from Operating (see <b>NOTE</b> )	\$
(Opened September 20, 2012)	Interest	\$ 37.85
		\$ 13,387.76
BIA Petty Cash stands at:		\$ 1,106.37
BIA Liabilities and Equity at:	March 31, 2017	\$ 66,617.23
Year To Date Levy Tax Requisition:	1st Quarter @ March 31, 2017	\$ 27,250.00
	2nd Quarter @ June 30, 2017	\$
	3rd Quarter @ September 30, 2017	\$
	4th Quarter @ December 31, 2017	\$
	<b>Total to Date;</b>	<b>\$ 27,250.00</b>

**Instalments are due March 31, June 30, September 30, December 31**

Total Tax Levy received for the **2017** fiscal year **\$109,412.38**

Total Tax Levy received for the **2016** fiscal year **\$107,125.54**

Total Tax Levy received for the **2015** fiscal year **\$117,883.89**

Total Tax Levy received for the **2014** fiscal year **\$119,496.93**

Total Tax Levy received for the **2013** fiscal year **\$105,270.54**

P. Bistany identified that the amount under the Petty Cash line entry is incorrect. The Administrative Assistant will correct for the next Board meeting and requests that the interest obtained monthly on the TOTBIA Operations Bank Account be included in the Month End Financial Report as of May 31, 2018.

**Motion: (BBM-15/18)** Moved by: D. Hofgartner  
Second by: B. Altenhof

**THAT** the Month End Treasurer's Report as of April 30, 2018 be approved as distributed.

**APPROVED.  
CARRIED.**

**Motion: (BBM-16/18)** Moved by: T. Nehme  
Second by: P. Bistany

**THAT** \$20,000.00 from the TOTBIA Operations Account is transferred to the TOTBIA Reserved Bank Account for future beautification and CIP projects.

**APPROVED.  
CARRIED.**

**6.3 COORDINATOR REPORT** – P. Rorai reports the rental space fees for this year's Tecumseh Corn Festival. Also reports on the following pricing as requested by the Board: DEFER TO NEXT MEETING

- 6.3.1** Directors agree that November 17, 2018 will be the date for this year's BIA Members' Christmas Party.
- 6.3.2** It was suggested that the BIA have a tent at the Corn Festival instead of the BIA being a sponsor that the BIA encourages our Members to be a vendor and/or sponsors and BIA to cover the parade entry fee for Members. It was recommended that P. Rorai obtain the Sponsorship Package and Vendor Application for this year's Corn Festival and the Board will review at next meeting.
- 6.3.3** SKZ Landscaping will begin stonescaping the gazebo in the BIA Parkette within the next 3 weeks; dependent on the weather.

#### **6.4 COUNCIL REPORT** - Councillor Altenhof reports on items from previous Council's meetings:

April 24, 2018:

- A PCM occurred on April/24/2018 which allowed an information/opinion sharing between stakeholders and residents of the proposed development at the field to the south of the old St. Gregory Church
- The Rosati Group spoke on the topic of the development and presented findings from water, sanitary, and traffic studies
  - No impact expected on all
- A large number of residents spoke against the proposed development in its current form
  - Concerns associated with 4 story apartment/condo complex adjacent to school
  - Residents typically agreeable to development of Townhomes or residential units, but against 4 story complex
- The 2018 Rotary Club Fish Fry Event is scheduled to occur on July 20th, 2018 at Lakewood Park
- At the April/24th/2018 RCM, representatives from the Rotary Club provided a presentation on the work in Ghana which is possible through the funds obtained by the Fish Fry Event
  - Enabling fresh water for Ghana residents
  - Allowing in-house plumbing for these residents
- The appreciation of residents from Ghana was noted from photographs
- Currently, municipal governments in Ontario do not have the right to approve landfill projects within their communities
- Council has indicated support for Bill 16, Respecting Municipal Authority Over Landfilling Sites Act
  - Would allow for municipalities to have more authority over the approval and rejection of landfill projects, within their own communities
  - Also consideration for waste management, recycling, and diversion programs
- BIA Board and Staff are encouraged to review:
  - Council meeting minutes/agenda from April/24th/2018 and agenda from May/8th/2018 (meeting minutes for the May 8th meeting was not available at date of this publication)
- Listing of relevant topics to BIA might exist but not articulated within this presentation

#### **6.5 COMMITTEE REPORTS**

- 6.5.1 Banner Contest** – L. Proctor distributes group picture and article on the 12<sup>th</sup> Annual Banner Contest with the 15 winners, Board Directors and Councilors present at the May 4, 2018 Award Ceremony. Banners will be installed around the main arteries around Town in mid-June.
- 6.5.2 Communications** – J. Champoux – no report at this time.
- 6.5.3 Tecumseh Night Market** – L. Proctor reports currently there are eleven vendors committed to either both Night Markets and some are also participating in the Fall Into Health Day event in September; one vendor has paid in full for all three events. The Committee met with the Green Valley Plaza management and is waiting for approval to have the June 22 event and the Committee will confirm with the owners of the Tecumseh Towne Centre Plaza for the July 20 event.

(TOTBBM – 7-4)

#### **UNFINISHED BUSINESS**

- 7.1 TOTBIA Constitution Draft** – Deferred to next Board meeting
- 7.2 Associated Membership** – Deferred to next Board meeting.
- 7.3 Bike Racks** – L. Proctor reported on several prices and models that were recommended by the Parks & Rec Department that would coincide with the CIP.
- 7.4 BIA Parkette** – P. Rorai reports that a follow up call to SKZ Landscaping was sent earlier today asking to confirm when the stonescaping on the gazebo in the parkette will begin as both the Town Parks & Rec department and the Board need to be notified of the start date.

7.5 **Strategic Plan** – There was review of the Strategic Plan created by the Board in 2015 and discussion regarding was has been completed and accomplished and what goals and objectives planned for the 2018-2020 term.

**(TOTBBM – 8-4)**  
**NEW BUSINESS**

8.1 B. Houston reminds the Board of the Soiree Coffee House this Friday, May 11<sup>th</sup> from 7:00 – 10:00 PM at l'Essor Arts Centre.

8.2 B. Altenhof distributed the flyer for this year's Michael C. Rohrer 'Heart & Soul' Walk. After discussion on last year's donation by the TOTBIA motion was made.

**Motion: (BBM-17/18)** Moved by: L. Proctor  
Second by: P. Bistany

**THAT** the Town of Tecumseh TOTBIA make a donation to this year's Michael C. Rohrer 'Heart & Soul' Walk similar to the donation given in 2017, be approved.

**APPROVED.**  
**CARRIED.**

8.3 C. Dennis reports that she has had meetings with Delirium Media, a TOTBIA Member on creating a marketing video showcasing the active life styles, benefits, businesses, various amenities in the Town of Tecumseh and quoted \$1600 - \$2200 for a finished 90 second video. It was requested that Directors bring ideas/suggestions of new tag lines to use in the video at the next Board meeting.

**Motion: (BBM-18/18)** Moved by: D. Hofgartner  
Second by: J. Champoux

**THAT** the cost of a 90 second video showcasing the Town of Tecumseh not exceed \$2,200.00, be approved.

**APPROVED.**  
**CARRIED.**

(TOTBBM – 9-4)  
NEXT MEETING

The next TOTBIA Regular General Meeting is scheduled on **Wednesday, June 13, 2018** at 6:00 PM in the Lacasse Conference Room.

(TOTBBM – 10-4)  
**ADJOURNMENT**

**Motion:** (BBM- 19/18) Moved by: L. Proctor  
Second by: P. Bistany

**THAT** there being no further business, the April 11, 2018 regular general meeting of the BIA Board of Management be adjourned at 8:30 PM

**CARRIED.  
APPROVED.**

**Candice Dennis, Chair**

**Paula Rorai, Coordinator**

Minutes of the Youth Advisory Committee  
for the Corporation of The Town of Tecumseh

A meeting of the Youth Advisory Committee for the Town of Tecumseh was scheduled to be held on May 28, 2018, in the Sandwich South Meeting Room at Town Hall, 917 Lesperance Road, Tecumseh at 4:30 pm.

**1. Call to Order**

The Vice Chair calls the meeting to order at 4:34 pm.

**2. Roll Call**

**Present:**

Vice Chair  
Member  
Treasurer  
Member  
Chair

Maria Giorlando  
Jacob Altenhof  
Michael Altenhof  
Brendan Froese  
Kristi Koutros (4:50 pm)

**Also Present:**

Manager Committee & Community Services

Christina Hebert

**Absent:**

Secretary  
Member

Ava Ruuth  
Andre Ducharme

**3. Disclosure of Pecuniary Interest**

None reported.

**4. Delegations**

None.

**5. Communications**

**a. Youth Advisory Committee Minutes – April 16, 2018**

**Motion: YAC – 13/18**

Moved By	Treasurer Michael Altenhof
Seconded By	Member Jacob Altenhof

**That** the minutes of the April 16, 2018 meeting of the Youth Advisory Committee be approved.

Carried

**b. Manager Recreation Programs and Events, Email dated April 24, 2018**

Re: YAC Projects for Fall 2018 / Winter 2019 - Family Game Nights

**Motion: YAC – 14/18**

Moved By                      Member Brendan Froese  
Seconded By                  Member Jacob Altenhof

**That** Communication item B as listed on the May 28, 2018 Youth Advisory Committee Agenda, be received.

Carried

The Members express interest in sponsoring the Fall 2018 / Winter 2019 Family Game Nights.

Once dates for the event are determined, a calendar will be circulated to the Committee to assist with scheduling two (2) Members per game night to supervise the program. Arrangements will be made for an on-site meeting at the Arena to familiarize the Committee with process for Family Game Night.

The Manager Recreation Programs & Events will attend a future meeting to further discuss details and establish dates.

**6. Reports**

None.

**7. Unfinished Business**

**a. Earth Day**

Appreciation is extended to the Members for their involvement in the Earth Day event on Sunday, April 22, 2018.

The event was very well-attended and the clay pots and painting activity lead by the Committee was thoroughly enjoyed by the families in attendance. The Members concur with continuing the clay pot activity for next year's Earth Day event.

**b. Canada Day Celebrations**

The Members apprise of their availability to assist with the upcoming Canada Day Celebrations.

The Committee is agreeable to leading a craft activity at the event.

The event will take place at Lakewood Park from 1:00 pm to 4:00 pm on July 1. Further details will be provided by the Recreation Department closer to the event.

**c. Outdoor Movie Night**

The Committee will confirm their availability to volunteer at the Outdoor Movie Night on Saturday, July 7 at the Town Centre Park. Assistance is appreciated to prepare the complimentary popcorn and set up for the evening.

As additional details become available, it will be shared with the Members.

**8. New Business****a. Cada Library Complex Renovations**

The Members review the proposed Cada Library Complex Renovations and provide the following comments:

- Suggest additional study spaces are needed than what appears in the proposal
- Younger adults and teens may be more inclined to use the library if the facility was more student friendly with modern updates, including a green space area
- Current design is not conducive to studying individually; if renovated it would provide a more convenient study location for Tecumseh residents, who for example, attend the University of Windsor or St. Clair College
- The proposed 'Teen Area' may be better used for additional tables than a lounge area

**9. Next Meeting**

The next meeting of the Youth Advisory Committee will be held on Monday, June 18, 2018 at 4:30 pm.

**10. Adjournment****Motion: YAC – 15/18**

Moved By                      Member Jacob Altenhof  
Seconded By                Treasurer Michael Altenhof

**That** there being no further business, the May 28, 2018 meeting of Youth Advisory Committee now adjourn at 5:18 pm.

Carried

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Kristi Koutros, Chair

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Maria Giorlando, Vice-Chair



## The Corporation of the Town of Tecumseh

### Financial Services

**To:** Mayor and Members of Council

**From:** Luc Gagnon, Director Financial Services & Treasurer

**Date to Council:** June 26, 2018

**Report Number:** FS-2018-03

**Subject:** 2017 Annual Report on Investment and Cash Management

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### Recommendations

It is recommended:

1. **That** the 2017 Annual Report on Investment and Cash Management **be received** for information.

### Background

Investment Policy:

As per Policy #87 – Investment Policy, “the Town of Tecumseh (Town) strives for the optimum utilization of its cash resources within statutory limitations and the basic need to protect and preserve capital, while maintaining solvency and liquidity to meet ongoing financial requirements.”

The Director Financial Services & Treasurer is required to submit an Investment Report to Council at least annually, including a management summary that provides an analysis of the status of the current investment portfolio and transactions made over the last year. The report is to include the following:

- Listing of individual securities held at the end of the reporting period.
- Listing of investment by maturity date.
- Percentage of the total portfolio which each type of investment represents.
- Average weighted yield to maturity on investments.



- A statement by the Director Financial Services & Treasurer as to whether or not, in his or her opinion, all investments were made in accordance with the investment policies and goals adopted by the Town.
- Such other information that Council may require or that, in the opinion of the Director Financial Services & Treasurer, should be included.

Policy # 87 meets the requirements set forth in *O. Reg. 438/97, Eligible Investments and Related Financial Agreements*.

#### Recent Legislative Changes:

Amendments to the Municipal Act, 2001 passed under the Modernizing Ontario's Municipal Legislation Act, 2017 have been proclaimed in force as of March 1, 2018. These amendments, together with changes to *O. Reg. 438/97, Eligible Investments and Related Financial Agreements*, provide eligible municipalities with access to investing in any security in accordance with the prudent investor standard and other requirements set out in the regulation.

The legislative changes will expand municipal investment options by allowing greater choice, flexibility and portfolio diversity. This may help municipalities earn better rates of return.

To qualify for the new standard, municipalities must have (i) \$100 million in investments individually or together with one or more other municipalities, or (ii) individually have net financial assets of \$50 million as per FIR Schedule 70. Additional formal oversight, policies and monitoring measures will be required.

Starting March 2019, municipalities that wish to invest under the prudent investor standard will need to pass an appropriate by-law.

There is no immediate decision or action required. Ultimately, it is up to each individual municipality to decide if this standard is appropriate based on their individual needs.

## Comments

#### Investment Report:

Table 1 contains the listing of individual securities held at the end of the reporting period, percentage of the total portfolio, and the average weighted yield to maturity with comparison values for the prior two years.

**Table 1**

<b>Listing of Individual Securities Held at December 31 (\$000)</b>									
	2017			2016			2015		
	<b>Amount @ Dec 31</b>	<b>% of Funds</b>	<b>Ave. Int. Rate</b>	<b>Amount @ Dec 31</b>	<b>% of Funds</b>	<b>Ave. Int. Rate</b>	<b>Amount @ Dec 31</b>	<b>% of Funds</b>	<b>Ave. Int. Rate</b>
Cash	\$ 3	0%		\$ 3	0%		\$ 3	0%	
Bank Balances	\$ 32,864	71%	2.16%	\$ 28,536	70%	1.95%	\$ 27,526	71%	2.05%
<b>Short-Term</b>	<b>\$ 32,867</b>	<b>71%</b>	<b>2.16%</b>	<b>\$ 28,539</b>	<b>70%</b>	<b>1.95%</b>	<b>\$ 27,529</b>	<b>71%</b>	<b>2.05%</b>
Drain 5 year Receivables	\$ 266	1%	2.72%	\$ 232	1%	3.12%	\$ 136	0%	3.25%
EPC Financing Agreement	\$ 1,544	3%	4.00%	\$ 1,544	4%	4.00%	\$ 1,544	4%	4.00%
<b>Medium-Term</b>	<b>\$ 1,810</b>	<b>4%</b>	<b>3.83%</b>	<b>\$ 1,776</b>	<b>4%</b>	<b>3.93%</b>	<b>\$ 1,680</b>	<b>4%</b>	<b>3.99%</b>
EPC - Equity - Common	\$ 10,085	22%	4.17%	\$ 9,746	24%	4.32%	\$ 9,203	24%	4.44%
EPC - Equity - Green	\$ 374	1%	7.00%	\$ 374	1%	7.00%	\$ 374	1%	7.00%
	\$ 10,459	23%	4.27%	\$ 10,120	25%	4.42%	\$ 9,577	25%	4.54%
ONE Fund - Equity	\$ 1,000	2%	0.00%	\$ 400	1%	0.00%	\$ -		
<b>Long-Term</b>	<b>\$ 11,459</b>	<b>25%</b>		<b>\$ 10,520</b>	<b>26%</b>		<b>\$ 9,577</b>	<b>25%</b>	
<b>Total Funds</b>	<b>\$ 46,136</b>	<b>100%</b>	<b>2.42%</b>	<b>\$ 40,835</b>	<b>100%</b>	<b>2.56%</b>	<b>\$ 38,786</b>	<b>100%</b>	<b>2.68%</b>
<b>Note:</b>									
1. EPC - Equity - Common amount is recorded using the modified equity basis of accounting. The Town recognizes its equity interest in the annual income or loss of EPC in its Consolidated Statement of Operations with a corresponding increase or decrease in its investment account. Any dividends that the Municipality receives from EPC are reflected as reductions in the investment account. The Average Interest Rate earned is calculated based on the change in the investment account balance.									
2. The percentage of funds by category remains within limits specified in Policy # 87 - Investment Policy.									

Section 6.2 of the Investment Policy states that “**Short-term** funds will be compared to the return on the three month Government of Canada Treasury Bills and the ONE Investment Program’s Money Market Fund”. The 2.16% rate of return compares favourably with the ONE Fund and Canada Treasury Bills 1 year returns for:

- High Interest Savings Account 1.26%
- Money Market Portfolio 0.60%
- Canada Treasury Bills 0.70%

Note that the Town’s rate of return for the cash balances above does not include the benefit of an absence of fees for most banking services.

Although the Investment Policy is silent on performance standards for the **medium-term** investments the Town’s 3.65% 2017 actual return compares to:

- ONE - Universe Corporate Bond Portfolio 2.05%
- Scotia Bond Fund 1.62%

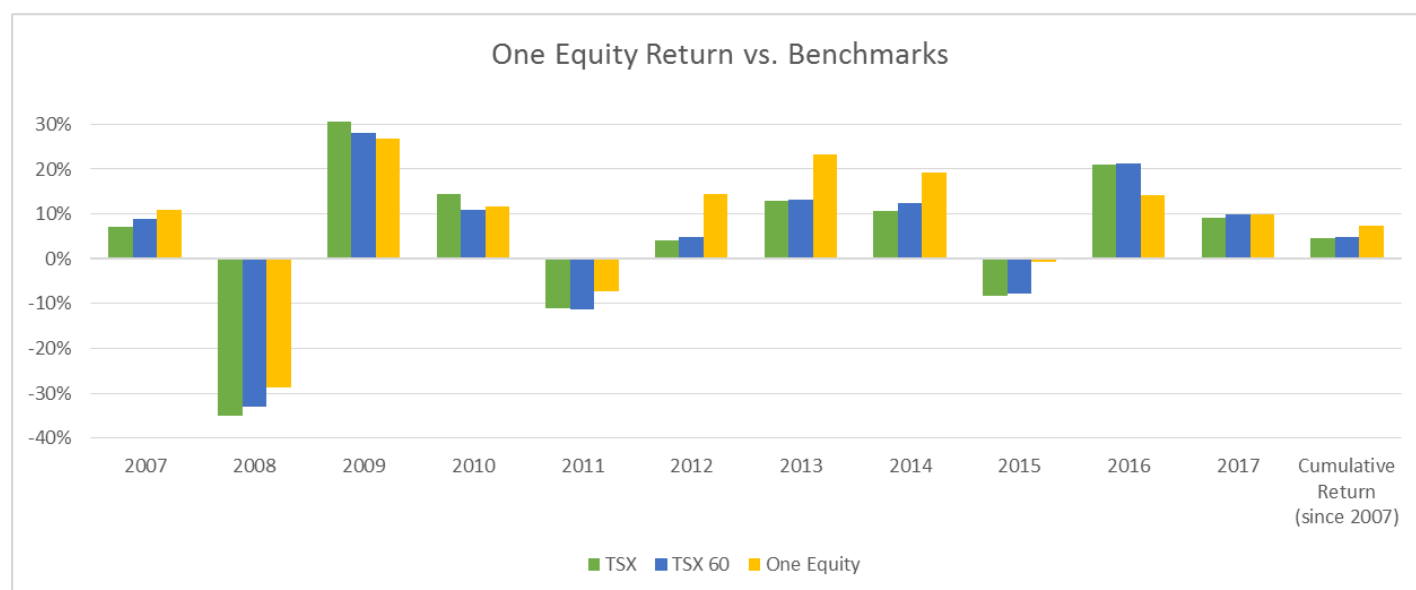
Investment Policy PERFORMANCE STANDARDS 6.3 states “**Long-term** funds will be compared to Scotia McLeod’s All Government Short Term Bond Index and ONE Fund’s Bond Investment Program”. The Essex Power Corporation return of 4.27% compares to:

- Scotia McLeod -0.74%
- ONE - Bond Investment Program 0.59%
- ONE - Universe Corporate Bond Portfolio 2.05%

Note that any inherent growth in the market value of Essex Power Corporation (EPC) Common shares is not reflected in the analysis within this report.

As an additional long-term investment, the Town began participating in the ONE Investment Program Equity Portfolio in 2016 under by-law 2016-15. As shown in Table 1, \$1,000,000 from the Post Retirement Reserve Fund has been invested to-date. Since these funds were not going to be required for a considerable number of years, it was felt that it would be appropriate to invest in the equity market. History has shown that the equity market, over the long term, outperforms the short and medium term markets.

Annual returns for the ONE Canadian Equity Portfolio, the S&P/TSX Composite Index, and the S&P/TSX 60 Index are shown in the graph below.



As illustrated, the ONE Equity net return on an annualized basis since the Fund launched in January 2007 was 7.35%. In comparison, the S&P/TSX Composite Index and the S&P/TSX 60 Index had returns of 4.65% and 4.73% respectively.

The following table shows the performance of the Town’s investment in the ONE Equity Portfolio:

Year	Book Value	Market Value	Annual Return	Cumulative Return*
2016	\$ 400,000	\$ 415,829	14.18%	14.18%
2017	\$ 1,000,000	\$ 1,095,684	10.97%	11.42%
*Since initial investment in June 2016				

The table below shows the listing of investments with respective maturity dates.

<b>Table 2</b>			
<b>Listing of Maturity Dates</b>			
	Book Value	Interest Rate	Maturity Date
<b>Short -Term</b>			
Cash & Bank	\$ 32,867,645	2.26%	N/A
<b>Medium-Term</b>			
Drain 5 year Receivables			
2014	\$ 7,723	3.25%	2019
2015	\$ 74,903	3.10%	2020
2016	\$ 79,509	2.95%	2021
2017	\$ 103,653	3.28%	2022
	\$ 265,788		
EPC Financing Agreement	\$ 1,544,408	4.00%	2017
<b>Long-Term</b>			
EPC - Equity - Common	\$ 10,085,419	N/A	N/A
EPC - Equity - Green	\$ 373,943	N/A	2030
ONE Fund - Equity	\$ 1,000,000	N/A	N/A
	\$ 11,459,362		

Treasurer's Statement:

I, Luc Gagnon, Director Financial Services & Treasurer, hereby state that in my opinion all investments were made in accordance with the investment policies and goals adopted by the Town.

## Consultations

None

## Financial Implications

Actual investment income for the past three years is shown in Table 3.

<b>Table 3</b>				
<b>Investment Income Summary</b>		2017	2016	2015
Cash & Bank	Interest	\$ 744,090	\$ 637,179	\$ 645,801
Drain 5 year Receivables	Interest	6,308	4,242	599
EPC Financing Agreement	Interest	61,766	61,776	61,776
		68,074	66,018	62,375
EPC - Equity - Common	Dividends	433,352	420,660	408,498
EPC - Equity - Green	Dividends	26,176	26,176	26,176
		459,528	446,836	434,674
ONE Fund - Equity		-	-	-
		459,528	446,836	434,674
Total Investment Income		\$ 1,271,692	\$ 1,150,033	\$ 1,142,850

Investment income represents approximately 2% of the total revenues of the Town as per the 2017 Consolidated Statement of Operations and Accumulated Surplus.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Zora Visekruna, MBA  
Financial Analyst

Prepared by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	None



## The Corporation of the Town of Tecumseh

### Financial Services

**To:** Mayor and Members of Council

**From:** Luc Gagnon, Director Financial Services & Treasurer

**Date to Council:** April 24, 2018

**Report Number:** FS-2018-04

**Subject:** Water & Sanitary In-House Billing

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### Recommendations

It is recommended:

1. **That** performance of the water and sanitary billing function (read, process, bill and collect) in-house as proposed in the 2018 Proposed Business Plan & Budget **be tabled for discussion and referred to the May 8, 2018 Regular Council Meeting for consideration and approval;**
2. **And that** savings, as a result of converting to in-house billing for water and sanitary charges, **be allocated to** the water and sanitary reserve funds to offset future capital requirements.

### Background

On June 1, 2000 the Tecumseh Public Utilities Commission assets were transferred to Essex Powerlines Corporation (EPL). Since that date, EPL has provided all billing functions, including meter reading, bill processing and collection, on the Town's behalf. EPL performed this service for all municipal shareholders (Tecumseh, LaSalle, Leamington and Amherstburg) until January 1, 2017 when LaSalle took ownership of the billing function for its users.

Revenues and number of users as per the 2018 Approved budget are summarized in the following table.

The chart below shows the fees the Town has paid to EPL over the last 10-year period.

Revenue	Water	Wastewater	Total
Fixed	\$ 1,584,000	\$ 1,474,000	\$ 3,058,000
Consumption	\$ 3,384,000	\$ 3,090,000	\$ 6,474,000
	\$ 4,968,000	\$ 4,564,000	\$ 9,532,000
# of Users			
Residential	8,250	7,600	
Commercial	680	370	
	8,930	7,970	

#### EPL Collection Costs - Historical

	Water	Sanitary	Total	% Increase
2008	\$ 107,500	\$ 70,200	\$ 177,700	2.80%
2009	\$ 123,400	\$ 82,300	\$ 205,700	* 9.5%
2010	\$ 134,000	\$ 89,400	\$ 223,400	8.60%
2011	\$ 146,500	\$ 97,700	\$ 244,200	9.31%
2012	\$ 147,200	\$ 98,100	\$ 245,300	0.45%
2013	\$ 147,200	\$ 98,100	\$ 245,300	0.00%
2014	\$ 150,100	\$ 100,100	\$ 250,200	2.00%
2015	\$ 150,100	\$ 100,100	\$ 250,200	0.00%
2016	\$ 150,100	\$ 100,100	\$ 250,200	0.00%
<b>2017</b>	<b>\$ 150,100</b>	<b>\$ 100,100</b>	<b>\$ 250,200</b>	0.00%
10 year total	\$ 1,406,200	\$ 936,200	\$ 2,342,400	

\* % increase was adjusted to reflect increase in billings as a result of assuming billing for Oldcastle customers formerly billed by Enwin Utilities

The Town began installing Encoder Receiver Transmitters (ERT) in 2011, which allows the Town to read meters remotely by driving around instead of walking around. Readings are then sent electronically to EPL, which has relieved them from most of the meter reading and input services they previously provided. There has been no concurrent reduction in the charges received from EPL to reflect a reduction in meter reading requirements.

## Comments

Administration has periodically considered the option of bringing water and sanitary billing in-house. This discussion often centered on two factors: the Town's ability to service user needs, which is discussed below and the cost to provide billing services which is reviewed under the Financial Implications section.



## Service User Needs

Effective service is based on an efficient and timely delivery of services. Experience has shown that the Town's ability to respond in a timely manner to customer service issues is significantly hampered under the existing system.

Having care and control of our customer database is also an important benefit as this data is used frequently for study updates (Water & Sanitary Rate Study, Water Financial Plan, Development Charges Study, Asset Management Plan), day to day operations and budget variance purposes.

Other benefits of bringing this function in-house include:

- ✓ Streamline customer issues/concerns – currently ratepayers may deal with two or three different people and multiple service work orders when they could be dealing with one person and one service work order. Currently when data and information is transferred from EPL to the Town for billing purposes it is handled by multiple people, which leads to inaccuracies. In-house will allow data and information to be handled by one person.
- ✓ Direct access to financial information and reports will reduce wait time and limitations to data inherent in the Town tying into the EPL data as a user only.
- ✓ Allow Town unrestricted access to data in real-time – Town staff require water & sanitary data for several reasons, i.e. calculating water loss, providing consumption data to consultants for projects/master plan updates, water usage for MOECC (Ministry of Environment and Climate Change) reporting. Relying on a third party to retrieve this information adds an extra step to the process, adding time and increasing the likelihood of errors from miscommunication.
- ✓ The Water division must document all daily activities as per the DWQMS (Drinking Water Quality Management System) and MOECC requirements. The current work order system with EPL dictates that most of the documentation requires work orders to be completed manually on paper. Implementation of an in-house work order system would be paperless; it will save time, provide an efficient means of collecting and storing important data, and provide an electronic record for DWQMS and MOECC audits.
- ✓ Allow implementation of in-house work order system - the Water division has delayed implementing an existing in-house work order system that many of the Town's other areas use because many of its service calls come from EPL.
- ✓ Frequency of residential customer billing – the Town will be able to control when and how often residential customers will be billed. Presently, some residential customers are billed every month while others are every other month. Moving all residential customers to a quarterly billing cycle has significant cost saving potential. Commercial billing will continue on a monthly basis.

- ✓ Direct and more timely access to personal ratepayer information (cell phone, email address) will enable Town staff to use this information in real-time for the Tecumseh Citizen Alert System in the event of a water related emergency.
- ✓ The DWQMS Emergency Plan reviewed and accepted by the MOECC states that in the event of water emergency, Town staff will use the Tecumseh Citizen Alert System. This effective emergency system may also be used for any other Town related emergencies. Currently there is a time lag from month to month in updating the ratepayer information from EPL data base to the Town's Citizen Alert System. In-house billing will provide the necessary daily updates to more accurately activate this system in the event of a Town emergency.

### The LaSalle Experience

The Town of LaSalle (LaSalle) began in-house billing for water and sanitary charges effective January 1, 2017. Their February 16, 2016 FIN-05-2016 report noted non-financial advantages such as improved customer service, one window approach for service, synergies between staff and improved communication between departments. Estimated annual savings by going in-house and doing quarterly billing were projected to be \$112,000.

Administration has discussed with LaSalle Administration the progress and evaluation of providing the water and sanitary billing function in-house. They've indicated that there were many issues and hurdles to be dealt with initially but now that they are approaching the one year point things are operating smoothly. In addition to the significant cost savings that have resulted from taking the utility billing in-house, the level of service has significantly increased, as customers only have to call the Town to get information on their bill and usage.

Upon taking back the billing function LaSalle discovered:

- 1) Many estimated bills were significantly underestimated resulting in some large retroactive billings,
- 2) Coding issues where commercial properties were billed as residential, apartments only charged for one monthly fixed cost rather than per each unit and residential properties not being charged a sanitary fee when they should have been, and
- 3) Mix up in information being sent to LaSalle residents that applied to another municipal client.

## Alternatives

Over the last number of years, discussions have been ongoing at the local municipal level as to the feasibility of a local shared service arrangement or looking at an alternate outside service provider. Ultimately no clear path could be seen to developing a local shared service arrangement that would be feasible. The option of an alternate outside service provider might have been a cheaper alternative but did not address the operational issues of compatibility with our various systems.

## EPL Proposal for Operational Matters

EPL indicated a number of changes they could make in order to improve overall customer service. These areas included:

- I. Undertake Quarterly billing for all residential customers.
- II. Getting accurate and timely data for requested Reports.
- III. Improving service order process
- IV. Undertaking Bad Debt/Write offs on a timelier basis.

Administration reviewed the proposal and, while appreciative of EPL's offer, note that this would still result in the Town remaining a customer of EPL with the related issues that entails. The most significant issues still include:

- Not having direct access to data supporting annual billings of \$9.5M,
- Relying on an outside party to ensure currency, adequacy and completeness of the data,
- Increased complexity by implementing a work management software system on a 3<sup>rd</sup> party system,
- Having a 3<sup>rd</sup> party handling customer calls for service/complaints, and
- Increased liability with respect to a 3<sup>rd</sup> party involved in a service area that carries high consequences if matters are not dealt with in a timely manner.

**The number one focus** under consideration is providing the best customer service balanced with an affordable cost. Administration believes service, efficiency and customer satisfaction will be greatly enhanced by performing the water and sanitary billing function (read, process, bill and collect) in-house.

Therefore, Administration recommends bringing the billing and customer service functions in house subject to affordability as considered under Financial Implications below.

## Consultations

Information & Communication Services  
Public Works & Environmental Services  
Town of LaSalle

## Financial Implications

EPL billing history, provided in the background section, shows a cost of approximately \$250,000 on an annual ongoing basis notwithstanding that the Town of Tecumseh has relieved EPL of the responsibility for providing meter-reading services for 100% of the commercial users and the majority of residential users for the past five years.

Following our request and 2018 budget proposal, EPL proposed, concurrent with changing to quarterly billing for residential customers, billing and collection services for the next five years at a cost of:

- Year 1           \$175,000
- Year 2           \$170,000 (full implementation of quarterly billing)
- Year 3           \$160,000
- Year 4           \$155,000
- Year 5           \$150,000 upon conversion of all remaining water meters to ERT

All prices are subject to HST.

EPL has noted that a change to quarterly billings will result in it taking longer to detect and react to leakage issues. Under the Town of Tecumseh model, meter reads would still take place on a monthly basis so that leakage detection should be the same as under the current model.

Administration estimates the cost of bringing the service in-house to be considerably less than \$250,000 once fully implemented. A detailed cost breakdown is provided in the following table.

<b>Annual Operational Costs post Implementation</b>			
Postage (quarterly bills)	36,000	\$ 0.90	\$ 32,400
Misc Svc (Printing bills)	36,000	\$ 0.22	\$ 7,900
Office supplies (stationary)	36,000	\$ 0.05	\$ 1,800
Office supplies (misc.)	2,000	\$ 1.00	\$ 2,000
Software (Vadim module)	1	\$ 2,900.00	\$ 2,900
Financial Analyst	0.50	\$ 100,000.00	\$ 50,000
Finance Clerk *	0.33	\$ 75,000.00	\$ 24,800
Public Works **	-	\$ -	\$ -
<b>Annual Operational Costs</b>			<b>\$ 121,800</b>
Essex Power annual fee (2017)			\$ 250,200
<b>Annual Operational Savings</b>			<b>\$ 128,400</b>

\* - Existing Finance and Water Clerks will be assisting with customer service

\*\* - Public Works currently provides EPL with meter reads, so no additional costs to incur

Based on EPL's recent offer, Annual Operational Savings in Year 5 of the agreement will be \$28,200 (\$150,000 - \$121,800). Total savings foregone in Years 1 to 4 would amount to approximately \$173,000.

Administration anticipates implementation to take approximately one year. Estimated one-time capital and implementation costs are approximately \$82,800, detailed in the following table.

<b>One-time Capital and Implementation Costs</b>			
Software (purchase)	1	\$ 14,300.00	\$ 14,300
Software (implementation)	1	\$ 15,480.00	\$ 15,500
Advertising (change in billing)	6	\$ 500.00	\$ 3,000
Financial Analyst	0.50	\$ 100,000.00	\$ 50,000
			<b>\$ 82,800</b>

Further savings can be achieved through electronic billing. A conservative 25% participation rate in this endeavour reduces costs an additional \$7,900, detailed in the following table.

<b>Additional operational savings with e-Billing</b>			
Postage	6,750	\$ 0.90	\$ 6,100
Misc Svc (Printing bills)	6,750	\$ 0.22	\$ 1,500
Office supplies	6,750	\$ 0.05	\$ 300
			<b>\$ 7,900</b>

Other benefits of bringing this function in-house include:

- ✓ Collection of balances in arrears – Current OEB guidelines require that any payments on account be allocated to electricity charges and then, if there is anything remaining, to the charges for other goods and services. The Town will now have direct access to delinquent accounts and any recoveries will come to the Town. In addition, the Town will be more readily able to add arrears to the tax roll on a timely basis thus increasing recoveries over the present system.
- ✓ New software proposed will support e-billing customers to assist in reducing mailing and paper supply costs.
- ✓ Provides synergy to the Financial Services Department by offsetting in part the cost of an additional Financial Analyst to be responsible for both water/sanitary billing but also relieving the Deputy Treasurer & Tax Collector of some tax collection functions. This will assist the FS Department to free up time for the Deputy Treasurer & Tax Collector to assume more financial management and oversight duties.

#### Impact on EPL

EPL's correspondence indicates that losing the Town as a \$255,000 billing customer will have a net annual impact of \$160,000 after cost avoidance/mitigation measures available to them. They have advised that "In the event of the loss of Tecumseh water billing and over time, EPL will experience a net income reduction that will result in EPL raising electricity rates or shareholders will be forced to realise a lower dividend return."

What isn't clear from the EPL correspondence is how much of the \$95,000 in Cost Avoidance/Mitigation they would have to retain to continue providing the service. As it stands

they appear to be offering to continue providing the service for \$150,000 which is less than the Potential Impact to EPL of (\$160,152).

If EPL reduces the dividend, the Town's 26.44% share of the reduction would be \$42,300. We anticipate that, over a period of time, EPL would be able to reduce the Potential Impact to EPL as it continues to manage the ever changing electricity market. Ultimately the Town would still be paying out \$150,000 to possibly save \$42,300.

### Financial Summary

Based on EPL's offer to reduce annual costs to \$150,000 to provide billing services in Year 5 the annual savings of bringing the billing service in house is greatly reduced. Administration believes that, similar to the LaSalle experience, there will be greater opportunity to maximize revenues by implementing procedures to make sure billings are accurate and complete.

### Conclusion

Administration recommends: 1) That Council approve performing the water and sanitary billing function (read, process, bill and collect) in-house as proposed in the 2018 Proposed Business Plan & Budget, and 2) That savings, as a result of converting to in-house billing for water and sanitary charges, be allocated to the water and sanitary reserve funds to offset future capital requirements.

This recommendation will allow the Town to provide a more efficient, timely and reliable water and sanitary service than is currently possible. The cost to do this will be reduced. Finally, implementing this change will provide synergies for optimizing current staffing as well as assisting the financial services department in being able to meet increasing workload issues with respect to allocating revenue functions from the Deputy-Treasurer to the new Financial Analyst position, allowing the Deputy Treasurer to focus on financial management and oversight.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Tom Kitsos, CPA, CMA, BComm  
Deputy Treasurer & Tax Collector

Prepared by:

Denis Berthiaume, ORO  
Manager Water & Wastewater Services

Reviewed by:

Shaun Fuerth, BCS  
Director Information & Communication Services

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Reviewed by:

Dan Piescic, P.Eng.  
Director Public Works & Environmental Services

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

**Attachment  
Number**

**Attachment  
Name**

1

Essex Powerlines – Town of Tecumseh Water Billing Proposal





February 16, 2018

**Mr. Tony Haddad**

CAO, Town of Tecumseh  
917 Lesperance Rd.  
Tecumseh, Ontario  
N8N 1W9

Dear Tony,

**Re: Essex Powerlines - Town of Tecumseh Water Billing Proposal**

Thank you for the opportunity in allowing Essex Powerlines Corporation ("EPL"), your municipally-owned local distribution company, to submit our Proposal contained herein in order to remain the water billing agent for the Town of Tecumseh ("Tecumseh"). EPL has been the water billing agent for Tecumseh for over fifteen years and it is our hope to continue this mutually beneficially partnership for the foreseeable future.

Our Proposal will address both the Operational and Financial aspects that have been recently brought to our attention through our discussions with your Administrative and Operations staff. As you will see from the within Proposal, significant Operational improvements and Financial savings have been included.

Our Proposal will also highlight the potential overall impact to you as a shareholder in the event that a decision is made to not continue with EPL as your water billing agent.

***OPERATIONAL MATTERS***

Over the course of the last few months, EPL has met with multiple Tecumseh Staff and have been updated as it relates to some Operational Improvements that could be made in order to improve overall customer service.

With respect to OPERATIONAL matters we propose the following:

**I. Tecumseh request to undertake Quarterly billing for all Residential customers.**

EPL currently bills water residential and commercial customers on a monthly basis except for rural Tecumseh which is done on a bi-monthly basis.

**EPL can move to Quarterly for all Residential customers upon request.**

Please note that a transition to Quarterly residential billings will result in some Operational issues being experienced by the Tecumseh Water Dept., namely water leak detection will now take longer to detect and react to as the current monthly billing allows for a quicker and more prompt response. In the long term, is highly recommended that Tecumseh invest in Advanced Metering Infrastructure (“AMI”) in regards to water meters in order to, amongst other things, better detect any water leakage issues.

## **II. Getting accurate and timely data for requested Reports**

EPL undertook the following reports at the request of Tecumseh in 2017:

- i. 450/07 **Annual** Report for all commercial customers that use more than 7300 m3.
  - ii. A **one-time** Report of total number of customers with both water and wastewater
  - iii. A **Monthly** read file for each water cycle
  - iv. A **Monthly** Reverse 911 report
  - v. A list of customers with meters that do not have Encoder Receiver Transmitters (“ERT’s”) – requested a **couple times per year**
- 
- EPL has commenced and will continue undertaking a **full Audit** of current Tecumseh water data in order to ensure complete data integrity and accuracy.
  - EPL has commenced and will continue to institute **daily data integrity checks** of Tecumseh water data.
  - EPL will institute a **two business day** turnaround for any Report requested.
  - EPL will ensure that any Report requested by Tecumseh is subject to a more **robust and thorough** internal review process prior to issuing same.
  - EPL will complete a **comprehensive Master List** of meters that do not have ERT’s and will ensure it implements an effective process as the last remaining ERT’s are installed by Tecumseh.
  - EPL will dedicate **one management employee** as the owner of and single point of contact for all Report response processes to Tecumseh.

### III. Improving Service Order Process

Tecumseh identified that the process relating to booking water customer appointments had multiple layers and was inefficient.

Commencing on **February 5, 2018** this process has been materially improved. EPL now sets up appointments for Tecumseh water customers (high bill complaints) upon **first contact** with EPL.

Furthermore, Tecumseh has indicated that they are considering transitioning to **CityWorks (ESRI)** work management software system. If adopted by Tecumseh, EPL will undertake a **full integration** of this work management software system, in partnership with Tecumseh, in order to ensure the most optimal process efficiencies.

### IV. Undertake Bad Debt/Write Offs on a timelier basis.

Bad debt/write offs currently being done by EPL on an **annual** basis.

EPL can institute a **monthly or quarterly** bad debt/write off process whenever requested by Tecumseh.

An additional value-added and unique service provided by EPL to all residential and commercial customers involves the **ability to receive paperless billing** through its **MyAccount** customer portal. Not only do customers have the ability to receive an e-bill in place of paper bill through the use of this portal, customers have access to highly sought after historical consumption information. EPL has recently experienced a higher Tecumseh customer uptake of this service as a result of our environmentally sustainable paperless billing marketing campaign. For more information about EPL's MyAccount customer portal and the Plant A Tree Initiative, please visit:

<http://essexpowerlines.ca/news/200-go-green-plant-a-tree-campaign>

## **FINANCIAL MATTERS**

With respect to FINANCIAL costs associated with EPL continuing as Tecumseh's water billing agent EPL is prepared to offer this service for the annual fees described below:

Year 1- \$175,000.00

Year 2 - \$170,000.00 – Upon full implementation of Quarterly Billing

Year 3 - \$160,000.00

Year 4 - \$155,000.00

Year 5 - \$150,000.00 – Upon conversion of all remaining water meters to ERT

All prices above are subject to HST.



In return for a the above-noted reduced fee in order to continue delivering water bills on behalf of the Tecumseh, EPL requests a **minimum five year agreement** be entered into in order to provide both parties some stability and predictability on a go forward basis.

This would also fall in line with EPL's five year hydro rate rebasing cycle which we are currently in the process of completing.

### OVERALL CORPORATE IMPACT

Below is high level analysis of the expense synergy that EPL would lose if Tecumseh moves away from joint billing and the ultimate impact on EPL net revenue.

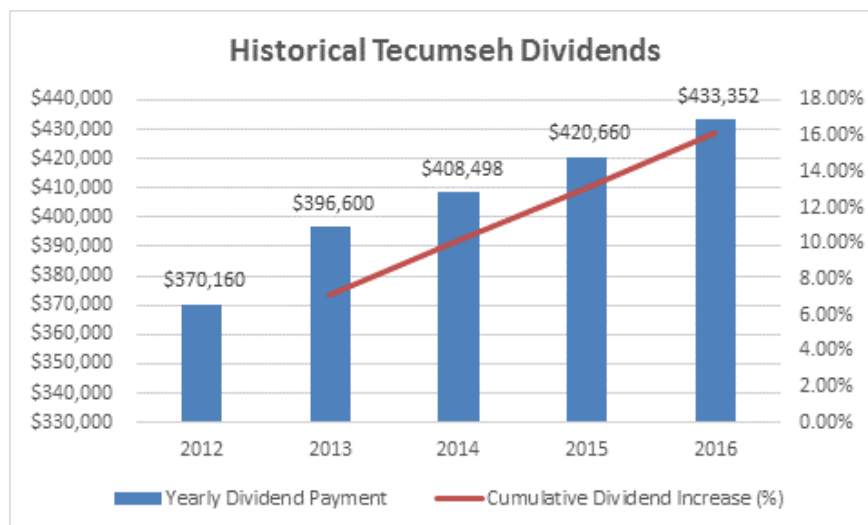
The analysis below attempts to show the potential impact to Essex Powerlines if it were to lose Tecumseh water billing services:

Source	\$
Lost Water Billing Revenue	(255,152)
Cost Avoidance/Mitigation	95,000
<b>Potential Impact to EPL</b>	<b>(160,152)</b>

### CONCLUSION

EPL understands the importance of shareholders seeking to identify potential efficiency gains within their respective municipalities. However, it is of utmost importance that shareholders consider the net effects of internalizing their water billing services. EPL will be able to eliminate some but not all variable expenses in relation to the loss of water billing services.

Over the course of the past five (5) years EPL has delivered a 3% year over year dividend increase to Tecumseh.





In the event of the loss of Tecumseh water billing and over time, EPL will experience a net income reduction that will result in EPL raising electricity rates or shareholders will be forced to realize a lower dividend return.

Trusting that the within meets to your satisfaction.

With regards

A handwritten signature in black ink, appearing to read 'JB', is positioned above a horizontal line.

**Joe Barile, General Manager**  
Essex Powerlines Corporation



## The Corporation of the Town of Tecumseh

### Financial Services

**To:** Mayor and Members of Council

**From:** Tom Kitsos, Deputy Treasurer & Tax Collector

**Date to Council:** June 26, 2018

**Report Number:** FS-2018-07

**Subject:** 2017 Year-End Budget Variance Report

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### Recommendations

It is recommended:

1. **That** the 2017 Year-End Budget Variance Report, dated June 26, 2018, showing a tax-supported surplus of \$ 972,611 **be received**.
2. **And that** surplus **transfers be made** as follows:
  - a) \$ 946,668 to Tax Rate Stabilization Reserve
  - b) \$ 25,943 capital surplus to Infrastructure Reserve

### Background

Council received Financial Services Report No. 15/17 "Budget Variance Report – August 31, 2017" at its October 24, 2017 Council Meeting. The report noted an estimated year-end tax-supported operating surplus of \$675,000.

### Comments

#### Operating Fund

##### Tax Supported

The year-end surplus is \$946,668 compared to the projected August 31<sup>st</sup> forecast surplus of \$675,000.

The major differences between actual and projected year-end results from August include:

- Corporate Shared transfer from reserve re: wage settlements: \$130,000
- Building permit revenue greater than estimated: \$49,000
- Roadways miscellaneous revenue greater than estimated: \$58,000
- Garbage Disposal costs less than estimated: \$63,000

Two common variances throughout the corporation include:

- Wage and benefit settlements, which were not factored in department level budgets, are reflected in each department's actual costs and variance, generally projecting a 2% unfavourable variance to budget. These variances are offset by an equal transfer from reserve in Corporate shared, so that there is no net impact.
- Utilities – Hydro costs were generally below budget due to a favourable pricing adjustment affected by the province.

Major budget variances from the year, actual versus budget, are as follows:

Budget Variances	Amount
➤ Council – Lower professional development and seminar activity resulting in a favourable forecast variance of \$13,000.	(13,000)
➤ Council – Health under budget due to program implementation timing and enrollment numbers.	(14,000)
➤ Corporate Shared – Taxation revenue showing a \$229,000 favourable variance due to greater than estimated growth in property assessment.	(229,000)
➤ Corporate Shared – Supplementary Taxation revenue \$14,000 less than budget due to lower than anticipated in-year residential and commercial assessment increases.	14,000
➤ Corporate Shared – OMPF grant revenue has continued to decline coming in at \$11,000 less than budget.	11,000
➤ Corporate Shared – Miscellaneous Revenue over budget due to LAS natural gas rebate of \$3k and WSIB NEER refund of \$8k.	(11,000)
➤ Corporate Shared – Provincial Offences Fines revenue under budget by \$32,000, an over 30% decrease from the prior year.	32,000
➤ Corporate Shared – Penalties and Interest revenue showing \$30,000 unfavourable variance. Tax arrears at very low levels, less than 5%.	30,000
➤ Corporate Shared – Increase in prime rate resulted in a \$151,000 favourable variance in Bank Interest income; transferred to Tax Rate Stabilization Reserve so no net impact.	0
➤ Corporate Shared – EPS dividend \$13,000 greater than budget; transferred to Tax Rate Stabilization Reserve thus no net impact.	0

Budget Variances	Amount
➤ Corporate Shared – Transfer from Reserve of \$130,000 for union and non-union wage settlements. Fully offset by settlement increases recorded within each department.	(130,000)
➤ Corporate Shared – Insurance claims higher than in previous years; \$12,000 over budget.	12,000
➤ Corporate Shared – Fewer Tax Write-offs than budgeted due to reduced assessment appeal activity.	(141,000)
➤ Corporate Shared – Bad Debt Expense re: Dragon Boats	33,000
➤ Corporate Shared – Transfer to Reserve reflects excess bank interest and EPS dividend of \$151,000 and \$13,000 respectively allocated to the Tax Rate Stabilization Reserve and a transfer of \$69,000 made to the Sick/Vacation Reserve for increased liability. The \$365,597 prior year surplus included in the transfer is offset by an opening surplus adjustment in the financial statement.	69,000
➤ Maintenance – The Miscellaneous Service line item was allocated to the LED conversion of the Arena parking lot lights as recommended by the Green Energy Committee. The project was carried over from 2016. Due to project timing issues, this account was overspent by \$5,000 in 2017. A corresponding Transfer from Reserve was made of 2016 carryover funds, so there was no net impact to the budget.	0
➤ CAO – Retirement payouts offset by Transfer from Reserve. Other benefits (OMERS, Health, Disability) under budget.	(7,000)
➤ CAO – Professional Fee – Legal under budget by \$76,000 due to cost recoveries and lower activity levels. Reduces corresponding Transfer from Reserve Fund. Net favourable variance.	(7,000)
➤ CAO – Travel & Mileage showing unfavourable variance of \$6,000 due to higher level of meeting activity.	6,000
➤ CAO – Intern Program - University subsidizes compensation resulting in a \$20,000 favourable variance for this budget item. Town portion charged to Professional Fee – Other, which came in at budget.	(20,000)
➤ ICS – Unfavourable variance in Wages and Benefits due to wage settlements and some overtime.	22,000
➤ Financial Services – Unfavourable variance in Wages and Benefits due to retirement, overlapping and some overtime required for Max Galaxy software implementation.	36,000
➤ Corporate Services & Clerk – Death certificates, lottery licences showing favourable variance.	(9,000)
➤ Corporate Services & Clerk – Wages and Benefits under budget due to position vacancies.	(56,000)



Budget Variances	Amount
➤ Corporate Services & Clerk – Professional Development over budget by \$6,000 mostly due to AMCTO leadership program.	6,000
➤ Corporate Services & Clerk – Professional Fee – Other under budget by \$12,000. Unused funds of \$7,000 designated for meeting and integrity commissioner requests have been transferred to reserve so no net budget impact for these two items. Intern costs of \$5,000 charged to Youth Advisory Committee to better reflect resource allocation.	(5,000)
➤ Corporate Services & Clerk – Professional Fee – Legal over budget due to ward boundary appeal.	10,000
➤ Human Resources – Professional Fee – Legal over budget due to various HR matters.	11,000
➤ Human Resources – Professional Fee – Other showing favourable variance as pay equity is in process.	(7,000)
➤ Youth Advisory Committee – Received Ontario Partnership 150 grant of \$15,000; used to fund expenses related to the Youth Job Fair and Local Government Week. Favourable variance of \$5,000 as only half of base budget was utilized.	(5,000)
➤ Seniors Advisory Committee – Received grant of \$6,640; used for Committee initiatives. No net impact.	0
➤ Fire – Miscellaneous Revenue – Showing favourable variance of \$12,000 due to cost recoveries (oil spill, accident).	(12,000)
➤ Fire – Vehicle Parts & Service under budget by \$14,000 as Windsor Apparatus was unable to complete all 2017 NFPA safety checks. Outstanding 2017 safety checks will be completed in early 2018, therefore 2018 Vehicle Parts & Service costs will likely exceed budget.	(14,000)
➤ Fire – Professional Development under budget due to scheduling issues.	(6,000)
➤ Fire - Unexpected repairs to equipment (Jaws of Life, SCBA) resulted in an unfavourable variance.	5,000
➤ Police – User charges (false alarms, reports & clearances) showing favourable variance due to greater activity, new fee schedule.	(11,000)
➤ Police – Contracts – Annual billing came in less than 2017 budget estimate. Actual reconciliation adjustment for 2017 will not be known until 2019; estimating \$69,000. The 2015/2016 contract reconciliation adjustments of \$63,000 and \$10,000 respectively recorded in 2017. Total favourable variance of \$142,000.	(142,000)
➤ Police Services Board – Overall under budget due to less per diems and unexpended one-time training top-up resulting from delay in revised Police Services Act.	(6,000)

<b>Budget Variances</b>	<b>Amount</b>
➤ Conservation Authority under budget as Town budget was developed prior to availability of ERCA budget estimates.	(5,000)
➤ Building – Permit revenues over budget due to an increase in the number of permits (167 more issued than in 2016).	(104,000)
➤ By-law Enforcement – Contractor charges to remediate properties where an order was issued resulted in an unfavourable variance in the Maintenance Service account. Cost recoveries are recorded under Miscellaneous Revenue. No net impact.	0
➤ By-law Enforcement – Professional Fee - Legal is over budget due to two ongoing court cases.	20,000
➤ Crossing Guards Wages and Benefits over budget due to Pay Equity increases.	11,000
➤ Roadways – Miscellaneous revenue over budget due to Windsor flood pickup assistance and aggressive accident cost recovery.	(58,000)
➤ Roadways – Driveway permit revenue over budget as a result of change in policy and new construction.	(13,000)
➤ Roadways – Interfunctional revenues unfavourable as less time was spent doing Sanitary Sewer work.	14,000
➤ Roadways – Wages and Benefits over budget due to an increased amount of overtime hours and less time charged to Winter Control.	63,000
➤ Roadways – Computer Support/Software under budget as some costs shared by other departments.	(6,000)
➤ Roadways – Ontario One Call costs came in less than budgeted resulting in a favourable variance in the Memberships account.	(7,000)
➤ Roadways – Gasoline expense under budget due to lower actual quantities and unit costs.	(9,000)
➤ Roadways – Utilities for the PW buildings and traffic lights showing favourable variance.	(16,000)
➤ Roadways – Professional Fee – Engineer – no requirement for general engineering services.	(5,000)
➤ Roadways – Roadside Maintenance – Less materials, equipment rentals and maintenance service required than in previous years.	(25,000)
➤ Roadways – Hardtop Maintenance – Atypical year, less maintenance required than in past. Some work done in-house.	(13,000)
➤ Winter Control – Wages and Benefits under budget based on lower labour hours required for snow removal activities.	(26,000)

Budget Variances	Amount
➤ Winter Control – Favourable variance in salt expense.	(8,000)
➤ Winter Control – Maintenance Services under budget; only required contractors one time.	(5,000)
➤ Street Lighting – Ended year with \$113,000 in electricity cost savings resulting from LED conversion.	(113,000)
➤ Street Lighting – Maintenance Service over budget due to pole replacements, underground fault repairs and a greater volume of streetlight repairs required.	8,000
➤ Transit – Advertising initiative not launched in 2017; net unfavourable variance of \$5,000.	5,000
➤ Transit – Vehicle Parts & Service under budget; minimal maintenance required in 2017.	(5,000)
➤ Storm Sewers – Grant revenues favourable. Received two small ADIP grants and fees charged for East Townline Drain exceeded budgeted amount.	(6,000)
➤ Storm Sewers – Unbudgeted revenues of \$16,000 resulting from sale of electricity to grid (Manning Road pump); offset by Transfer to Reserve to repay generator purchase cost. No net budget impact.	0
➤ Storm Sewers – Wages and Benefits showing favourable variance largely as a result of position vacancy.	(24,000)
➤ Storm Sewers – Materials & Supplies over budget as there were more than usual required catchbasin repairs.	10,000
➤ Storm Sewers – Equipment Parts and Service over budget due to East St. Louis, Lesperance Pump Station repairs.	16,000
➤ Storm Sewers – Utilities showing unfavourable variance due to higher than historical average usage.	10,000
➤ Garbage Collection – Unfavourable variance of \$96,000 due to higher unit prices in the new contract.	96,000
➤ Garbage Disposal – Quantities less than previous year, but more in line with historical average. Actual unit cost lower than budgeted.	(63,000)
➤ Golden Age Club – Special grant received; funds used for club improvements so no net budget impact.	0
➤ Parks – Received grant for summer student staffing.	(6,000)
➤ Parks – Donations revenue of \$8,000 for memorial bench sales transferred to reserve so no net impact.	0
➤ Parks – Miscellaneous revenue favourable due to Windsor flood assistance.	(5,000)
➤ Parks – Wages and Benefits under budget due to position vacancy.	(30,000)

Budget Variances	Amount
➤ Parks – Tree Trimming and Removal account came in under budget; less required tree removals.	(7,000)
➤ Parks – Grounds Maintenance under budget as garbage container service at 300 Manning was discontinued to address residents' concerns. Parks refuse is brought to the Public Works yard so container costs are now shared.	(5,000)
➤ Parks – Miscellaneous Service showing favourable variance of \$22,000. Playground inspections which were planned for Fall 2017 were deferred to Spring 2018.	(22,000)
➤ Arena – Hall Rental revenues over budget due to greater than average room rentals in the 4 <sup>th</sup> Quarter.	(8,000)
➤ Arena – Ice Rental revenue was \$19,000 over budget estimates due to additional rentals (high schools and hockey schools), a new one-time tournament, and an extra week of Minor Hockey ice.	(19,000)
➤ Arena – Advertising revenues showing favourable variance	(5,000)
➤ Arena – Received donation revenue - Healthy Kids Community Challenge funding for water bottle refilling station plus Additional P2P Funding for sponsored skates.	(5,000)
➤ Arena – Wages and Benefits over budget due to wage settlements and some overtime.	7,000
➤ Arena – Computer Support/Software under budget due to timing of implementation of new Max Galaxy.	(5,000)
➤ Arena – Building Maintenance over budget due to several large mechanical repairs (compressor, elevator, dressing room HVAC, dehumidifier).	7,000
➤ Arena – Utilities slightly over budget; greater hydro expense (increased consumption) partially offset by lower natural gas expense.	6,000
➤ Recreation Programs – Wages and Benefits under budget; Focus on Youth Grant program through WECDSB, provided facility and staffing.	(14,000)
➤ Arena Concessions – Lower concession sales of \$11,000, largely offset by reduced wages and concession purchases.	0
➤ Pool – Revenues \$22,000 under budget due to lower participation as a result of increased competition. Offset by grant revenue of \$12,000 for student labour and decreased expenses.	0
➤ Special Events – The Town was unsuccessful in its application for Canada Day grant funding. Canada Day expenditures were decreased accordingly.	0

<b>Budget Variances</b>	<b>Amount</b>
➤ Cultural Committee – The Town participated in the Canada 150 Mural Mosaic Project at a cost of \$12,500; offset by Transfer from Reserve.	0
➤ Corn Festival – Overall revenues are down by \$9,000 this year; partially offset by reductions in Entertainment and other expenditures.	5,000
➤ Planning and Zoning – Wages and benefits over budget due to wage settlements.	12,000
➤ Planning and Zoning – Professional Fee – Legal over budget due to OMB hearing.	13,000
➤ Planning and Zoning – Tecumseh Hamlet Secondary Plan – Total expenditures \$37,000 under budget due to timing. Offset by decreased reserve transfer, so no net impact.	0
➤ Planning and Zoning – Official Plan – Professional Fee – Legal under budget as no legal expenses related to this project were incurred in 2017. Offset by budgeted reserve transfer; no net impact.	0
➤ Planning and Zoning – Community Improvement Plan – Grant expense \$58,000 over budget. Offset by Transfer from Reserve; no net impact.	0
➤ Committee of Adjustment – Fee revenue over budget due to greater number of severance and minor variance applications.	(5,000)
➤ Committee of Adjustment – Less than expected per diems resulted in a favourable variance of \$10,000 in Wages and Benefits.	(10,000)
➤ Committee of Adjustment – Professional Development under budget due to lower conference attendance.	(5,000)
➤ Committee of Adjustment – Professional Fee – Legal under budget as there were no OMB hearings for COA matters in 2017.	(5,000)
➤ Agriculture & Reforestation – The actual Drainage Superintendent grant received was less than budgeted.	11,000
➤ Agriculture & Reforestation – Over budget due to higher wages and benefits costs resulting from significant number of drainage projects.	10,000

Numerous accounts with favourable and unfavourable variances of under \$5,000 along with the above-noted items contribute to the estimated surplus.

#### Rate-Supported

- Sanitary operations ended the year with a surplus of \$126,276 and water operations ended with a deficit of \$73,144. Note that a surplus increases the funds available for capital purposes, while a deficit decreases the available funds.

Significant variations from budget are as follows:

<b>Budget Variances</b>	<b>Amount</b>
➤ Sanitary – Sewer Charges under budget both for residential and commercial accounts due to lower water consumption.	94,000
➤ Sanitary – Materials & Supplies showing favourable variance; rain shields rolled into capital contract.	(24,000)
➤ Sanitary – lower than average Maintenance Service required.	(41,000)
➤ Sanitary – Contract cost is favourable to budget due to lower than estimated sanitary treatment costs charged by the City of Windsor, and lower volumes due to a dry summer.	(354,000)
➤ Sanitary – Sewer Maintenance – OCWA over budget by \$13,000 due to additional maintenance work required.	13,000
➤ Sanitary – Professional Fee – Engineer – No general engineering services required in 2017.	(15,000)
➤ Sanitary – Utilities – Hydro & Water under budget due to lower than budgeted usage.	(12,000)
➤ Sanitary – Grant expense over budget due to the dramatic increase in the uptake of subsidy applications because of the extraordinary and severe storm events of September 2016 and August 2017.	245,000
➤ Sanitary – The interfunctional cross charge for Public Works doing Sanitary Sewer work is down as noted previously.	(14,000)
➤ Water – Water Sales \$131,000 unfavourable due to lower volumes.	131,000
➤ Water – Oasis – Water Sales \$15,000 favourable due to increase in bulk water sales.	(15,000)
➤ Water – Miscellaneous Revenue of \$13,000 realized re: scrap water meters.	(13,000)
➤ Water – Work Order revenue \$30,000 over budget reflective of residential development.	(30,000)
➤ Water – Wages and Benefits \$15,000 unfavourable due to wage settlements and some overtime.	15,000
➤ Water – Education \$7,000 under budget due to less training required for this licence cycle.	(7,000)
➤ Water – Materials and Supplies under budget due to less watermain breaks.	(9,000)
➤ Water – Maintenance Service over budget due to increased use of vac truck for repairs, saving time and restoration.	8,000
➤ Water – Vehicle Parts & Service unfavourable; one of the older trucks responsible for half the budget variance.	10,000

Budget Variances	Amount
➤ Water – Dispatch costs showing favourable variance; reduction in required service.	(9,000)
➤ Water – Professional Fee – Engineer over budget by \$11,000 re: Bulk water supply rate review.	11,000
➤ Water – Utilities – Hydro and Water – under budget largely due to meter chambers.	(10,000)

## Capital/Lifecycle

The Capital/Lifecycle analysis consists of reviewing the status of approved projects comparing approved funding to actual results. Generally projects took place as planned in the various departmental 2017 Capital Works plans and actual results are within those approved funding envelopes with a small surplus of \$25,943.

Items of note include:

- The Tender for Pulleyblank Street, Crowder Court, Moro Drive Sanitary Sewer Extension was awarded to D'Amore Construction in the amount of \$2,748,769 excluding HST. PWES Report No. 54/16 provided an estimated project cost of \$3,815,600. Tendered/projected costs total \$3,305,271. This project is completed.
- The Tender for 8<sup>th</sup> Concession Road Trunk Sanitary & Watermain Phase 1 was awarded to Coco Paving Inc. in the amount of \$3,418,000 excluding HST. PWES Report 54/16 provided an estimated project cost of \$4,722,205. Tendered/projected costs total \$4,064,452. This project is completed.
- The Tender for West Branch Delisle Drain Repair and Improvements was awarded to Murray Mills Excavating in the amount of \$120,655 excluding HST. PWES Report 17/17 provided an estimated project cost of \$110,000. The lowest tender received was approximately 110% above the Engineer's report estimate of \$110,000. This project is completed.
- The Quote for Construction of a Storage Building at St. Mary's Park was awarded to Quinlan Inc. in the amount of \$28,760 excluding HST. The projected cost for this project was \$18,000. The total price with net HST for this project is \$31,607, which is \$11,607 over budget. Previous pricing received on other Facilities Outside Buildings approved projects was \$28,500; the actual cost of these projects was \$ 18,281 which offset most of the overage in this project. This project is completed.
- The Tender for 2017 Tar & Chip was awarded to Shepley Road Maintenance Ltd. in the amount of \$278,450 excluding HST, which included an additional \$31,500 in provisional repairs. The approved allocation was \$275,000. The actual cost came in at \$275,952 with net HST. This project is completed.
- The Tender for 2017 Asphalt Paving Tender was awarded to Coco Paving Inc. in the amount of \$829,390 excluding HST. Council approved an allocation of \$846,000 for 2017 asphalt paving work as recommended under PWES Report No. 01/17. The tender included \$50,000 in provisional costs and was based on estimated quantities. The actual cost came in at \$746,040 with net HST. This project is completed.
- Council authorized Administration to obtain quotations for the Supply of a Tandem Axle Truck and Snow Plow Package with an estimated price of \$290,000 to be funded from the Fleet Lifecycle Reserve. The Quotation for the Supply of Tandem Axle Truck and

Snow Plow Package was awarded to Team Truck Centers Ltd in the amount of \$282,229 excluding HST. This vehicle has been received.

- The Tender for the Essex Region Greenway Trail Extension was awarded to Total Source Contracting in the amount of \$474,984 excluding HST and that the Town's commitment of \$180,000 is funded from the Lifecycle Infrastructure Reserve. An application was filed by the Town for Ontario Municipal Cycling Infrastructure Program Funding (OMCIP) in collaboration with ERCA. On March 11, 2016 confirmation was received that the Town's funding application to the Ministry was approved. The Town's actual cost including net HST is \$484,000, which is well under the \$800,000 submitted for construction costs under the grant application. This project is completed.
- The Tender for the new Tecumseh Fire & Rescue Services Pumper/Rescue Unit 1 was awarded to Fort Garry Fire Trucks in the amount of \$672,000 plus HST. At the February 28, 2017 RCM, Council reviewed PWES Report 03/17 and passed motion RCM-58/17 for an approved allocation of \$600,000 plus associated costs for outfitting of \$6,000. Administration recommended increasing the funding from \$606,000 to \$692,000 to reflect the Fort Garry Fire Truck Bid and an additional amount of \$8,000 for outfitting for an allocation shortfall of \$86,000. Delivery of the new Pumper/Rescue Unit is expected in June 2018.
- The Quotation for the Air Quality Control System for the Tecumseh Arena was awarded to CIMCO Refrigeration in the amount of \$38,690, which is below the approved allocation of \$50,000. This project is completed.
- At the December 13, 2016 RCM, Council authorized Administration to proceed with the Sanitary Sewer Collection System Rehabilitation Project at a cost of \$3,637,824 provided the Town is successful in obtaining grant funding from upper levels of government. The project was broken down in two parts based on the funding sources, part A from OCIF and part B from CWWF. The Town was successful in obtaining grants from both. Parts A and B of the Sanitary Sewer Investigation and Rehab project were awarded for \$1,157,000 and \$1,026,000 respectively, excluding HST. This project is on-going with expected substantial completion in Q4 2018.
- The allocation for the construction and electrical work for the installation of the Hwy 401 Gateway Signage was approved for \$163,000. The project was tendered in two separate processes, construction and electrical. The amount awarded for construction was \$91,963 excluding HST. The amount awarded for the electrical was \$34,792 excluding net HST. This project is completed with the exception of some minor landscaping modifications.
- The approved allocation for the repair and improvement of the East McPherson Drain was \$102,520; the project was awarded for \$103,992 excluding net HST. Finalizing deficiencies remains to be completed.
- An allocation of \$106,000 was approved for the purchase of four Kubota zero-turn mowers and one Bobcat skid steer loader, as part of 2017-2026 Ten Year Fleet Replacement Schedule. Council accepted a quote of \$108,500 from Delta Power Ltd. for the equipment less trade-in allowance of \$49,500 (plus HST) for a net cost of \$59,000 before HST. This equipment has been received.
- The engineer's estimate for the replacement of the Pierce Bridge/Webster Drain was \$20,100; the project was awarded for \$18,400 excluding net HST. Costs attributable to this project are recoverable by landowners. This project is completed.
- The Arena/Pool Five (5) Year Capital Projects report recommended the replacement of two Arena roof top HVAC units at an estimated amount of \$40,000. The low bid of \$22,950 was accepted. This project is completed.



- At the December 13, 2016 RCM, Council gave approval to PWES to obtain tenders for the 2017 Sidewalk Repair Program. The budget allocation was \$69,000; amount awarded was \$41,365 excluding net HST. This project is completed.

## Consultations

All departments

## Financial Implications

Summary of the Year-end results is as follows:

Operating Surplus	\$ 946,668
Capital Surplus	\$ 25,943
Total Surplus	\$ 972,611

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Zora Visekruna, MBA  
Financial Analyst

Prepared by:

Tom Kitsos, CPA, CMA, BComm  
Deputy Treasurer & Tax Collector

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	2017 Year End Budget Variance

**Town of Tecumseh**  
**December Operating Budget Variance**  
**Summary of All Units**

	2017 Approved Budget	2017 Year End Actuals	2017 Forecast Surplus/Deficit
<b>Tax Supported</b>			
Council	369,910	337,458	-32,452
Corporate Shared	-14,097,002	-14,038,712	58,290
Administration	2,655,877	2,613,599	-42,278
Fire	1,192,869	1,157,653	-35,216
Police	3,217,634	3,059,946	-157,688
Conservation Authority	255,920	251,029	-4,891
Building	162,858	81,786	-81,072
Other Protection	81,165	88,137	6,972
Emergency Measures	28,050	25,118	-2,932
Public Works	2,029,050	1,803,700	-225,350
Transit	80,559	80,541	-18
Storm Sewers	355,285	358,079	2,794
Garbage Collection/Disposal	1,324,200	1,357,146	32,946
Golden Age Club	16,200	12,936	-3,264
Parks	1,209,016	1,138,535	-70,481
Arena	451,749	413,042	-38,707
Pool	93,481	94,336	855
Recreation Other	28,200	28,339	139
Libraries & Culture	-7,375	-12,076	-4,701
Planning & Zoning	552,354	568,337	15,983
<b>Tax Supported</b>		-581,071	-581,071
<b>Opening Surplus (shown under Corp. Shared)</b>		-365,597	-365,597
<b>Operating Variance</b>		-946,668	-946,668
<b>Capital Variance</b>		-25,943	-25,943
<b>Total Tax Supported 2017 Budget Variance</b>		-972,611	-972,611
<b>Rate Supported<sup>1</sup></b>			
Sanitary Sewers		-126,276	-126,276
Waterworks System		73,144	73,144
<b>Total Rate Supported</b>		-53,132	-53,132
<b>Total Summary of All Units</b>		-1,025,743	-1,025,743

<sup>1</sup>Sanitary Sewer and Waterworks System overall budgets each net to \$0. A favourable variance increases the amount transferred to the reserve fund, thereby adding to the funds available for capital purposes.



## The Corporation of the Town of Tecumseh

### Financial Services

**To:** Mayor and Members of Council

**From:** Luc Gagnon, Director Financial Services & Treasurer

**Date to Council:** June 26, 2018

**Report Number:** FS-2018-08

**Subject:** 2017 Development Charge Reserve Fund Statement

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### Recommendations

It is recommended:

1. **That** the 2017 Development Charge Reserve Fund Statement, prepared in accordance with the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43, **be received**.
2. **And that** the 2017 Development Charge Reserve Fund Statement **be made available** to the public on the Town's website in accordance with the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43 (2.1); 2015, c. 26, s. 7 (1).
3. **And further that** the report **be forwarded upon request** to the Ministry of Municipal Affairs (MMA) as per the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43 (3); 2015, c. 26, s. 7 (2).

### Background

Section 43 of the Development Charges Act states "the Treasurer of a municipality shall each year on or before such date as the council of the municipality may direct, give the council a financial statement relating to development charge by-laws and reserve funds established under section 33".

Council did by motion RCM 779/03 direct that the Development Charge (DC) financial statement be provided by June 30 of the year following.

The statement must include opening and closing balances, transactions and such information as is prescribed in the regulations.

In prior years, the statement was forwarded to the MMA on an annual basis, however Section 43 (3) was amended in 2015 to require provision of the statement to the MMA only if requested.

Another amendment to Section 43 is the requirement that the statement is made available to the public.

The Greater Windsor Home Builders Association Inc. has requested copies of the DC statements.

## Comments

The development charge reserve fund balance as of December 31, 2017 was **\$688,931** (2016 balance was \$467,836).

A number of growth-related projects have been undertaken the last few years. The DC reserve funds have been inadequate to fully fund these projects so it has been necessary to temporarily fund these works from other sources until DC fund revenue is collected.

The amounts remaining unfunded as of December 31, 2017 are presented below. Details are provided in Attachment 4 (Schedule "C").

	2017	2016	2015	2014	2013
Fire	\$ -	\$ -	\$ 6,183	\$ -	\$ -
Police	\$ -	\$ -	\$ -	\$ -	\$ 4,139
Roads	\$ 1,203,884	\$ 1,183,853	\$ 1,315,459	\$ 1,306,802	\$ 1,413,670
Wastewater	\$ 11,259,466	\$ 9,670,780	\$ 8,194,179	\$ 7,081,328	\$ 5,880,259
Watermain	\$ 1,038,985	\$ 393,091	\$ 454,723	\$ 583,346	\$ 675,572
Recreation - Outdoor	\$ 771,431	\$ 841,018	\$ 554,904	\$ 334,781	\$ 287,846
Recreation - Indoor	\$ -	\$ -	\$ -	\$ -	\$ 328,677
Studies	\$ 832,369	\$ 753,993	\$ 620,864	\$ 554,858	\$ 546,932
	<b>\$ 15,106,134</b>	<b>\$ 12,842,735</b>	<b>\$ 11,146,312</b>	<b>\$ 9,861,115</b>	<b>\$ 9,137,095</b>

As additional development charge revenue is received, the Town has the opportunity to draw the above amounts from the reserve fund.

Interim financing for the Roads, Recreation and Studies unfinanced components have been provided from reserves and taxation while Wastewater and Watermain unfinanced amounts have been provided from wastewater and water rates.

As amounts become available to repay the unfunded balances, these funds are used to repay the original source of funding or allocated to the Capital Infrastructure Reserve where the amount was funded by taxation. (RCM-287/09; FS Report 13/09)

Based on the current rate of development and projects being completed it is anticipated it will be a number of years before there are sufficient funds available in the DC reserve fund to repay unfunded balances.

It is recommended:

1. That the 2017 Development Charge Reserve Fund Statement prepared in accordance with the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43, be received.
2. And that the 2017 Development Charge Reserve Fund Statement be made available to the public on the Town's website in accordance with the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43 (2.1); 2015, c. 26, s. 7 (1).
3. And further that the report be forwarded upon request to the Ministry of Municipal Affairs (MMA) as per the Development Charges Act, 1997, S.O. 1997, c. 27, s. 43 (3); 2015, c. 26, s. 7 (2).

## **Consultations**

None

## **Financial Implications**

The Town continues to experience shortfalls in DC revenues as compared to eligible expenditures. The Town continues to fund the shortfall internally with the intention of repaying the funds as DC revenues are received.

Administration is investigating issuing long term debt to assist in financing the wastewater deficit. A separate report will be presented to Council outlining a recommended course of action.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☐

Website ☒      Social Media ☐      News Release ☐      Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Zora Visekruna, MBA  
Financial Analyst

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	Development Charge Reserve Fund Statement
2	Schedule "A" – Development Charge Related Capital Projects
3	Schedule "B" – Development Charge Related Studies
4	Schedule "C" – Unfunded Development Charge Amounts



**Town of Tecumseh**  
**Development Charge Reserve Fund Statement**  
**For the Year Ended December 31, 2017**

	Fire	Police	Roads	Wastewater	Water	10 Year Services				Total
						Studies	Library	Outdoor Recreation	Indoor Recreation	
<b>Balance as of January 1, 2017</b>	<b>\$ 213,124</b>	<b>\$ 25,135</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (113,981)</b>	<b>\$ 57,254</b>	<b>\$ -</b>	<b>\$ 286,304</b>	<b>\$ 467,836</b>
<u>Add:</u>										
Development Charges Collected	\$ 27,324	\$ 11,346	\$ 183,369	\$ 332,018	\$ 117,337	\$ 53,971	\$ 10,157	\$ 101,791	\$ 107,092	\$ 944,405
Interest earned	\$ 5,104	\$ 601	\$ -	\$ -	\$ -	\$ (2,729)	\$ 1,372	\$ -	\$ 6,857	\$ 11,205
Repayment of Amts. Borrowed from Fund Incl. Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	<u>\$ 32,428</u>	<u>\$ 11,947</u>	<u>\$ 183,369</u>	<u>\$ 332,018</u>	<u>\$ 117,337</u>	<u>\$ 51,242</u>	<u>\$ 11,529</u>	<u>\$ 101,791</u>	<u>\$ 113,949</u>	<u>\$ 955,610</u>
<u>Deduct:</u>										
Fund Capital Projects - Schedule "A"	\$ -	\$ -	\$ 183,369	\$ 332,018	\$ 117,337	\$ -	\$ -	\$ 101,791	\$ -	\$ 734,515
Fund Studies - Schedule "B"	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Amounts Refunded	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loans to Other D.C. Categories for Interim Financing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,369</u>	<u>\$ 332,018</u>	<u>\$ 117,337</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,791</u>	<u>\$ -</u>	<u>\$ 734,515</u>
<b>Balance as of December 31, 2017</b>	<b>\$ 245,552</b>	<b>\$ 37,082</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (62,739)</b>	<b>\$ 68,783</b>	<b>\$ -</b>	<b>\$ 400,253</b>	<b>\$ 688,931</b>

## Schedule "A"

Town of Tecumseh  
Development Charge  
Related Capital Projects  
For the Year Ended  
December 31, 2017

Fund/Capital Project	Cost	Taxes/Rates/ Part XII	Grants/Other	DC Draw	Unfunded
Fire					
-	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Total	\$ -	\$ -	\$ -	\$ -	\$ -
Police					
-	\$ -	\$ -	\$ -	\$ -	\$ -
Police Total	\$ -	\$ -	\$ -	\$ -	\$ -
Roads					
Prior Years Unfunded - Various Roads Projects	\$ -	\$ -	\$ -	\$ 183,369	\$ -
8th Con. Trunk Sanitary Sewer & Watermain Design	\$ 17,911	\$ 13,881	\$ -	\$ -	\$ 4,030
8th Con. Trunk Sanitary Sewer & Watermain Ph 1	\$ 853,104	\$ 663,070	\$ -	\$ -	\$ 190,034
Manning Road Reconstruction Ph 2	\$ 31,309	\$ 28,178	\$ -	\$ -	\$ 3,131
Manning Road Reconstruction Ph 3	\$ 62,046	\$ 55,841	\$ -	\$ -	\$ 6,205
Roads Total	\$ 964,370	\$ 760,970	\$ -	\$ 183,369	\$ 203,400
Wastewater					
Prior Years Unfunded - Various Wastewater Projects	\$ -	\$ -	\$ -	\$ 332,018	\$ -
Windsor ISF Trunks	\$ 28,562	\$ 9,606	\$ -	\$ -	\$ 18,956
Shawnee/Arbour Ph 2 - Arbour Sewer Ext. to Lesperance	\$ 16,501	\$ 2,500	\$ -	\$ -	\$ 14,001
8th Con. Trunk Sanitary Sewer & Watermain Design	\$ 20,590	\$ 6,790	\$ -	\$ -	\$ 13,800
8th Con. Trunk Sanitary Sewer & Watermain - Construction	\$ 1,177,664	\$ 388,394	\$ -	\$ -	\$ 789,270
P&I Debt Payments	\$ 1,084,677	\$ -	\$ -	\$ -	\$ 1,084,677
Wastewater Total	\$ 2,327,994	\$ 407,290	\$ -	\$ 332,018	\$ 1,920,704
Water					
Prior Years Unfunded - North Talbot Trunk Project (2010)	\$ -	\$ -	\$ -	\$ 117,337	\$ -
8th Con. Trunk Sanitary Sewer & Watermain Design	\$ 10,889	\$ 2,178	\$ -	\$ -	\$ 8,711
8th Con. Trunk Sanitary Sewer & Watermain - Construction	\$ 943,150	\$ 188,630	\$ -	\$ -	\$ 754,520
Water Total	\$ 954,039	\$ 190,808	\$ -	\$ 117,337	\$ 763,231
Outdoor Recreation					
Prior Years Unfunded - Various Outdoor Rec Projects	\$ -	\$ -	\$ -	\$ 101,791	\$ -
Lakewood South Works (Canada 150 CIP)	\$ 2,035	\$ 180	\$ 1,017	\$ -	\$ 839
McAuliffe Park Power Upgrades	\$ 13,889	\$ 2,444	\$ -	\$ -	\$ 11,445
Rohrer Park Development	\$ 22,343	\$ 3,932	\$ -	\$ -	\$ 18,411
Lakewood Park Parking Lot & Pathway	\$ 1,832	\$ 323	\$ -	\$ -	\$ 1,509
Outdoor Recreation Total	\$ 40,099	\$ 6,879	\$ 1,017	\$ 101,791	\$ 32,204
Indoor Recreation					
-	\$ -	\$ -	\$ -	\$ -	\$ -
Indoor Recreation Total	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 4,286,502</b>	<b>\$ 1,365,947</b>	<b>\$ 1,017</b>	<b>\$ 734,515</b>	<b>\$ 2,919,538</b>

**Town of Tecumseh  
Development Charge Related Studies  
For the Year Ended  
December 31, 2017**

<b>Studies</b>	<b>Fund</b>	<b>Cost</b>	<b>Taxes</b>	<b>Grants/Other</b>	<b>DC Draw</b>	<b>Unfunded</b>
Development Standards Manual	Studies	\$ 8,726	\$ -	\$ -	\$ -	\$ 8,726
Transportation Master Plan	Studies	\$ 1,264	\$ 405	\$ -	\$ -	\$ 859
Bridge Needs Study	Studies	\$ 716	\$ 567	\$ -	\$ -	\$ 149
Water/Wastewater Master Plan	Studies	\$ 55,994	\$ 5,246	\$ -	\$ -	\$ 50,748
Sportsplex Study	Studies	\$ 18,053	\$ 9,027	\$ -	\$ -	\$ 9,026
Parks & Recreation Master Plan	Studies	\$ 11,519	\$ 6,335	\$ -	\$ -	\$ 5,184
Upper Little River SWM	Studies	\$ 3,684	\$ -	\$ -	\$ -	\$ 3,684
<b>Total</b>		<b>\$ 99,956</b>	<b>\$ 21,580</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 78,376</b>

## Schedule "C"

Attachment 4

**Town of Tecumseh  
Unfunded Development Charge Amounts  
For the Year Ended  
December 31, 2017**

Reserve Fund						
	Fire	Roads	Wastewater	Watermain	Outdoor Recreation	Studies
Unfunded DC Balance at Dec. 31, 2016	\$ -	\$ 1,183,853	\$ 9,670,780	\$ 393,091	\$ 841,018	\$ 753,993
Amounts Funded Schedule "A"	\$ -	\$ (183,369)	\$ (332,018)	\$ (117,337)	\$ (101,791)	\$ -
Amounts Unfunded Schedule "A"	\$ -	\$ 203,400	\$ 1,920,704	\$ 763,231	\$ 32,204	\$ -
Amounts Unfunded Schedule "B"	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,376
Net (Funded) Unfunded	\$ -	\$ 20,031	\$ 1,588,686	\$ 645,894	\$ (69,588)	\$ 78,376
Subtotal	\$ -	\$ 1,203,884	\$ 11,259,466	\$ 1,038,985	\$ 771,431	\$ 832,369
<b>Unfunded DC Balance at Dec. 31, 2017</b>	<b>\$ -</b>	<b>\$ 1,203,884</b>	<b>\$ 11,259,466</b>	<b>\$ 1,038,985</b>	<b>\$ 771,431</b>	<b>\$ 832,369</b>

Change \$ 2,263,399



## The Corporation of the Town of Tecumseh

Parks & Recreation Services

**To:** Mayor and Members of Council

**From:** Ray Hammond, Manager Facilities

**Date to Council:** June 26, 2018

**Report Number:** PRS-2018-16

**Subject:** Energy Conservation and Demand Management Plan Annual Review

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### Recommendations

It is recommended:

**That** Parks and Recreation Report PRS-2018-16, Energy Conservation and Demand Management Plan Annual Review, **be received** for information

### Background

The *Green Energy Act* (Act) was passed on May 14, 2009. The intent of the Act is to:

- Expand renewable energy production,
- Encourage energy conservation, and
- Create clean energy jobs

O Reg. 397/11 requires that municipalities:

- Prepare, publish, make available to the public and implement energy conservation and demand management plans
- On or before July 1 of each year commencing in 2013, submit to the Minister, publish on its website and make available to the public in printed form Annual Energy Consumption and Greenhouse Gas (GHG) Emissions Template for operations
- On or before July 1 2014, complete and make available to the public Energy Conservation & Demand Management (ECDM) Plan

- On or before July 1, 2019, and on or before every fifth anniversary thereafter, a description of current and proposed measures for conserving and otherwise reducing energy consumption and managing its demand for energy, a revised forecast of the expected results of the current and proposed measures, a report of the actual results achieved, a description of any proposed changes to be made to assist in reaching any targets it has established or forecasts made

Council adopted the Town's initial ECDM Plan on April 14, 2015.

An annual report will be provided to Council to review progress made towards our energy reduction targets and detail initiatives being considered for implementation.

## Comments

### ECDM Plan – Targets

The ECDM Plan includes an energy consumption reduction target to be reached by 2019. There was not a target established for GHG emission reduction.

Specifically, the ECDM Plan targeted 10% reductions in energy consumption as compared to 2011 Base Data. We have added a similar reduction target for GHG emissions, post ECDM Plan adoption.

Revised 2011 Base Data and Target reduction are detailed in Table 1. An Energy Intensity measure is also provided. For the Facilities category, Energy Intensity is a measure of energy consumption with respect to floor space and is expressed as “equivalent KWh per square metre” or ekWh/m<sup>2</sup>. For the Optional categories, Energy Intensity is a measure of energy consumption with respect to unit count.

Table 1 – Energy Consumption – Base Data and Targets

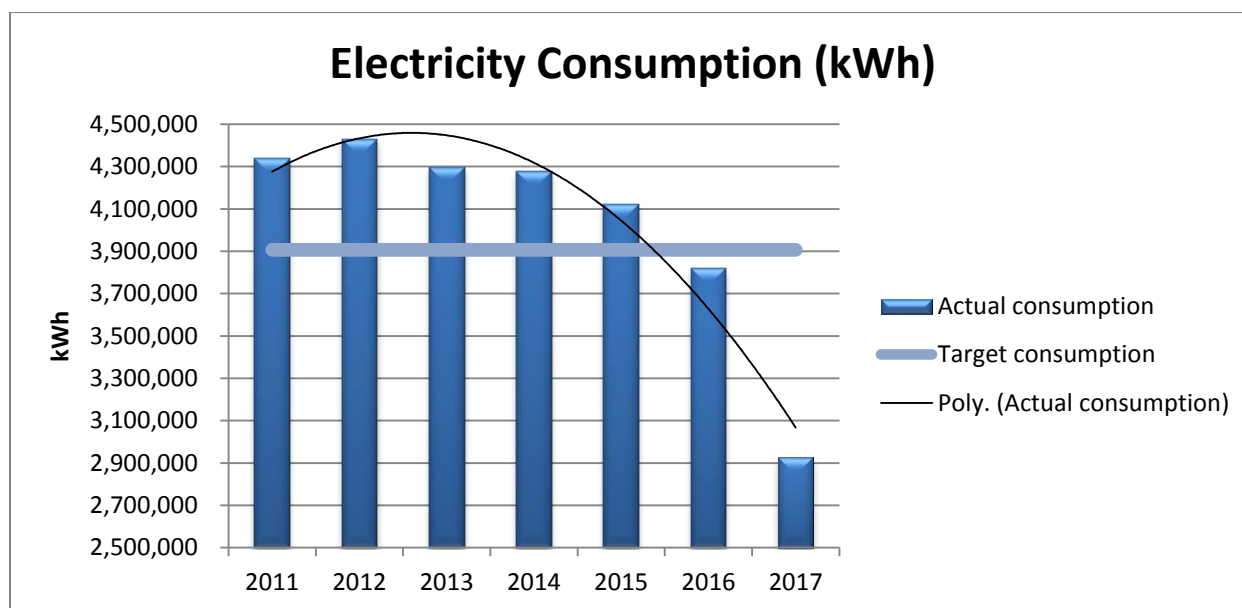
Revised Base Data		Unit of				Energy Intensity
	Energy Source	Measurement	Total Usage	10% Reduction	Target Usage	(ekWh/m <sup>2</sup> )
Facilities	Electricity	kWh	2,260,435	226,044	2,034,392	176
	Natural Gas	m <sup>3</sup>	239,918	23,992	215,926	200
		Unit of				Energy Intensity
		Measurement	Total Usage	10% Reduction	Target Usage	(Usage/Unit)
Optional Categories	Street Lights (Elec.)	kWh	2,080,227	208,023	1,872,204	2,653
	Fuel	Litres	159,579	15,958	143,621	2,382

Table 2 provides Revised 2011 Base Data with respect to GHG emissions. An Emission Intensity measure is also provided. For the Facilities category, Emission Intensity is a measure of GHG emissions with respect to floor space and is expressed as KG per square metre or KG/m<sup>2</sup>. For the Optional categories, Emission Intensity is a measure of KG with respect to unit count.

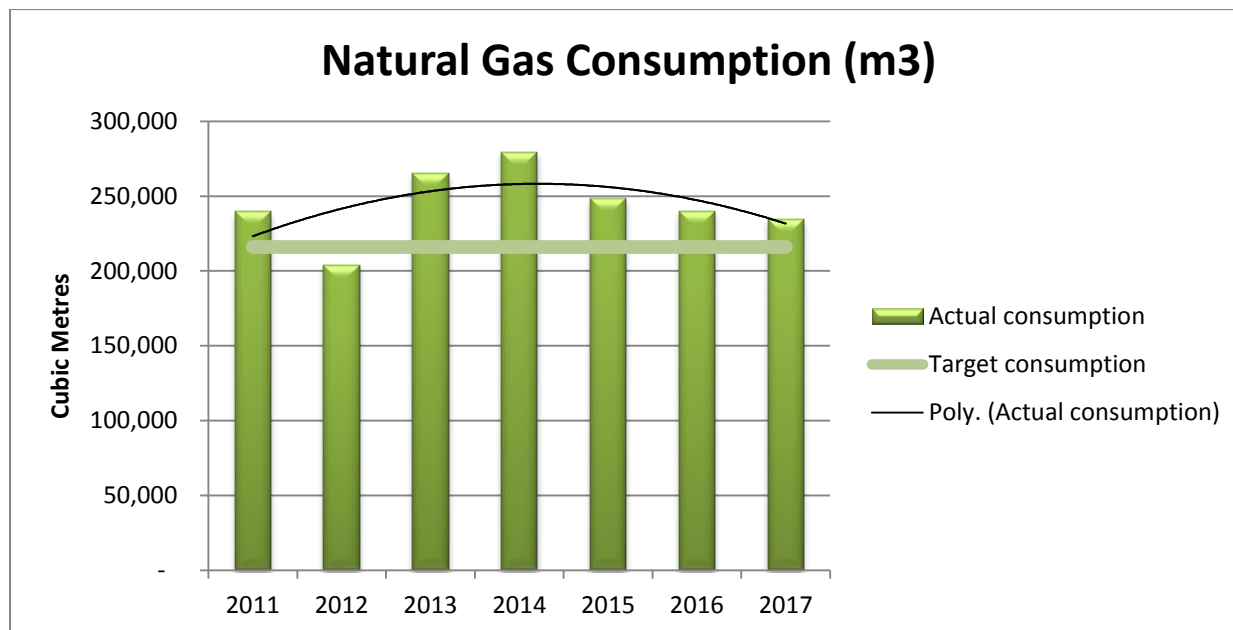
Table 2 – GHG Emissions – Base Data and Targets

Revised Base Data	Energy Source	Emissions (KG)	10% Reduction	Target Emission (KG)	GHG Emission Intensity	Target GHG Emission Intensity
Facilities	Electricity	180,835	18,084	162,752	14	13
	Natural Gas	453,595	45,360	408,236	36	32
		<b>GHG Emissions (KG)</b>				
Optional Categories	Street Lights (Elec.)	166,418	16,642	149,776	212	191
	Fuel	383,281	38,328	344,953	5,721	5,149

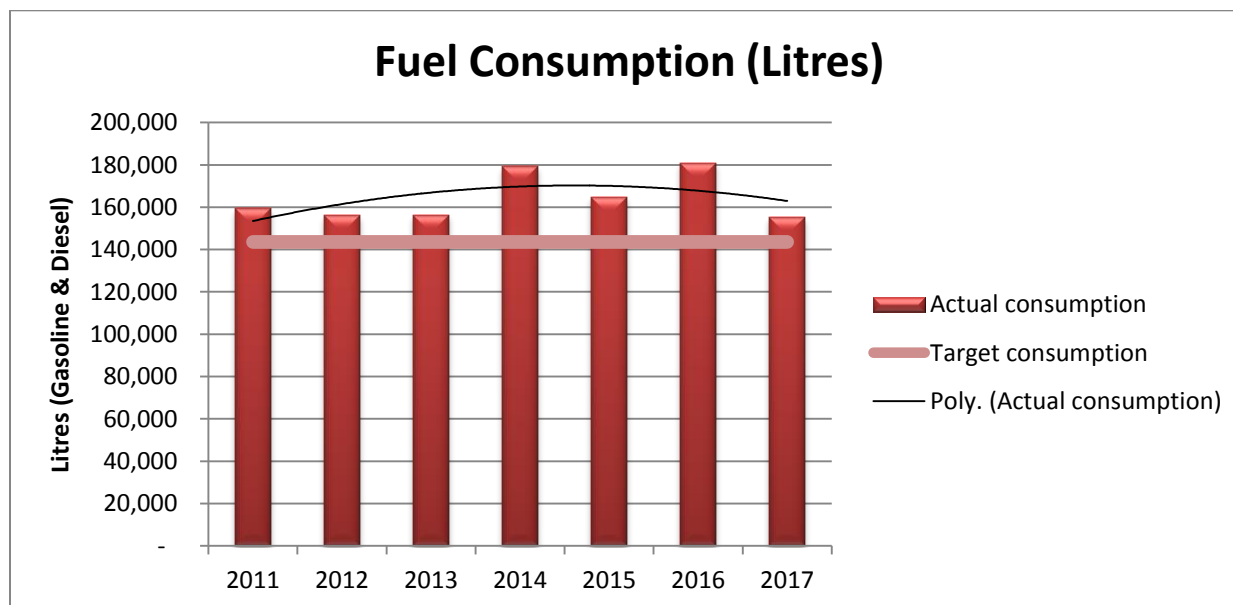
The following charts reflect consumption/emission trends since 2011 and include our 2019 target levels for comparison. Weather will influence consumption in particular periods, so the emphasis should be placed on long-term averages and trends.



Gross electricity consumption has trended downwards benefitting largely from the conversion of Town street lights to LED technology. Additionally, most early energy conservation initiatives, such as indoor lighting fixture retrofits, light motion sensors and programmable thermostats have influenced electricity consumption.

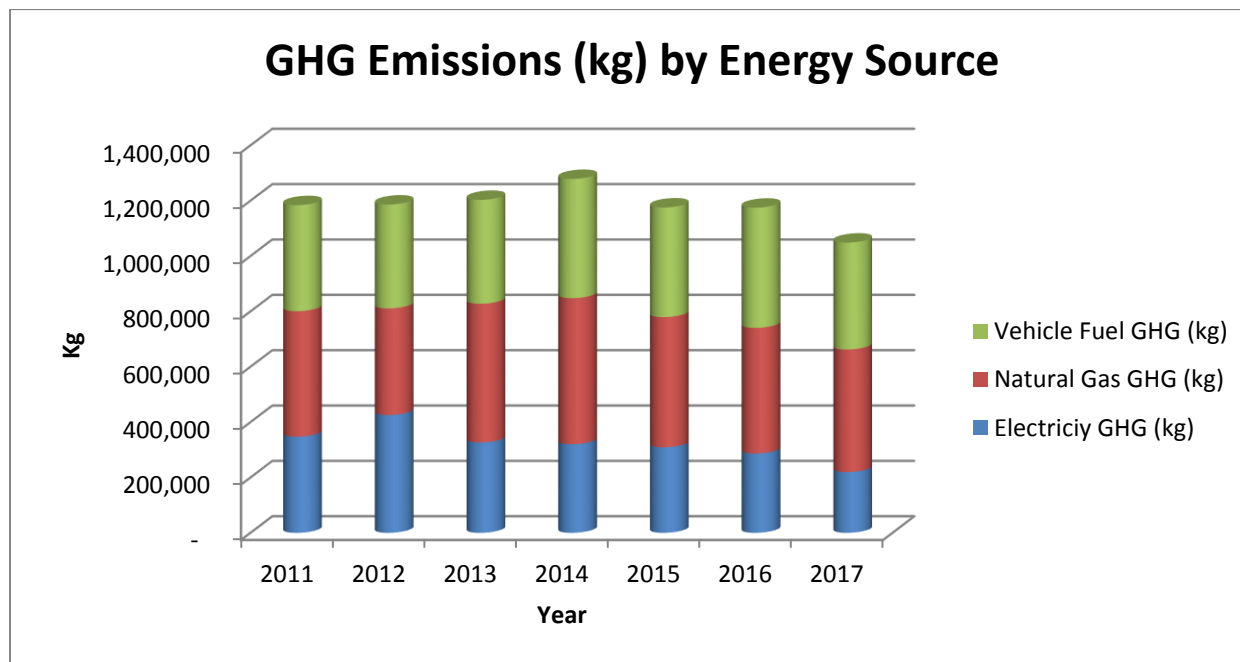


Natural gas consumption has increased marginally. Some of this increase can be explained by the addition of 355 square metres of indoor floor space to the arena. The spike in consumption in 2013-2014 is also partly attributable to extreme cold winter conditions experienced during those two years.



Fuel consumption has increased since 2011. Some of the increased consumption can be attributed to park maintenance activity for significant parkland added since 2011, including Lakewood Park and McAuliffe Park as well as an increase to Public Works fleet. As fuel consumption is a primary GHG producer, future initiatives should focus on ways to reduce fuel consumption.





Total annual GHG emissions have been relatively constant over the seven-year period, ranging from a high of 1,278,759 KG in 2014 to a low of 1,048,783 KG in 2017.

Table 3 compares 2015-2017 average annual consumption and intensity data as compared to our targets.

2015-2017 Average		Unit of	Average		Energy Intensity	Target
	Energy Source	Measurement	Annual Usage	Target Usage	(ekWh/m2)	Energy Intensity
Facilities	Electricity	kWh	2,065,502	2,034,392	145	158
	Natural Gas	m3	241,121	215,926	182	180
		Unit of	Average		Energy Intensity	Target
		Measurement	Annual Usage	Target Usage	(Usage/Unit)	Energy Intensity
Optional Categories	Street Lights (Elec.)	kWh	1,557,523	1,872,204	1,987	2,388
	Fuel	Litres	166,949	143,621	2,455	2,144

Average annual gross consumption exceeds our 2019 target levels in all categories except street lights. We have been able to achieve 2019 target levels for average energy intensity with respect to facility electricity consumption and street lights.

Table 4 compares 2015-2017 average annual emissions and intensity data as compared to our targets.

Table 4 – 2015-2017 Emissions compared to Targets

2015-2017 Average	Energy Source	Unit of Measurement	Average Annual GHG Emissions	Target Emission (KG)	GHG Emission Intensity	Target GHG Emission Intensity
Facilities	Electricity	KG	154,913	162,752	11	13
	Natural Gas	KG	455,869	408,236	32	32
Optional Categories	Street Lights (Elec.)	KG	116,814	149,776	149	191
	Fuel	KG	405,547	344,953	5,964	5,149

We have reached our 2019 targets for average annual GHG emissions for Facility electricity and street lights, however we have exceeded our 2019 target levels in Facility natural gas and fuel. Average annual GHG emission intensity is below our target levels for Facility electricity, Facility natural gas and street lights and greater than our 2019 target levels for fuel.

### Measuring Progress

Energy/emission intensity data is compared to 2011 base data in Table 5 as an alternative measure of progress made towards consumption and emission reductions.

Table 5

		Base Energy Intensity (ekWh/m2)	2015-2017 Energy Intensity (ekWh/m2)	Change	Base GHG Emission Intensity	2015-2017 GHG Emission Intensity	Change
Facilities	Electricity	176	145	-18%	14	11	-21%
	Natural Gas	200	182	-9%	36	32	-10%
Optional Categories	Street Lights (Elec.)	2,653	1,987	-25%	212	149	-30%
	Fuel	2,382	3,588	51%	5,721	5,964	4%

Table 5 data indicates that progress towards improved consumption efficiency and improved GHG emission reduction has been positive in all categories except with respect to fuel.

## **Near-Term Future Initiatives**

### **Battery Electric Vehicle (BEV) - \$30,000**

This initiative proposes the replacement of a light-duty pick-up truck within the Town's existing Fleet with a Battery Electric Vehicle (BEV).

Further review is ongoing with respect to potential energy and emission reductions and impact to operating and capital budgets.

### **Walkthrough Audits**

Walkthrough audits are planned to be completed for Parks Garage North and Parks Garage South for 2018.

Walkthrough audits are performed by Town Energy Committee members. These audits help to identify energy users and potential energy saving initiatives. Some facility improvements triggered by walkthrough audits have been weather stripping replacement around doors and some single-pane window replacements. Walkthrough audits are performed for each facility on a 4-5 year cycle.

## **Other Potential Initiatives Currently Studied**

### **Outdoor Pool Solar Heating**

The Energy Team investigated the concept of a Solar Panel system to heat the water of the pool. The results showed a ROI of approximately 10 years due to the length of time the pool is actually open. Another factor to be considered was the solar panels continue to generate power during the off-season. An off-season power recipient would have to be identified for this concept to be considered.

The Energy Team is considering the concept of installing black poly tubing and have the water pumped through this tubing on the roof of the pump building to determine if this is a feasible option to help reduce the natural gas use at the pool.

### **Natural Lighting - \$ TBD**

This initiative proposes the installation of natural day lighting systems within Town facilities. This concept and potential Town applications is currently being reviewed.

### **Tree Planting - \$ TBD**

As part of the Parks annual Capital Projects new trees are scheduled to be planted. Strategic tree planting around Town facilities can help reduce electricity consumption by creating shade during the summer. Trees should be positioned on the southerly, easterly or westerly sides of facilities.

Additionally, studies have shown that shading air conditioning units can help reduce the workload of air conditioners and thus reduce electricity consumption.

The committee will consult the Parks Manager to see how this incentive can be accomplished.

## Recent Town Accomplishments

### Arena parking lot light replacement

- The Arena parking lot lights were replaced late in 2017. Results from changing these light fixtures with LED fixtures should be evident in 2018 overall energy use at the Arena.
- The proposed annual energy savings is 17,000 kWh's.

### ECDM Work plan

#### Accomplishments since plan adoption:

- It was determined that a Semi - annual newsletter is better served to remind staff of ideas for the changing warm and cold seasons.
- Walkthrough audits were completed at the Pool and Lacasse Baseball Diamond Buildings in August of 2017

### Energy Audits

Energy audits have been performed on the largest energy consumers in the Town, including the Arena, Town Hall, Police Station and Fire Hall #1.

Energy management strategies recommended from the arena energy audit included the installation of a refrigerant de-superheater hot water heater. A refrigerant de-superheater is a waste heat recovery system that can recycle the wasted heat generated by the refrigeration system and use it to pre-heat water. Administration is waiting for cost saving figures to move forward with this project.

The energy efficiency savings occur by reducing or eliminating the energy required for water heating while increasing the efficiency of the refrigeration system and lowering its operational costs. This was deferred to the summer of 2018 due to Manufacturer documentation requirements. This is funded through the Arena Life Cycle Reserve

A building management system for operating the different mechanical units at the arena was also recommended to optimize the HVAC heating and cooling operation at the arena with an estimated annual savings in utility costs of \$31,872 in electricity and natural gas combined. Implementation is targeted for 2018 and will be funded through the Arena Lifecycle Reserve.

Otherwise, the energy audits concluded that these facilities were generally energy efficient and that opportunities for improvement, outside of the implementation of renewable energy, would occur with the replacement of existing mechanical equipment at the end of their lifecycle (such as HVAC units) with higher efficiency newer models.

There are no energy audits planned for 2018.

## Consultations

Parks & Recreation Services  
Financial Services

## Financial Implications

All minor initiatives are funded through the Recreation Services Maintenance Budget. Larger dollar initiatives would be considered via department five year capital plans.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Ray Hammond, RRFO, CARPT  
Manager Facilities

Reviewed by:

Paul Anthony, RRFA  
Director Parks & Recreation Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm  
Financial Analyst

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer



## The Corporation of the Town of Tecumseh

Parks & Recreation Services

**To:** Mayor and Members of Council

**From:** Kerri Rice, Manager Recreation Programs & Events

**Date to Council:** June 26, 2018

**Report Number:** PRS-2018-17

**Subject:** Pathway to Potential 2018 Funding Agreement

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### Recommendations

It is recommended:

**That** Parks and Recreation Report No. PRS-2018-17 respecting the Pathway to Potential 2018 Funding Agreement **be received**;

**And that** the Mayor and the Clerk **be authorized** to execute a Service Agreement between The Corporation of the Town of Tecumseh and the Corporation of the City of Windsor, relating to the Pathway to Potential Program for the 2018 budget year, at no cost to the Town.

### Background

Since 2013, the Tecumseh Parks and Recreation Department has been involved in administering funding programs to assist low-income families with access to recreational programs. The original program titled the National Child Benefit Reinvestment Program has evolved over the years into the Pathway to Potential [P2P] program that is administered through the City of Windsor Social & Health Services Department and is funded by both the City of Windsor and the County of Essex.

The P2P program was designed to align with the Ontario Government's Poverty Reduction Strategy and involved a comprehensive, multi-year agenda to reduce poverty, mobilize the community to promote awareness, and engage the development and implementation of strategies to reduce the poverty rates in the Windsor Essex County area.

Since 2009, the Town of Tecumseh has entered into a yearly Service Agreement for the P2P program, in the amount of \$24,000. The funding has been administered by the Parks and Recreation Department.

## Comments

In June 2018, Administration received the 2018 Service Agreement from the Corporation of the City of Windsor for the Pathway to Potential Program (Attachment 1).

According to the Service Agreement:

### 2.1.1 Service Objectives

Programming and services delivered by the Service Provider through P2P must address one or more of the following goals/objectives:

- Direct service programs which focus on transition to higher education, improved skills level, or employment for individuals on a low income with a goal of income security; or
- Direct service programs that promote Social Enterprise and Innovation; or
- Direct service programs that demonstrate ways to break the cycle of poverty for children and youth

### 3.0 Service Description

3.1 The Service Provider shall provide the services outlined in Schedule A.

3.2 Services will be delivered to individuals who reside in Windsor-Essex County and are identified as living on a Low Income

### 7.0 Recognition of the Contribution of P2P

7.1 The Service Provider shall give appropriate recognition of the contribution of P2P to the Program in its publicity and signage related to the Program, including any information provided to the public on any email, brochure, website or social media account maintained by the Service Provider.

According to Schedule A of the Service Agreement:

The Town of Tecumseh will offer children, youth, adults and seniors living in low income the opportunity to participate in any program offered through the Parks and Recreation Department at 10% of the program cost.

The Town of Tecumseh will establish partnerships with various Community Organizations that will also offer children, youth, adults and seniors living in low income the opportunity to participate in recreational and sports activities offered through the Community Organizations at 10% of the program cost.

Programs have the option to allocate up to 10% of the budget for “universal activities,” in conjunction with efforts to promote and include children and youth from low income families in those activities. For example, a free swim and free skate can be sponsored



using P2P dollars. However acknowledgement of P2P must be provided where applicable (e.g. posters, notices).

According to Schedule B of the Service Agreement:

Monthly cash flows will be reconciled at the end of each quarter; March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>. Any unused funds at the end of the funding period are to be returned to the Corporation. The total maximum fee that can be charged and paid is \$50,000.00.

Since January 1, 2018, the Tecumseh Parks and Recreation Department has been administering the P2P program in accordance with the Service Agreement.

## **Consultations**

Corporate Services & Clerk  
Financial Services

## **Financial Implications**

The Town of Tecumseh will be receiving \$50,000 in funding for the 2018 Pathway to Potential program. This is an increase in program funding from previous years.

Ten percent [10%] of the annual funding [\$5,000] is allocated towards Universal Programs and ten percent [10%] of the annual funding [\$5,000] is allocated towards administrative fees leaving \$40,000 available to provide direct assistance for registration fees in recreational programs, both internal and external programs.

The P2P program will be administered through the Parks and Recreation Department. The Parks and Recreation Department will provide quarterly reports to the City of Windsor as outlined in the funding agreement.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input checked="" type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐      Social Media ☐      News Release ☐      Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Kerri Rice  
Manager Recreation Programs & Events

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Reviewed by:

Paul Anthony, RRFA  
Director Parks & Recreation Services

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	2018 Service Agreement

**SERVICE AGREEMENT**

**Basic Provisions: Pathway to Potential Service Contract**

**B-1.** The following are certain basic provisions of this Agreement, which are part of this Agreement, and which are correspondingly referred to in the General Provisions, Special Provisions and Schedules of this Agreement:

Item	Provision
(a) Name & Address of Corporation:	<b>THE CORPORATION OF THE CITY OF WINDSOR</b> Att'n: Community Development and Health Commissioner Suite 301 400 City Hall Square East Windsor, Ontario, N9A 7K6
(b) Name & Address of Service Provider:	<b>CORPORATION OF THE TOWN OF TECUMSEH</b> Att'n: Area Manager of Recreation Programs/Events 12021 McNorton Street Tecumseh, Ontario, N8N 3Z7
(c) Initial Signing date:	January 1, 2018 - December 31, 2018
(d) Authorization:	Council Resolution: B15/2017
(e) Term:	January 1, 2018 - December 31, 2018
(f) Commencement Date:	January 1, 2018

**B-2.** This Agreement consists of these Basic Provisions, the attached General Provisions, Special Provisions and Schedules, as well as any other attachments referred to herein or therein, and all such material forms part of this Agreement together with all things, terms and provisions so incorporated.

**B-3.** In the event of any inconsistency or conflict in this Agreement between the Basic Provisions, Special Provisions, General Provisions and Schedules, then the terms, covenants and conditions of this Agreement shall prevail in the following order:

- (a) Basic Provisions
- (b) Special Provisions
- (c) Schedules
- (d) General Provisions

Amendments bearing later dates shall prevail within each of the above noted categories of this Agreement.

**B-4.** Any reference in this Agreement to all or any part of any manual, statute, regulation, By-law or Council Resolution shall, unless otherwise stated, be a reference to that manual, statute, regulation, By-law or Council Resolution or the relevant part thereof, as amended, substituted, replaced or re-enacted from time to time.

**IN WITNESS WHEREOF** the Parties hereto have hereunto affixed their corporate seals duly attested by the hands of their proper signing officers in that behalf respectively.

**SIGNED, SEALED AND DELIVERED**

Authority  
B15/2017  
Approved as to  
Form and Content  
DB  
Legal Counsel

Authority  
B15/2017  
Approved as to  
Technical Content  
MEB  
Manager of Social  
Policy and Planning

Authority  
B15/2017  
Approved as to  
Financial Content  
[Signature]  
City Treasurer and  
CFO

*dy*

**THE CORPORATION OF THE CITY OF WINDSOR**

Signature: \_\_\_\_\_

Name: Jelena Payne

Title: Community Development and Health  
Commissioner OR CAO

I have the authority to bind the Corporation

**CORPORATION OF THE TOWN OF TECUMSEH**

Signature \_\_\_\_\_

Name: Kerri Rice

Title: Area Manager, Recreation Programs/Events

I have the authority to bind the Corporation

**APPROVED BY THE CHIEF  
ADMINISTRATIVE OFFICER**

(The Corporation of the City of Windsor)  
THIS \_\_\_\_ DAY OF \_\_\_\_\_, \_\_\_\_

(Second signature by CAO only required if the  
net City contribution relative to the  
Service Contract exceeds \$150,000.00 or is in excess of  
\$1,000,000.00 gross contribution.)

## **SPECIAL PROVISIONS**

### **Pathway to Potential**

#### **S-1.0 Interpretation**

1.1 In this Agreement,

- (a) “Corporate Staff” means the staff of the Corporation of the City of Windsor authorized to exercise the rights and perform the duties of the Corporation under this Agreement.
- (b) “Low Income” means total family income falling at or below the Low Income Cut Off as defined by Statistics Canada and outlined in Schedule C.
- (c) “P2P” means the municipally/county funded Pathway to Potential social investment plan.

#### **S-2.0 P2P Funding**

2.1 The Service Provider receiving P2P funding from the Corporation agrees to comply with all of the conditions and requirements set out by the Corporation under this initiative as follows:

##### **2.1.1 Service Objectives**

Programming and services delivered by the Service Provider through P2P must address one or more of the following goals/objectives:

- Direct service programs which focus on transition to higher education, improved skills level, or employment for individuals on a low income with a goal of income security; or
- Direct service programs that promote Social Enterprise and Innovation; or
- Direct service programs that demonstrate ways to break the cycle of poverty for children and youth.

##### **2.1.2 Eligible Services**

The range of eligible services provided by the Service Provider could be grounded in, or intersect with, the 2014-2018 priorities identified by Pathway to Potential:

- Literacy and Lifelong Learning
- Income security and equality
- Employment and training
- Food security

##### **2.1.3 Performance Measures**

All P2P funded programs will be evaluated based on the outcome measures as set out by the Corporation and the Service Provider.

#### **S-3.0 Service Description**

3.1 The Service Provider shall provide the services outlined in Schedule A.

3.2 Services will be delivered to individuals who reside in Windsor-Essex County and are identified as living on a Low Income.

- 3.3 It is expected that this funding will meet the targets as outlined in the attached Budget Schedule. If targets are not achieved to the level indicated in the Budget Schedule, the Corporation may request that funds in an amount reflective of the underachieved targets be returned to the Corporation.

#### **S-4.0 Payment**

- 4.1 The Corporation agrees to pay the Service Provider the fees outlined in Schedule B and Budget Schedule subject to the Service Provider complying with paragraphs S-6.0 and S-7.0.

#### **S-5.0 Termination of the Agreement**

The Corporation in its sole and absolute discretion may terminate the Agreement upon seven days written notice to the Service Provider.

#### **S-6.0 Reporting**

- 6.1 The Service Provider shall submit to the Executive Director or Designate, a monthly or quarterly Report in the form as set out in Schedule E for all services provided pursuant to the terms of this Agreement during the previous quarter within ten (10) business days following the end of each month or quarter: March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>.
- 6.2 The monthly or quarterly reports will describe all related activities being performed on behalf of the Corporation, including the number of individuals served.
- 6.3 The Service Provider shall submit a Record of Expenditures on a monthly or quarterly basis in the format outlined in Schedule D. The Executive Director or Designate will review all Record of Expenditures for approval and processing of payment in keeping with the terms of this agreement. If the funds are not in accordance with the forecasted expenditures, the Corporation has the discretion to recover unspent funds or withhold future payments.
- 6.4 The Service Provider shall submit Record of Expenditures in the format outlined in Schedule D.
- 6.5 The Service Provider shall maintain a separate ledger for P2P funding.

#### **S-7.0 Recognition of the Contribution of P2P**

- 7.1 The Service Provider shall give appropriate recognition of the contribution of P2P to the Program in its publicity and signage related to the Program, including any information provided to the public on any email, brochure, website or social media account maintained by the Service Provider.
- 7.2 The Service Provider agrees to display such signs, plaques or symbols as P2P or the Corporation may provide in such locations on its premises as P2P may designate.
- 7.3 The Service Provider shall:
- (a) Cooperate with the Corporation during the first announcement of funding and in any subsequent official ceremonies relating to the promotion of the Program.
  - (b) Give appropriate recognition, in terms and in a form and manner satisfactory to the Corporation, of the contribution of P2P in all communication activities relating to the Program.
  - (c) Notify the Corporation in advance of any and all such communication activities mentioned in clause (b).

- (d) Display such signs, plaques or symbols provided by the Corporation or as may be provided to the Corporation by P2P.



## **SCHEDULE A**

### **Pathway to Potential**

## **CORPORATION OF THE TOWN OF TECUMSEH**

### **SERVICE DESCRIPTION**

#### **Assisted Recreation Program**

The Town of Tecumseh will offer children, youth, adults and seniors living in low income the opportunity to participate in any program offered through the Parks and Recreation Department at 10% of the program cost.

The Town of Tecumseh will establish partnerships with various Community Organizations that will also offer children, youth, adults and seniors living in low income the opportunity to participate in recreational and sports activities offered through the Community Organizations at 10% of the program cost.

Participants will be able to participate in one program per session.

Program funding will not be used toward assistance with equipment costs for any of the programs.

The Town of Tecumseh will be responsible for:

- determining which organizations allow the greatest exposure for recreational opportunities
- ensuring a variety of programs
- coordinating a variety of programs to run through-out the year
- ensuring collaboration among organization that offer similar services
- determining an individual's eligibility for the programs using the guidelines provided in Schedule C.

Programs have the option to allocate up to 10% of the budget for “universal activities”, in conjunction with efforts to promote and include children and youth from low-income families in those activities. For example, a free swim and free skate can be sponsored using P2P dollars. However, acknowledgement of P2P must be provided where applicable (e.g. posters, notices).

## **SCHEDULE B**

### **Pathway to Potential**

Subject to paragraph S-6.0, The Corporation of the City of Windsor agrees to pay the Service Provider two (2) installments of \$2,000.00 from January to February, one (1) payment of \$2,005.00 in March, two (2) payments of \$2,000.00 in April and May, one (1) payment of \$14,994.98 in June, and six (6) installments of \$4,166.67 from July to December.

Monthly cash flows will be reconciled at the end of each quarter; March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, and December 31<sup>st</sup>. Any unused funds at the end of the funding period are to be returned to the Corporation. The total maximum fee that can be charged and paid is \$50,000.00.

An Estimated Cash Flow Forecast is required for the following time period: January 1, 2018 – December 31, 2018. The Estimated Cash Flow Forecast shall be submitted 30 days prior to the commencement of the period noted above.

## SCHEDULE C

### Low Income Cut-Off

#### PATHWAY TO POTENTIAL PROGRAM PARTICIPANTS

SIZE OF FAMILY UNIT	MAXIMUM FAMILY INCOME LEVEL
1 PERSON	\$21,822
2 PERSONS	\$27,165
3 PERSONS	\$33,396
4 PERSONS	\$40,548
5 PERSONS	\$45,988
6 PERSONS	\$51,868
7 OR MORE PERSONS	\$57,747

Chart is based on Stats Canada – Low income cut-offs (1992 base) before tax for the most current year available (2017). Community size 100,000 to 499,999.

Family Income can be determined through the following documents:

- The most current Notice of Assessment from Canada Revenue Agency (line 236)\*
- The most current Canada Child Tax Benefit Notice (family net income)\*
- Ontario Child Benefit Notice (family net income)\*
- Verification of current Ontario Works Benefits
- Verification of current Ontario Disability Support Program Benefits
- Verification of Guaranteed Income Supplement

\* If a family's income has changed from the income listed in these documents, once verification of change in employment or employment status is obtained, the income can be recalculated using the gross figures (before tax) from current paystubs.

**SCHEDULE D**  
**Pathway to Potential**

**RECORD OF EXPENDITURES**

Name of Corporation:	Phone Number:
Name of Program:	
Contact Person:	
Mailing Address:	
Reporting Period	
From:	To:

Category	Cost Claimed for this Period
Staff Wages & Benefits	
Travel/Transportation	
Occupancy Costs (Rent & Utilities)	
Office Supplies/ Services	
Administrative Costs including management oversight	
Program Expenses	
Insurance	
Audit	
Advertising	
Miscellaneous	
Capital Assets (Equipment & Furnishings)	
Capital Purchase (Renovations)	

**Total:** \_\_\_\_\_

**\*\*** Payment verification of all approved expenditures must be supported by such substantiating documentation as may be required by the Corporation, including copies of receipts, invoices, and payroll records. Expenses claimed must be net of any applicable HST rebate.

\_\_\_\_\_  
Name and Title of Authorized Signing Officer – Service Provider (Print)

\_\_\_\_\_  
Signature of Authorized Signing Officer – Service Provider

\_\_\_\_\_  
Date

**SCHEDULE E**  
**Pathway to Potential**

**MEASURABLE CLIENT OUTCOMES**

Name of Corporation:	Phone Number:
Name of Program:	
Contact Person:	
Mailing Address:	
Reporting Period	
From:	To:

Participants	Description	City	County
	Number of clients served (unique)		
	0 – 5 Years		
	6 – 12 Years		
	13 – 17 Years		
	18 – 64 Years		
	65+ Years		
	Number of new clients served		
	Number of ongoing clients served		
	Total number of visits		
Program			
	Total number of programs offered		
	Total number of programs accessed by clients		
	Number of individuals that complete the program		
	Number of individuals that advance to the next level		
	Number of individuals that do not complete the program		
	Average number of sessions missed/program		

\*\* All areas of measurable client outcomes must be completed. If there is a reporting requirement that does not apply to your program please indicate such with N/A under the number of clients served.

\_\_\_\_\_  
Name and Title of Authorized Signing Officer – Service Provider (Print)

\_\_\_\_\_  
Signature of Authorized Signing Officer – Service Provider

\_\_\_\_\_  
Date



# The Corporation of the City of Windsor

Year  
2018

## Pathway to Potential Budget Schedule Face Sheet

**Organization Name:**

Corporation of the Town of Tecumseh

**Contact Information:**

**Name:** Kerri Rice

**Position:** Area Manager, Recreation Programs/Events

**Address:** 12021 McNorton Street, Tecumseh, ON, N8N 3Z7

**Phone Number:** (519) 735-2184 (Ext. 421)

**Fax Number:** (519) 735-6712

Commencement Date	Amendment Number	Amendment Date	City/County
January 1, 2018	0	1-Jan-18	County
<b>Service Name(s)</b>			<b>2018 Fiscal Funding</b>
Assisted Recreation Program			50,000.00
<b>TOTAL FUNDING</b>			<b>\$ 50,000.00</b>

**Operator Authorized Signature(s)**

Signature

Date

Signature

Date

**Corporation Authorized Signature(s)**

Community Development and Health Commissioner

Date

Authority

B15/2017

Approved as to  
Technical Content

*MCR*  
Manager of Social  
Policy and Planning

Authority

B15/2017

Approved as to  
Financial Content

*[Signature]*  
City Treasurer  
and CFO

*[Signature]*

The Corporation of the City of Windsor  
Pathway to Potential Budget Schedule

Year  
2018

Organization Name: Corporation of the Town of Tecumseh												
Amendment Date	Amendment #	Service Name	Program 1 - Pathway to Potential									TOTAL
01-Jan-18	0											
FISCAL EXPENDITURES												
Salaries/Benefits												
Other Service Costs			50,000.00									50,000.00
Gross Expenditures			50,000.00									50,000.00
Amendments/Details	Amendment #	Amendment Date										
FISCAL FUNDING												
Total City of Windsor Fiscal Funding			50,000.00									50,000.00
Commencement Date: January 1, 2018									Amendment #:		Date: 01-Jan-18	

**The Corporation of the City of Windsor**  
**Service Targets**

**Year**  
**2018**

<b>Organization Name:</b> Corporation of the Town of Tecumseh											
<b>Service Targets</b>		Program 1 - Pathway to Potential									
1	Service Data	# Clients 0 - 5 years									
	Target	11									
2	Service Data	# Clients 6-12 years									
	Target	53									
3	Service Data	# Clients 13-17 years									
	Target	10									
4	Service Data	# Clients 18-64 years									
	Target	19									
5	Service Data	# Clients 65+ years									
	Target										
6	Service Data	Total City Clients Served									
	Target	17									
7	Service Data	Total County Clients Served									
	Target	76									
8	Service Data	Total Served									
	Target	93									
9	Service Data										
	Target										
10	Service Data										
	Target										
<b>Operator Authorized Signature</b> _____ Signature                      Signature                      Date					<b>City of Windsor Authorized Signature</b> _____ Signature                      Date					<b>Amendment #:</b> 0	<b>Date:</b> 01-Jan-18



**GENERAL PROVISIONS: PATHWAY TO POTENTIAL (P2P) FUNDING**

**G-1.0        INTERPRETATION:**

**G-1.1**        In this Agreement,

- a)        "Executive Director" means the "Executive Director of Housing and Children's Services for the Corporation or a Designate;
- b)        "Agreement" means this Agreement and the attached Schedule(s) which embody the entire Agreement between the parties;
- c)        "Service Provider" means Service Provider set forth in paragraph B-1(b) of this Agreement.
- d)        "Corporation" means The Corporation of the City of Windsor acting as a body corporate;
- e)        "Year" means a period of twelve (12) months starting on the Commencement Date in B-1(f) of this Agreement.

**G-1.2**        All of the provisions of this Agreement are to be construed as covenants even where not expressed as such. If any such provision is held to be or rendered invalid, unenforceable, or illegal, then it shall be considered separate and severable from this Agreement and the remaining provisions of this Agreement shall remain in force.

**G-1.3**        Wherever a word importing the singular number only is used in this Agreement, such word shall include the plural. Words importing either gender or firms or corporations shall include the other gender and individuals, firms or corporation where the context so requires.

**G-1.4**        This Agreement shall be governed by, interpreted and enforced in accordance with the laws in force in the Province of Ontario.

**G-1.5**        This Agreement constitutes the entire agreement between the Parties concerning the premises and may only be amended or supplemented by an agreement in writing signed by both parties.

**G-2.0        ADMINISTRATION OF THIS AGREEMENT**

**G-2.1**        The Service Provider shall deal at all times with the Executive Director or a Designate, and any information, instructions, directions, or assistance required by the Service Provider shall be obtained through the Executive Director or Designate.

**G-2.2**        Where any approval is required, or any decision must be made under the provisions of this Agreement by the Corporation, such approval or decision will be made by the Executive Director or Designate.

**G-3.0        SERVICE(S)**

**G-3.1**        The Service Provider agrees to provide services in accordance with the attached Service Description Schedules, Budget Schedule(s), and/or Service Data Schedule(s), and in accordance with the policies, guidelines, and requirements of the Corporation of the City of Windsor as communicated to it.

**G-3.2**        The Service Provider acknowledges that it has been fully advised of and is completely familiar with the nature and purpose of the services to be provided under this Agreement.

**G-3.3**        The Service Provider represents and warrants that the Service Provider has the expertise, experience, and knowledge required to provide the Services pursuant to this Agreement and that the Corporation is relying upon such representation and warranty in entering into this Agreement.

**G-4.0        PAYMENT**

**G-4.1**        The Parties to this Agreement hereby acknowledge and agree that the Corporation is purchasing the Services under this Agreement pursuant to funding from the Corporation, provincial government, federal government or a combination thereof as the case may be. If at any time this funding is altered, rescinded or terminated, the Corporation reserves the right to terminate this Agreement. The Parties further acknowledge and agree that the purchase of Services under this Agreement in no way obligates the Corporation to continue to purchase the Services or similar services from the Service Provider after the end of the term or the termination of this Agreement.

**G-4.2**        Subject to the provisions of section 4.1 herein, the Corporation shall pay to the Service Provider, for approved expenditures incurred pursuant to this Agreement, an amount not to exceed the amount stipulated in the Budget Schedule. The Corporation reserves the right to determine the amounts, times, and manner of such payments.

**G-4.3**        The Service Provider agrees that any errors or omissions with respect to payments made under the Agreement must be reconciled within ninety (90) days of receipt of the payment by the Service Provider.

**G-4.4**        The Parties agree that the approved budget will be negotiated on or before the start of the applicable fiscal year while this Agreement is in force. In the event of the budget not being re-negotiated by that time, payments will continue to be made in accordance with the approved budget for the immediately preceding fiscal year until such time as the budget is re-negotiated or this Agreement is terminated.

**G-4.5** It is agreed and understood that the Corporation may withhold payment if the Service Provider is in breach of its obligations under this Agreement.

**G-4.6** The Corporation reserves among all other rights and remedies available to it at law or equity, the right to recover payment in part or in full should the Service Provider breach its obligations under this Agreement.

**G-4.7** It is further agreed and understood that in the event targets are not achieved to the level indicated in the Service Data Schedule, or the Service Provider does not spend monies advanced by the Corporation for the approved services, the Corporation may in the Corporation's sole discretion, require the Service Provider to refund such amounts as may be determined by the Corporation. The Service Provider agrees to return such unspent monies to the Corporation.

**G-5.0** **TERM OF AGREEMENT AND TERMINATION OF AGREEMENT**

**G-5.1** This Agreement shall be in force for the Term set out in paragraph B-1(e) of this Agreement, or until it is superseded or replaced by a subsequent Agreement.

**G.5.2** The Corporation may terminate this Agreement by giving sixty (60) days written notice to the Service Provider. Upon such notice being given this Agreement shall terminate and be of no further force and effect on the expiration of the said sixty (60) days.

**G.5.3** In the event that the Service Provider terminates this Agreement, either before the end of the Term, or at the end of the Term, the Service Provider shall give the Corporation 60 days prior written notice. Upon such notice being given this Agreement shall terminate and be of no further force and effect on the expiration of the said sixty (60) days.

**G-5.4** That if in the opinion of the Corporation the Service Provider fails to comply with any of the terms of this Agreement, and the Corporation gives to the Service Provider written notice of the non-compliance, and the Service Provider fails to remedy the breach within twenty (20) days of the written notice being given, then the Corporation may forthwith terminate this Agreement without any further notice to the Service Provider upon the expiry of the said twenty (20) days.

**G.5.5** In the event that the Service Provider becomes bankrupt or insolvent, goes into receivership, takes the benefit of any statute relating to bankrupt or insolvent debtors, ceases operations, or in the case of a corporation ceases to be a corporation in good standing under the applicable laws of Ontario or Canada, then this agreement shall terminate upon the date of the happening of such an event.

**G-5.6** In case of any dispute under this Agreement, the decision of the Executive Director shall be final and binding upon both Parties.

**G-5.7** If the Agreement is terminated in part with respect to the provision of a specific service as outlined in the Service Schedules of the Agreement, all obligations with respect to the provision of all other services continue in full force and effect.

**G-5.8** In the event of termination, the Service Provider shall refund to the Corporation any money advanced by the Corporation and not expended in accordance with the approved budget.

**G-5.9** It is a condition of this Agreement and every agreement entered into in pursuance of the performance of this Agreement that no right under the Human Rights Code, or other applicable Human Rights Policy will be infringed. Breach of this condition is sufficient grounds for the termination of this Agreement.

**G-5.10** Any termination of this Agreement shall be without prejudice to any other rights or remedies the Corporation may have at law or equity, and the Service Provider acknowledges that upon termination, the Corporation may re-procure services the same or similar to the services provided pursuant to this Agreement.

**G-5.11** In the case of termination or expiry of this agreement, the provisions of the following sections continue to apply: G-4.3, G-4.5, G-4.6, G-4.7, G-5.8, G-7.1, G-7.2, G-7.3, G-7.3, G-8.1, G-8.2, G-8.3, G-8.4, G-8.5, G-8.6, G-11.1, G-16.1, G-17.1 and G-20.1.

#### **G-6.0 ACCESS AND CONSULTATION**

**G-6.1** The Service Provider will permit the Corporation's staff to enter at reasonable times any premises used by the Service Provider in connection with the provision of services pursuant to this Agreement and under its control in order to observe and evaluate the services and inspect all records relating to the services provided pursuant to this Agreement.

**G-6.2** The Service Provider agrees that the staff providing services pursuant to this Agreement will upon reasonable request, be available for consultation with the Corporation's staff.

#### **G-7.0 SERVICE RECORDS AND REPORTS**

**G-7.1** The Service Provider shall maintain full and complete service records respecting each site where service is being provided and prepare and submit at such intervals as indicated in the Service Data Schedule, a report respecting the services being provided pursuant to this Agreement, acceptable to the Corporation's staff which shall include program data such as statistics on target achievements and other such information as the Corporation requires.

**G-7.2** For each and every quarter and/or at other times as the Corporation may

reasonably request, the Service Provider will prepare and submit service reports respecting the services provided pursuant to this Agreement. The service reports shall comply with the Corporation's requirements as to form and content.

**G-7.3** In the event the Service Provider ceases operation or is succeeded by a successor Service Provider, it is agreed that the Service Provider will not dispose of any records related to the services provided for under this Agreement without the prior consent of the Corporation, which consent may be unreasonably withheld or given subject to such conditions as the Corporation may impose.

**G-8.0 FINANCIAL RECORDS AND REPORTS**

**G-8.1** The Service Provider shall maintain financial records and books of account respecting services provided pursuant to this Agreement for each site where service is being provided and will allow Corporation's staff or such other persons appointed by the Corporation to inspect and audit such books and records at all reasonable times both during the term of this Agreement and subsequent to its expiration or termination.

**G-8.2** The Service Provider shall, unless the Corporation indicates otherwise, submit to the Corporation in a form acceptable to the Corporation an audited financial statement with respect to the services provided pursuant to this Agreement within three (3) months of the Service Provider's financial year end.

**G-8.3** The Service Provider shall retain and preserve all the Service Provider's records related to this Agreement for a period of seven (7) years after each such record has been received or created, as the case may be. The Service Provider shall not dispose of any records related to this Agreement before the expiration of any such period without the prior written consent of the Corporation, which consent may or may not be given in the Corporation's sole discretion, subject to such conditions as the Corporation deems advisable. For greater certainty, the obligations of the Service Provider under this Section 8.3 shall survive the termination or expiration of this Agreement.

**G-8.4** The Service Provider shall prepare and submit to the Corporation for each quarter or at any other time upon reasonable request, a financial report containing such information as the Corporation may require, in a form acceptable to the Corporation.

**G-8.5** The Service Provider shall adhere to any additional financial reporting requirements specified by the Corporation. In the event that such financial reports are not submitted as required, then the Corporation will withhold payment to the Service Provider until the financial reports are submitted.

**G-8.6** The Service Provider shall comply with Generally Accepted Accounting

Principles (GAAP) in the treatment of revenues and expenditures.

**G-9.0            CONFIDENTIALITY**

**G-9.1**            The Service Provider, its directors, officers, employees, agents, and volunteers shall hold confidential and not disclose or release other than to the Corporation or its delegate at any time during or following the term of this Agreement, except, where required by law, any information or document that identifies any individual in receipt of services without first obtaining the written consent of the individual or the individual's parent or guardian prior to the release or disclosure of such information or document.

**G-9.2**            The Service Provider acknowledges that any information collected by the Corporation pursuant to this Agreement is subject to the *Municipal Freedom of Information and Protection of Privacy Act*.

**G-10.0           CONFLICT OF INTEREST**

**G-10.1**           The Service Provider, any of its sub-contractors and any of their respective advisors, partners, directors, officers, employees, agents and volunteers shall not engage in any activity or provide any services to the Corporation where such activity or the provision of such services, creates a conflict of interest (actually or potentially in the sole opinion of the Corporation) with the provision of services pursuant to the Agreement. The Service Provider acknowledges and agrees that it shall be a conflict of interest for it to use confidential information of the Corporation relevant to the services where the Corporation has not specifically authorized such use.

**G-11.0           INDEMNIFICATION AND INSURANCE**

**G-11.1**           The Service Provider shall both during and following the term of this Agreement, indemnify and save harmless the Corporation, its employees, officers, agents, Council members, from and against any and all costs, losses, injuries, damages, judgments, claims, expenses, demands, suits, actions, complaints or any other proceedings, fines, or recoveries whatsoever in any manner based upon, occasioned by or attributable to anything done or omitted to be done by the Service Provider, its directors, officers, employees, agents or volunteers or anyone for whom the Service Provider is responsible at law, for or in connection with services provided, purported to be provided or required to be provided by the Service Provider pursuant to this Agreement.

**G-11.2**           During the term of this Agreement or any renewal thereof, the Service Provider shall obtain and maintain in full force and effect, occurrence-based general liability insurance

coverage issued by an insurance company authorized by law to carry on business in the Province of Ontario. The policy must include occurrence-based abuse liability coverage unless waived by the Corporation's Manager of Purchasing and Risk Management. Such policy shall be issued in the name of the Service Provider, shall have inclusive limits of not less than TWO MILLION DOLLARS (\$2,000,000.00) for bodily injury and property damage resulting from any one occurrence in respect of and during the provision of services by the Service Provider pursuant to this Agreement, shall contain a clause including liability arising out of this Agreement, shall contain a cross liability clause with the Corporation as an additional insured, and be in a form satisfactory to the Corporation.

**G-11.3** The Service Provider shall also obtain and maintain insurance against liability for bodily injury and property damage caused by vehicles owned by the Service Provider and used in connection with the day to day operation of the contracted services or vehicles not owned by the Service Provider, but used in connection with the day to day operation of the contracted services, including a passenger hazard in the amount of TWO MILLION DOLLARS (\$2,000,000.00).

**G-11.4** All such insurance policies required of the Service Provider shall contain a provision requiring the insurers to notify the Corporation not less than 30 days prior to any material change, cancellation, or termination.

**G-11.5** The Agreement shall forthwith terminate in the event that any insurance policy required by sections 11.1 and 11.2 is terminated or amended without written consent of the Corporation.

**G-11.6** The Service Provider shall, immediately upon the execution of this Agreement and annually within 30 days of the renewable date of the policy, provide to the Corporation either copies of the liability and vehicle insurance policies as required by this Agreement or certificates of the said insurance policies.

**G-12.0** **OBSERVANCE OF LAW**

**G-12.1** The Service Provider shall provide all services required under this Agreement in compliance with all applicable statutes, laws, by-laws, regulations and orders in force during the term of this Agreement. Notwithstanding the generality of the foregoing, the Service Provider shall comply with:

- a) the Act and Regulations including the requirement that it holds a valid, clear license, where applicable;
- b) all zoning, police, building safety, fire safety and sanitary requirements, regulations and by-laws, laws and lawful orders imposed by any Municipal,

Provincial, or Federal authority relating to the premises, and will observe and obey any other requirements governing the operation of the contracted services.

**G-12.2** Where applicable, at the time of execution of this Agreement, the Service Provider must submit a copy of its current license to operate the service and therefore, must file annually with the Executive Director or Designate, a copy of the license renewal.

**G-13.0** **NON-ASSIGNMENT**

**G-13.1** The Service Provider will not assign this Agreement, or any part thereof, without the prior written approval of the Corporation, which approval may be withheld by the Corporation in its sole discretion or given subject to such conditions as the Corporation may require.

**G-14.0** **AMENDMENT**

**G-14.1** This Agreement may be amended from time to time by the addition or substitution of Schedule(s), duly signed by the Parties to this Agreement.

**G-15.0** **SCHEDULES**

**G-15.1** This Agreement and Schedules(s) attached hereto, embody the entire Agreement between the Parties and supersedes any other understanding or agreement, collateral, oral or otherwise, existing between the Parties at the date of execution and relating to the subject matter of this Agreement.

**G-16.0** **NOTICES**

**G-16.1** Any notice, demand, acceptance, or request to be given under the provisions of this Agreement by either Party to the other herein shall be in writing and shall be deemed to have been received by the other Party on the day it was delivered in person or, if mailed, on the 5<sup>th</sup> day next following the day on which it was mailed or, if sent by facsimile, deemed received on the date transmitted if transmitted during normal business hours. The facsimile will be deemed received on the next business day where it is transmitted outside of normal business hours. If transmitted by facsimile machine, confirmation of successful transmission must be obtained.

**G-16.2** Any Notice given under this Agreement shall be addressed, in the case of the Service Provider to the address as set forth in paragraph B-1.(b) of this Agreement, and in the case of the Corporation to the Community Development and Health Services Department



to the address set forth in paragraph B-1.(a) of this Agreement, or to such other address as either Party may from time to time designate by written notice to the other Party.

**G-17.0        DISPOSITION**

**G-17.1**        The Service Provider will not sell, change the use, or otherwise dispose of any item, furnishings or equipment purchased with Corporation funds pursuant to this Agreement without the prior written consent of the Corporation, which may be given subject to such conditions as the Corporation deems advisable.

**G-18.0        STATUS OF SERVICE PROVIDER**

**G-18.1**        The Service Provider acknowledges and agrees this Agreement is in no way deemed or construed to be an Agreement of Employment. Specifically, the Parties agree that it is not intended by this Agreement, that the Service Provider, or its employees, be employees of the Corporation for the purpose of the *Income Tax Act*, R.S.C. 1985 c. 1 (1<sup>st</sup> Supp); the *Canada Pension Plan Act*, R.S.C. 1985, c. C-8; the *Employment Insurance Act* S.O. 1996, c. 23; the *Workplace Safety and Insurance Act*, 1997 S.O. 1997, c.26 (Schedule "A"); the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1; the *Pay Equity Act*, R.S.O. 1990, c. P.7; or the *Health Insurance Act*, R.S.O. 1990, c. H. 6; all as amended from time to time, and any legislation in substitution therefore.

**G-18.2**        Notwithstanding the provisions of section 18.1 herein, it is the sole and exclusive responsibility of the Service Provider to make its own determination as to its status under the Acts referred to above and, in particular, to comply with the provisions of any of the aforesaid Acts and to make any payments required there under.

**G-18.3**        The Service Provider shall indemnify and hold harmless the Corporation from any and all amounts required to be paid by the Service Provider, or claimed to be due and owing and for any and all legal costs, including fees and disbursements and for any administrative costs, incurred by the Corporation, relating to any failure of the Service Provider to comply with all provisions of the Acts described above.

**G-18.4**        The Parties hereto expressly disclaim any intention to create a partnership, joint venture or joint enterprise. It is understood, acknowledged and agreed that nothing contained in this Agreement nor any acts of the Corporation or the Service Provider shall constitute or be deemed to constitute the Corporation and the Service Provider as partners, joint venturers, or principal and agent in any way or for any purpose. It is expressly understood that the Parties are independent contractors and no partnership of any kind is inferred between the parties. The Service Provider shall not represent or hold itself out to be

an agent of the Corporation. No Party hereto shall have any authority to act for or to assume any obligation or responsibility on behalf of the other Party hereto.

**G-19.0      WAIVER**

**G-19.1**      Except as specifically set out in this Agreement, no waiver of any clause, term, or condition of this Agreement by an employee, agent or contractor of the Corporation, shall constitute an enforceable or continuing waiver by the Corporation, nor shall the Service Provider be entitled to rely thereon.

**G-20.0      RIGHTS AND REMEDIES**

**G-20.1**      Nothing contained in this Agreement shall be construed as restricting or preventing either Party from relying on any right or remedy otherwise available to it at law in the event of any breach of this Agreement.

**G-21.0      BINDING EFFECT**

**G-21.1** This Agreement and everything herein contained shall inure to the benefit of and be binding upon the Parties, hereto, and their respective successors, administrator, and permitted assigns.

**G-22.0      NON-EXCLUSIVITY**

**G-22.1**      Nothing in this Agreement shall be construed as to give the Service Provider any exclusive right or privilege in providing the Services to the Corporation. The Corporation shall, during or after the term of this Agreement, retain the right to perform or contract for the same or similar services to be provided for its citizens in the same geographic area.

**G-23.0      MISCELLANEOUS**

**G-23.1**      The Service Provider and the Corporation shall, upon the reasonable request of the other, make, do, execute, or cause to be executed, all such further and other lawful acts, deeds, things, documents and assurances whatsoever necessary to give effect to this Agreement.

**G-23.2**      No condoning, excusing or overlooking by the Corporation of any default, breach or non-observance by the Service Provider at any time or times in respect of any covenant, obligation or agreement under this Agreement shall operate as a waiver of the Corporation's rights hereunder in respect of any continuing or subsequent default, breach or non-observance, or so as to defeat or affect in any way the rights of the Corporation herein in

respect of any such continuing or subsequent default or breach, and no waiver shall be inferred from or implied by anything done or omitted by the Corporation save only an express waiver in writing.

**G-23.3** If any portion of this Agreement is, or becomes illegal, invalid, or unenforceable, then the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this agreement.



## The Corporation of the Town of Tecumseh

Planning & Building Services

**To:** Mayor and Members of Council

**From:** Chad Jeffery, Manager Planning Services

**Date to Council:** June 26, 2018

**Report Number:** PBS-2018-19

**Subject:** Financial Incentive Program Grant Application  
Tecumseh Road Main Street Community Improvement Plan  
12357 Tecumseh Road – Bosley Hair Salon  
Residential Grant Program  
OUR FILE: D18 CIPFIP - CIP-05/18

---

### Recommendations

It is recommended:

1. **That** the Grant Application for the Tecumseh Road Main Street Community Improvement Plan Financial Incentive Program, for the property located at 12357 Tecumseh Road (Roll No. 374416000006600), **be approved and deemed eligible** for the following Financial Incentive(s) in accordance with Section 11.3 (5):

- i) Residential Grant Program, for a total amount of \$20,000 towards the costs associated with the renovation of the existing second floor residential unit

all of which is in accordance with the Tecumseh Road Main Street Community Improvement Plan and PBS-2018-19.

### Background

On January 12, 2016, Council adopted the Tecumseh Road Main Street Community Improvement Plan (CIP) in accordance with Section 28(2) of the Planning Act. The CIP applies to an area that represents the historical commercial core of the Town and comprises an approximate 1.2 kilometre corridor centred on Tecumseh Road from the VIA Railway on the east to the Town's border with the City of Windsor just beyond Southfield Drive on the west (see CIP Area in Figure 1). The area encompasses 96 acres and approximately 115

Attachment 1 contains a table that outlines the financial incentives available for lands in the CIP Area, subject to satisfying various criteria and rules.



## Background

In April of 2018, the Owner of the commercial property located at 12357 Tecumseh Road (see Attachments 2 and 2A for location) met with Town Administration to discuss a proposed renovation to the existing 850 square foot residential apartment unit located on the second floor of the commercial building. The first floor of the building is occupied by Bosley Hair Salon (see image below).



The Owner met with Town Administration to determine whether the proposed renovation would qualify for financial incentives under the CIP. The proposed works included the complete renovation of the entire residential unit (i.e. interior demolition, new drywall, new flooring, new kitchen, new bathroom, painting, lighting, finish carpentry). The Residential Grant Program provides funding towards the costs associated with rehabilitating existing residential units and/or constructing new residential units on the basis of \$30 per square foot of habitable floor space (to a maximum of \$20,000 per unit). Administration advised that based on the renovations being contemplated, the project would qualify for financial incentives under the CIP.

### **Proposed Grant Details**

Based on the foregoing, the Owner has submitted a Financial Incentive Program Grant Application seeking financial incentives under the Residential Grant Program, for a total amount of \$20,000 towards the costs associated with the rehabilitation of the existing second floor residential unit.

As required by the CIP, the Owner has provided two reliable cost estimates for each applicable project, as identified below (Note: HST is not included as part of the grants):

1. My Handmade Home Services - \$36,875
2. Grey Development Group - \$38,600

The aforementioned CIP grant program application has been reviewed/evaluated by Town Administration against the requirements of the CIP. Town Administration has no concerns with the application and recommends that the application be approved and be deemed eligible in accordance with Section 11.3 (5) of the CIP.

### **Next Steps**

Upon Council approval, a letter from the Town to the applicant advising of Council's approval will represent a grant commitment. The CIP establishes the following:

- i) Upon completion of the proposed works, Town Administration will conduct a final inspection to ensure that the works have been completed in accordance with the details provided in the application and that all requirements of the CIP have been complied with. Once it has been determined that the CIP requirements have been met, the aforementioned grant amount will be provided to the Owner;
- ii) The application may be cancelled if work does not commence within a six-month period or if the approved works are not completed within a one-year period from the date of Council approval; and
- iii) Extensions will be considered on a case-by-case basis.

## Consultations

Planning & Building Services  
Financial Services  
Fire & Emergency Services

## Financial Implications

The Tecumseh Road CIP provides for Support Programs and Incentives that can total up to \$417,000 per calendar year commencing in 2016. The \$417,000 is the sum of annual maximum limits per individual incentive program category within the CIP. Actual incentives available will depend on approved budget funding.

The 2018 budget includes CIP grant funding of \$125,000. An additional \$88,631 of uncommitted budget allocation from prior period budgets was carried forward, thus totalling \$213,631 in funds available for 2018. To date, four CIP grant fund applications have been approved during 2018, thus the current available funding total is \$148,615.

Upon approval of the recommendation of this report, remaining available program funds for 2018 will be \$128,615 as referenced in the table in Attachment 3.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐



This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Enrico DeCecco, BA (Hons), MCIP, RPP  
Junior Planner

Reviewed by:

Chad Jeffery, MA, MCIP, RPP  
Manager Planning Services

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Reviewed by:

Brian Hillman, MA, MCIP, RPP  
Director Planning & Building Services

Recommended by:

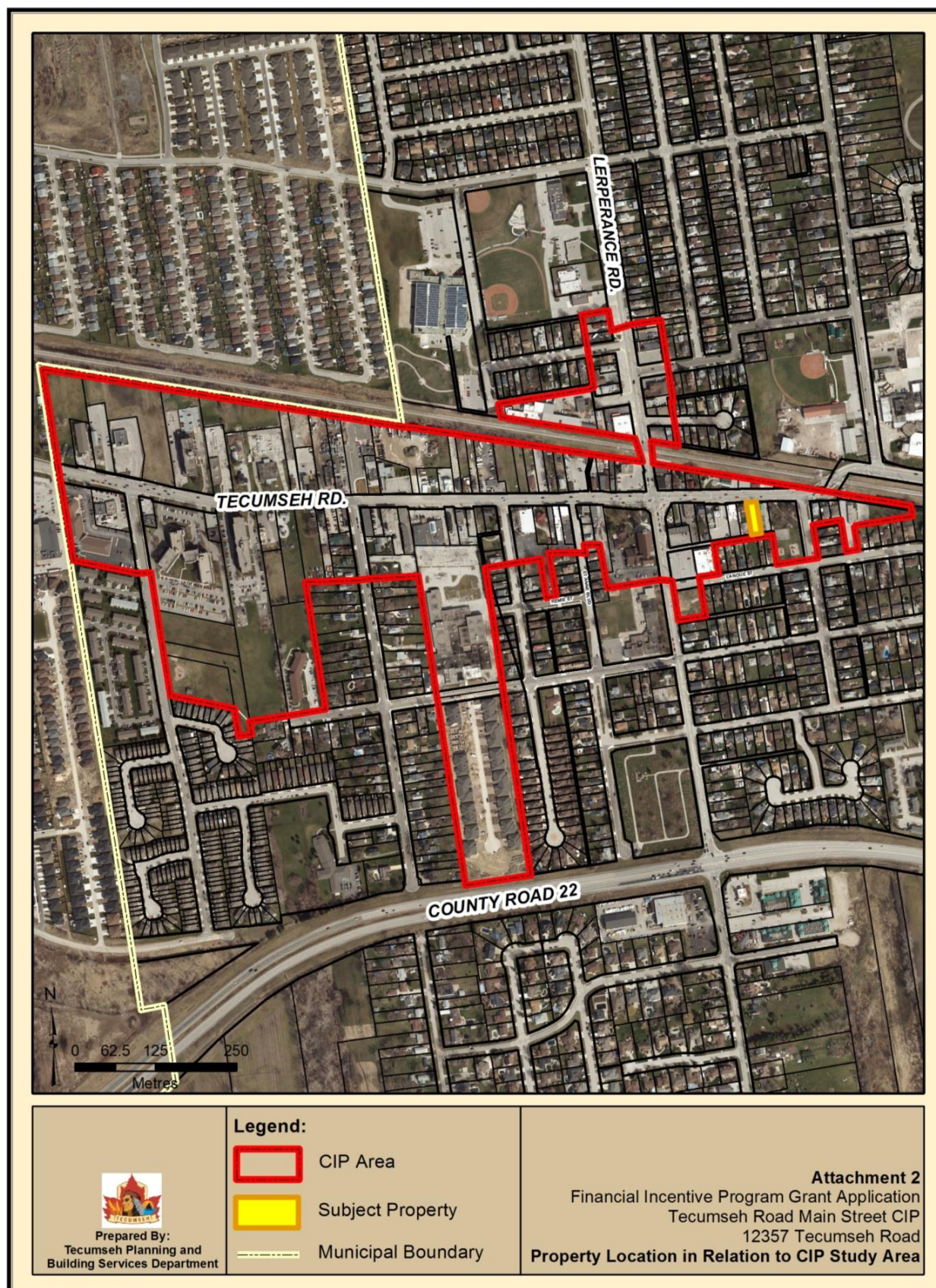
Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	CIP Support Programs and Incentives Summary
2	Property Location in Relation to CIP Study Area
2A	Property Location, Detail View
3	CIP Incentives Financial Summary

**Attachment 1**  
Financial Incentive Program Grant Application  
Tecumseh Road Main Street Community Improvement Plan  
12357 Tecumseh Road  
**CIP Support Programs and Incentives Summary**

<b>11.4 SUPPORT PROGRAMS AND INCENTIVES SUMMARY</b>		
<b>Grant Program</b>	<b>Monetary Incentive</b>	<b>Annual Program Allocation</b>
Planning, Design, and Architectural Grants	Matching grant of 50% of the cost of eligible planning, design and architectural work to a maximum grant of \$3,000 with a maximum of one study per property.	\$15,000
Planning Application and Permit Fee Grant Program	Grant will be provided for 100% of the normal application or permit fees paid by the applicant to a maximum of \$2,000 for approved projects.	\$10,000
Development Charges Grant Program	One-time grant of an amount equivalent to the Town of Tecumseh Development Charge for the buildings being constructed.	\$200,000
Building Façade Improvement Grant Program (BFIP)	Matching grant of 50% of the cost of eligible façade improvements to existing commercial properties to a maximum grant of \$15,000, with a maximum of one grant per property per year. Improvements must cost \$2,000 or greater to be eligible.	\$45,000
Building and Property Improvement Grant Program (BPIG)	Amount to be determined based upon the incremental increase in the municipal taxes that results from the work being completed.	N/A
Building Rehabilitation Loan Program (BRLP)	Loan equivalent to a proportion of the work value and on a matching funds basis, to a maximum of 50% of eligible costs. The maximum loan is \$15,000.	N/A
Residential Grant Program (RGP)	Grant equal to the cost of rehabilitating existing residential units and/or constructing new residential units on the basis of \$30 per square foot of habitable floor space rehabilitated or constructed, to a maximum grant of \$20,000 per unit.	\$100,000
Parking Area Improvement Program (PAIP)	Matching grant of 50% of the cost of eligible parking area improvement work to a maximum grant of \$10,000, with a maximum of one grant per property per year.	\$30,000
Sidewalk Café Grant Program	One-time grant of 50% of the cost, up to a maximum of \$2,000 for the design of a sidewalk café. Additionally, the Town will provide eligible candidates an annual grant of 50% of the costs for related work, up to a maximum of \$2,000.	\$12,000
Mural/Public Art Program	One-time grant of a maximum of \$1,000.	\$5,000









**Attachment 3**  
Financial Incentive Program Grant Application  
Tecumseh Road Main Street Community Improvement Plan  
12357 Tecumseh Road  
**CIP Incentives Financial Summary Charts**

<b>CIP Incentives Summary - Year-to-Date June 26, 2018</b>				
<b>Grant Program</b>	<b>Annual Program Allocation Limit</b>	<b>Projects Committed</b>	<b>Projects Proposed</b>	<b>Paid</b>
1. Planning, Design, and Architectural Grants	\$ 15,000	\$ 3,000		\$ -
2. Planning Application and Permit Fee Grant Program	\$ 10,000	\$ 600		\$ -
3. Development Charges Grant Program	\$ 200,000	\$ 5,416		\$ -
4. Building Façade Improvement Grant Program (BFIP)	\$ 45,000	\$ 15,000		\$ -
5. Residential Grant Program (RGP)	\$ 100,000	\$ 40,000	\$ 20,000	\$ -
6. Parking Area Improvement Program (PAIP)	\$ 30,000	\$ -	\$ -	\$ -
7. Sidewalk Café Grant Program	\$ 12,000	\$ -	\$ -	\$ -
8. Mural/Public Art Program	\$ 5,000	\$ 1,000		\$ -
	<b>\$ 417,000</b>	<b>\$ 65,016</b>	<b>\$ 20,000</b>	<b>\$ -</b>
<b>Actual Budget Allocations:</b>				
2018	\$ 125,000			
Prior Years - Carry-forward	\$ 88,631			
<b>Total Available for 2018</b>	<b>\$ 213,631</b>			
2018 Annual Funding Shortfall including carry-overs	\$ (203,369)			
Total Available for 2018 less Projects Committed		<b>\$ 148,615</b>		
Remaining Available less Projects Proposed			<b>\$ 128,615</b>	

<b>CIP Approved Projects and Funding Since Inception</b>												PBS Report #
<b>Project Code / Year</b>	<b>Project Name</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>Total</b>		
CIP-01/16	Buckingham Realty	\$ 1,475								\$ 1,475		05-16
CIP-02/16	Frank Brewing Co.							\$ 2,000		\$ 2,000		09-16
CIP-03/16	1614840 Ontario Ltd.		\$ 2,000	\$ 80,784						\$ 82,784		13-16
CIP-04/16	Valente Development Corp.			\$ 80,003						\$ 80,003		20-16
CIP-02/17	Valente Development Corp.			\$ 78,120						\$ 78,120		07-17
CIP-03/17	Lesperance Plaza Inc				\$ 15,000					\$ 15,000		17-17
CIP-04/17	St. Anne Church				\$ 15,000					\$ 15,000		21-17
CIP-05/17	Carrots N Dates							\$ 2,000		\$ 2,000		22-17
CIP-06/17	Buckingham Realty				\$ 15,000					\$ 15,000		26-17
CIP-01/18	1071 Lesperance Road – c/o Lesperance Square Inc.	\$ 3,000								\$ 3,000		14-18
CIP-02/18	12350 Tecumseh Rd. - Tecumseh Historical Society								\$ 1,000	\$ 1,000		16-18
CIP-03/18	Buckingham Realty		\$ 600							\$ 600		17-18
CIP-04/18	1071 Lesperance Road – c/o Lesperance Square Inc.			\$ 5,416	\$ 15,000	\$ 40,000				\$ 60,416		18-18
	<b>Total</b>	<b>\$ 4,475</b>	<b>\$ 2,600</b>	<b>\$ 244,323</b>	<b>\$ 60,000</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ 4,000</b>	<b>\$ 1,000</b>	<b>\$ 356,398</b>		



## **The Corporation of the Town of Tecumseh**

Planning & Building Services

**To:** Mayor and Members of Council

**From:** Mike Voegeli, Manager Building Services & Chief Building Official

**Date to Council:** June 26, 2018

**Report Number:** PBS-2018-20

**Subject:** 2017 Year End By-law Enforcement Report

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### **Recommendations**

It is recommended:

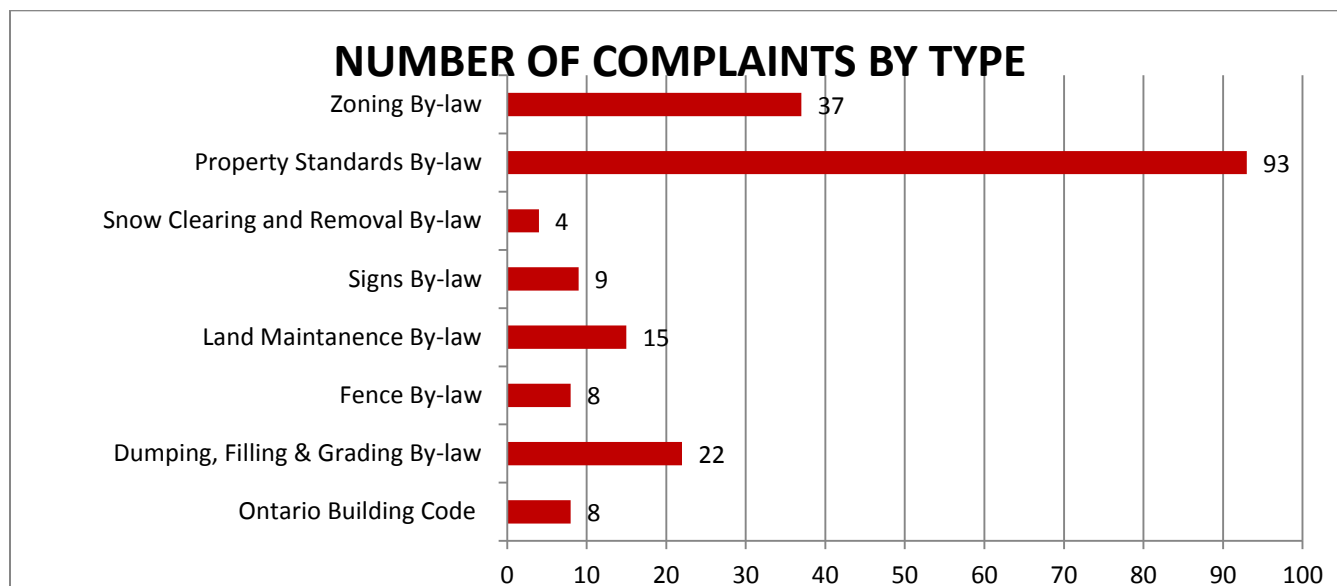
That Planning and Building Services Report No. PBS-2018-20, "2017 Year End By-law Enforcement Report", be received.

### **Background**

This report summarizes by-law complaints investigated for the 2017 year (January-December).

### **Comments**

The following chart categorizes the number of complaints investigated by type. The total number of complaints investigated for the period was 196, with 9 (5%) of the complaints remaining unresolved that will require legal action. In 2016, there were 155 complaints with 14 unresolved complaints.



The following table summarizes the properties with unresolved complaints. Legal action after 30 days is recommended to allow property owners the last chance to achieve compliance with the by-law before the prosecution is filed with the Courts.

Issue No.	Type	Location	Offense Description	Recommended Action
2017-0176	Ontario Building Code	13100 Elderberry Court	Grading causing adverse effects to adjoining property	Commence legal action after 30 days
0217-0058	Ontario Building Code	5670 Walker Road	Leaking septic system causing adverse effects to adjoining property	Commence legal action after 30 days
2017-0054	Property Standards By-law	1862 Lesperance Road	Derelict vehicles, standing water, junk and debris	Commence legal action after 30 days
2017-0164	Fence By-law	12610 Clarice Ave	Fence exceeds maximum height	Commence legal action after 30 days
2017-0085	Property Standards By-law	706 Lesperance Road	Pool cover with stagnant water	Commence legal action after 30 days



2017-0029	Property Standards By-law	1935 Shawnee Street	Junk and debris	Commence legal action after 30 days
2017-0046	Zoning By-law	12002 Intersection Road	Accessory buildings located not in conformity with by-law	Commence legal action after 30 days
2017-0202	Zoning By-law	12040 Tecumseh Road	Truck parking not in conformity with by-law	Commence legal action after 30 days
2017-0036	Zoning and Property Standards By-law	4795 County Road 46	Operating a truck terminal without a permanent office, junk and debris	Commence legal action after 30 days

## Consultations

None

## Financial Implications

For unresolved complaints that require legal action, the costs are incurred by the municipality. Typically, legal costs range between \$5,000 and \$10,000. The Town recommends that the Court impose a fine for a punitive damage and to offset the legal cost. The Building Services budget includes an allocation of \$5,000 for such costs. For unresolved complaints that require the hiring of a contractor to remediate the property, the property owner is invoiced the cost. If the invoice is not paid, the Town pays the invoice on behalf of the property owner and collects the amount in the same manner as municipal taxes.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Mike Voegeli  
Manager Building Services & Chief Building Official

Reviewed by:

Brian Hillman, MA, MCIP, RPP  
Director Planning & Building Services

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	



## The Corporation of the Town of Tecumseh

Planning & Building Services

**To:** Mayor and Members of Council

**From:** Chad Jeffery, Manager Planning Services

**Date to Council:** June 26, 2018

**Report Number:** PBS-2018-21

**Subject:** Site Plan Control  
Otis Properties Limited / Petretta Construction  
1675 Manning Road  
OUR FILE: D11 1675MAN

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### Recommendations

It is recommended:

**That** a by-law authorizing the execution of the “Otis Properties Limited” site plan control agreement, satisfactory in form to the Town’s Solicitor, which allows for a commercial development comprising two commercial buildings having a total floor area of 4181 square metres (45,004 square feet), 273 parking spaces, landscaping and associated on-site services/works on a 2.0 hectare (5.0 acre) property located at the northwest corner of the Manning Road/Amy Croft Drive intersection (1675 Manning Road), **be adopted**, subject to the following occurring prior to the Town’s execution of the Agreement:

- i) final stormwater management design and stormwater management calculations, and associated site service drawings being approved by the Town;
- ii) the Owner executing the site plan control agreement; and
- iii) the Owner posting security for performance pursuant to paragraph 6.1 of the agreement.

**And that** the execution of such further documents as are called for by the site plan control agreement approved above including, but not limited to, the execution of the acknowledgement/direction required to register the site plan control agreement on title to the lands and such other acknowledgements/directions for any related transfers or real

property registrations contemplated by the site plan control agreement, by the Mayor and Clerk, **be authorized.**

## Background

### Property Location

The subject 2.0 hectare (5.0 acre) vacant property is located at the northwest corner of the Manning Road/Amy Croft Drive intersection immediately north of the existing East Pointe Trails commercial plaza (see Attachment 1). The subject property, which was originally part of a larger 4.0 hectare (10.0 acre) commercially designated parcel that extended north to Lanoue Street, was recently severed through an application to the Committee of Adjustment. These lands, combined with the existing 2.9 hectare (7.0 acre) developed commercial property to the south, form in total the 6.9 hectare (17.0 acre) commercially-zoned block that is situated on the west side of Manning Road, between Lanoue Street and County Road 22. The subject property is subject to site plan control approval in accordance with Section 41 of the *Planning Act, R.S.O. 1990*.

### Proposed Development

The Owner has filed an application for site plan control in order to facilitate the development of the subject property. The development comprises two commercial buildings having a total floor area of 4181 square metres (45,004 square feet), 273 parking spaces, landscaping and associated on-site services/works. Specifically, the proposed site plan drawing (see Attachment 2) depicts:

- A 3856 square metre (41,505 square foot) building along the western side of the property. The majority of this building (3141 square metres/33,800 square feet) will be occupied by a grocery store. The balance of the building will consist of a second commercial unit that has the ability to be divided into three smaller units;
- A 325 square metre (3,500 square foot) building with an associated drive-through located on the southeastern corner of the property;
- An asphalted parking area accommodating 273 vehicles that will include infrastructure to provide proper stormwater management. The various vehicular laneways and sidewalks are located such that they integrate with the existing commercial development to the south while also facilitating a logical interconnection with the future development of the remnant 2.0 hectare (5.0 acre) property to the north. This design feature combined with cross-access agreements will ensure that users of what will ultimately be three separately owned commercial developments on the greater 6.9 hectare (17 acre) block will be able to move seamlessly and efficiently between the properties in an orderly fashion;

- The installation of a 3.0-metre wide landscaped buffer and the construction of a new 1.5-metre high vinyl privacy fence along the western lot line of the subject property where it abuts the rear yards of the residential properties fronting on Heatherglenn Crescent. The fence will match the colour of the existing privacy fence that is located along the western lot line of the East Pointe Trails commercial development which abuts to the south. That privacy fence was similarly introduced at the time of the development of that property;
- Landscaping along the frontage of the property (along Manning Road) and internal landscaped islands within the parking area;
- A right-in/right-out from/to Manning Road at the northeastern corner of the subject property, at approximately the midway point between Lanoue Street and Amy Croft Drive, to the satisfaction of the County of Essex; and
- The construction of a second inbound vehicular access lane at the current signalized intersection at Manning Road that will serve both this proposed commercial development and the existing commercial plaza to the south. This second inbound lane was noted as a prior requirement once the subject lands came forward for development, and is a condition that is registered on title of the subject property by way of a separate agreement. The second north-bound left turn stacking lane on Manning Road, which was previously constructed but not opened, may be brought into service with this development proceeding if required by the County of Essex.

## **Comments**

### **Zoning**

The subject property is zoned “General Commercial Zone (C3)” in the Tecumseh Zoning By-law 1746 (see Attachment 3). The C3 zone permits a wide range of commercial uses. The proposed site plan complies with all of the C3 Zone regulations.

### **County of Essex**

The site plan control agreement (see Attachment 4) requires that as part of the development of the lands, any roadway improvements to County Road 19 (Manning Road) deemed necessary by the County of Essex will be constructed at the sole cost of the Owner and to the satisfaction of the County of Essex. This includes municipal-owned infrastructure within the County Road 19 (Manning Road) right-of-way that will require alteration (i.e. sidewalks and pedestrian lighting). A Traffic Impact Study was prepared by the proponent in support of the previously noted severance application, at which time the location of the shared access right-in/right-out driveway was accepted by the County.

## **Servicing**

The proposed development will be on full municipal services (sanitary, water and stormwater drainage). A servicing easement along the westerly limit of the subject property, as previously instituted at the time of the development of the commercial lands abutting to the south, will also be utilized by this commercial development. A Stormwater Management Study and associated site service drawings, which include appropriate quantity and quality control measures, have been reviewed by Town Administration. As a result, revisions are currently being finalized by the Owner's consultant. The site plan control agreement requires that final approval of the Stormwater Management Study and associated servicing drawings, to the satisfaction of the Town, shall be required prior to the issuance of a building permit. Public Works and Environmental Services have no concerns with the proposed development.

## **Summary**

In summary, it is the opinion of the writer, along with Town Administration, that the proposed site plan control agreement will result in appropriate development that is compatible with the surrounding land uses and is based on sound land use planning principles.

Town Administration has reviewed the proposed site plan agreement and is prepared to recommend approval of the document and the attached drawings. Wolf Hooker Law Firm (Town Solicitor) has drafted the attached agreement (see Attachment 4, with site plan drawing attached thereto as Schedule B) which facilitates the subject development. As has been the practice of the Town to date, the agreement establishes that a security deposit in the amount of \$20,000 (cash or letter of credit) is required as a condition of approval to ensure all performance obligations of the Owner are fulfilled.

## **Consultations**

Planning & Building Services  
Public Works & Environmental Services  
Fire and Emergency Services  
Town Solicitor

## **Financial Implications**

None.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐ Social Media ☐ News Release ☐ Local Newspaper ☐



This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Enrico DeCecco, BA (Hons), MCIP, RPP  
Junior Planner

Prepared by:

Chad Jeffery, MA, MCIP, RPP  
Manager Planning Services

Reviewed by:

Phil Bartnik, P.Eng.  
Director Public Works & Environmental Services

Reviewed by:

Brian Hillman, MA, MCIP, RPP  
Director Planning & Building Services

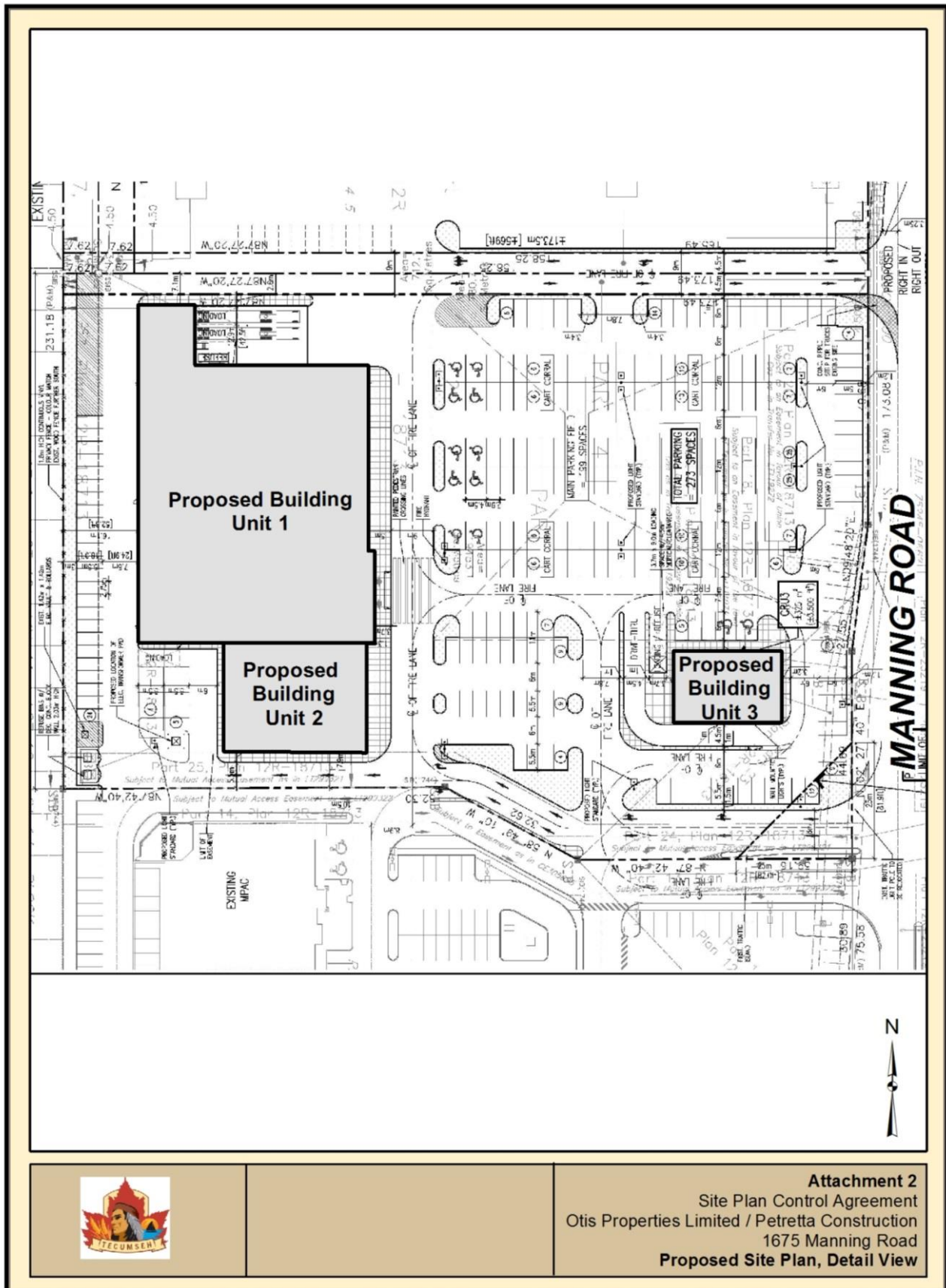
Recommended by:

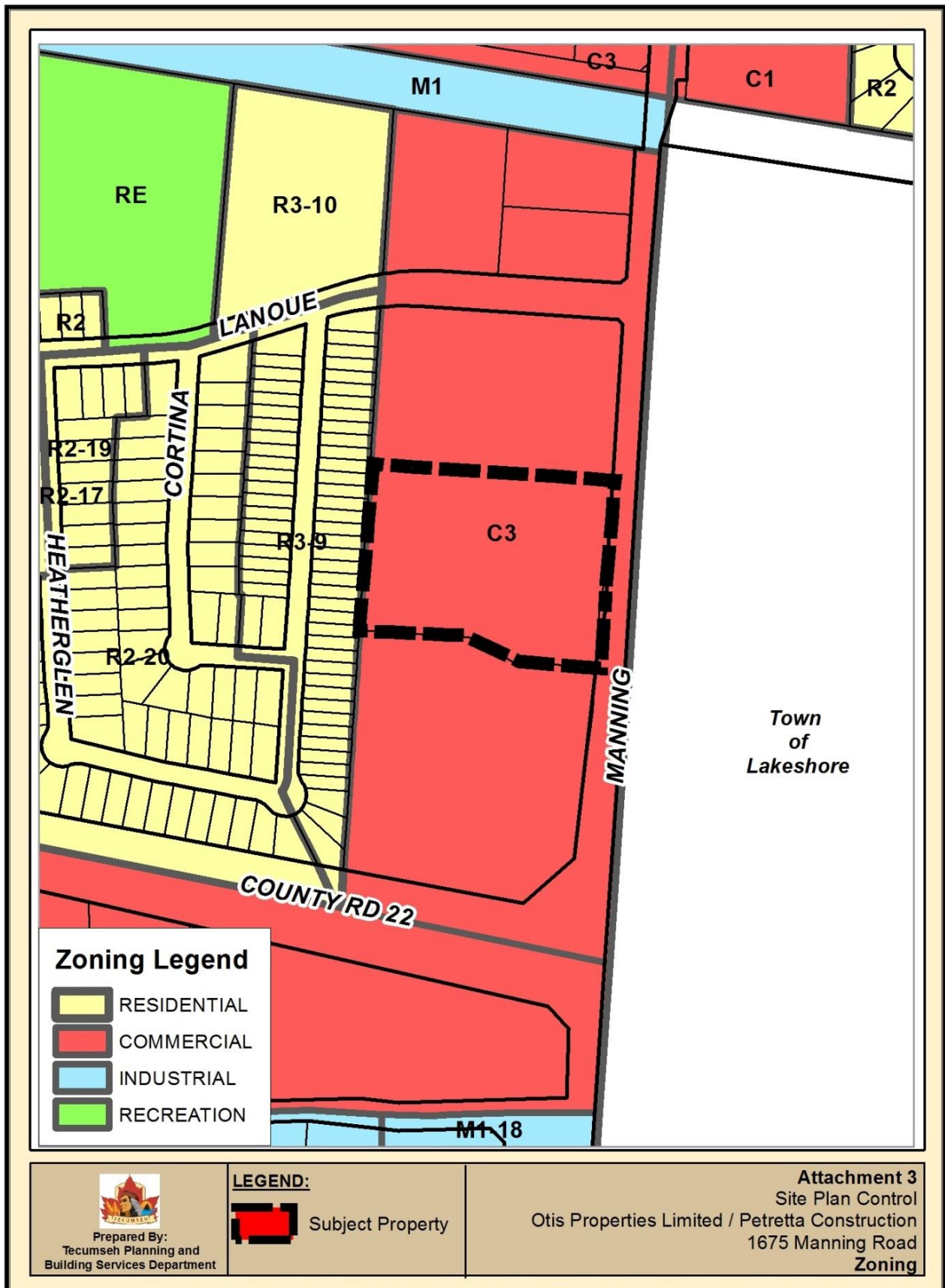
Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	Subject Property Map
2	Proposed Site Plan, Detail View
3	Zoning Map
4	Draft Site Plan Control Agreement









## **SITE PLAN CONTROL AGREEMENT**

Between:

**The Corporation of the Town of Tecumseh**

-and-

**Otis Properties Limited**

**PREPARED BY:**

**WOLF HOOKER PROFESSIONAL CORPORATION**

Barristers & Solicitors  
72 Talbot Street North, Suite 100  
Essex, Ontario  
N8M 1A2

- 2 -  
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  - 2.1.2 - Construction and Maintenance
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  - 2.1.17 - External Lighting
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  - 2.1.19 - Refuse Collection

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  - 3.1.1 - Conditions Precedent
  - 3.1.2 - Conditions Subsequent
- 3.2 - Buffer Area
- 3.3 - Completion

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- 4.2 - Development Charges

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- Schedule “C” - Site Servicing Plan
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- Schedule “E” – Landscaping Plan and Details
- Schedule “F” - Lighting Services Detail / Photometric Layout



**SITE PLAN CONTROL AGREEMENT**

**THIS AGREEMENT** made in triplicate this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**B E T W E E N:**

**THE CORPORATION OF THE TOWN OF TECUMSEH,**  
hereinafter called the "**Municipality**" or "**Town**"

**OF THE FIRST PART**

-and-

**OTIS PROPERTIES LIMITED**  
hereinafter called the "**Owner**"

**OF THE SECOND PART**

**HEREINAFTER** collectively referred to as the "**Parties**"

***RECITALS***

**WHEREAS** the Owners, own certain lands situated within the corporate limits of the Municipality, said lands being more particularly described in Schedule "A" hereto (the "Lands");

**AND WHEREAS** the Municipality has enacted a by-law designating the Land as a site plan control area, pursuant to Section 41(2) of The Planning Act, R.S.O 1990, c.P.13 and amendments thereto;

**AND WHEREAS** where site plan control is in effect, Section 41 of The Planning Act, R.S.O. 1990, c.P.13 and amendments thereto, states that the approval of plans by Municipal Council is required prior to development of the Lands, and that the Municipality may require the Owners to enter into an Agreement with the Municipality respecting certain prescribed matters;

**AND WHEREAS** as a condition of agreeing to development, the Municipality has requested the Owner enter into a Site Plan Agreement;

**AND WHEREAS** the Owner covenants and agrees to develop the Lands in accordance with this agreement;

**AND WHEREAS** the proposed development of the Lands is in accordance with the Official Zoning Plan and Zoning By-Law of the Municipality as of the date of this Agreement;

**AND WHEREAS** the proposed development of the Lands is subject to a Service Agreement dated March 11, 1997 registered as instrument number LT222740 as amended by Amending Service Agreement dated August 19, 1997 registered as instrument number LT222741 herein respectively referred to as the Service Agreement and Amending Service Agreement and collectively referred to as the Servicing Agreements.

**WITNESSETH** that in consideration of these presents, and other good and valuable consideration, the Parties hereto mutually covenant, promise and agree as follows:

## ***ARTICLE I***

### ***MUNICIPALITY CONSULTANTS***

#### **1.1 MUNICIPALITY TO RETAIN**

In addition to persons in the employ of the Municipality, the Municipality shall retain the following professionals:

- a) a consulting/professional civil engineer registered with the Professional Engineers of Ontario (the “Municipality’s Engineer”), for the purpose of reviewing all plans, specifications, engineering documents, contracts, details, elevations and other relevant information as well as the occasional inspection of the construction, repair and maintenance of the Services;
- b) the Municipality’s solicitor for the purpose of reviewing all necessary legal matters incidental to the development of the Lands, including, without limiting generality, the preparation of this agreement together with all other documentation required by the Municipality to give effect to this Agreement and/or the development of the Lands;

## ***ARTICLE 2***

### ***THE OWNER AGREES***

#### **2.1 OWNER AGREES**

The Owners jointly and severally make the following covenants, all of which shall be carried out at the Owner's expense:

##### **2.1.1 Owner to Provide**

The following facilities, works or matters shall be provided by the Owner to the satisfaction of and at no expense to the Municipality: all buildings, landscaping, fencing, parking, storage and access areas, lighting, walkways, garbage disposal facilities, grading and provision for storm, surface and waste water in accordance with the attached Schedules “B”, “C”, “D”, “E” and “F”, in accordance with all the applicable provisions of the Municipality's By-Laws;

##### **2.1.2 Construction and Maintenance**

The Owners agree that the development of the Lands shall be constructed and forever maintained in accordance with the attached Schedules “B”, “C”, “D”, “E” and “F”.

##### **2.1.3 The Development**

The owners shall construct, install and provide the facilities and works required in and for the development at its own expense and in accordance with the Site Plan, Site Services Detail and other provisions of the Agreement.

##### **2.1.4 Plans**

###### **2.1.4.1 Criteria**

All plans, construction, installation, facilities and works shall be completed in accordance with:

- a) Sound engineering practice;
- b) The criteria laid down by governmental authorities having jurisdiction including without limiting the generality of the foregoing the Municipality, the Corporation of the County of Essex, the Essex Power Corporation or Ontario Hydro Corporation (whichever is the applicable hydro authority), the Ministry of the Environment and Energy, the Ministry of Transportation and the Essex Region Conservation Authority (ERCA);

- c) Such criteria as approved by Council of the Municipality.

#### 2.1.4.2 Preparation of Plans

The Owner shall, at its own expense and prior to issuance of a building permit:

- a) prepare the Site Plan delineating the Owner's plans for the development of the Lands, which site plan shall be subject to the approval of the Municipality. It is hereby acknowledged that the Site Plan and Site Services Plan required to fulfill this condition have been prepared and approved, and are attached hereto as Schedule "B" and "C", respectively;
- b) prepare and submit to the Municipality all plans for off-site and on-site Services not detailed or fully described in the Site Plan, which plans shall also be subject to approval of the Municipality; and
- c) provide to the Municipality all requisite copies of the Site Plan and the said plans for Services as may be required by the Municipality.

#### 2.1.4.3 Lot Grading Plan

The Owner further agrees, if required by the Municipality's Chief Building Official, and/or ERCA to submit to the satisfaction of the Chief Building Official and/or ERCA, a lot grading plan covering the subject lands for their approval prior to the issuance of any building permits. The Owner also agrees to have the approved elevation as per the lot grading plan verified by an Ontario Land Surveyor at the following stages of construction:

- (a) Prior to the pouring of footings (top of forms elevation); and
- (b) Following completion of construction;

Where the finished grade of lot deviates from the original lot grading plan presented to and accepted by the Municipality's Chief Building Official and/or ERCA, the Owner shall either submit a new lot grading plan to the satisfaction of the Municipality's Chief Building Official and/or ERCA or regrade the lands to the elevations indicated on the original lot grading plan.

#### 2.1.4.4 Stormwater Management Plan

The Owner shall provide for grading and Stormwater Management of the subject lands all in accordance with a Stormwater Management Plan and the Engineering Data. Stormwater Management facilities and requirements shall be constructed and installed contemporaneously with the construction of the development. The Owner shall supply, construct or install all facilities and works necessary to connect the Owner's Stormwater Management system to the Municipality's storm sewer system, and shall pay to the Municipality any connection charges associated therewith.

#### 2.1.4.5 Landscaping Plan

The Owner shall landscape the subject lands all in accordance with the Landscaping Plan annexed hereto and marked Schedule "C". The Owner further agrees to maintain such landscaping for so long as the buildings exist on the lands. Any topsoil removed from the subject lands during grading operations shall be stockpiled thereon in areas compatible for the reception of the same and the Owner covenants and agrees that it will not remove such topsoil from the boundaries of the lands without the approval of the Municipality. Any topsoil excavated but not immediately required for landscaping or for grading purposes shall be contoured and bermed to the satisfaction of the Municipality. Alternatively, the Owner, at its sole risk and expense, shall move such topsoil to such area within the Municipality as may be designated by the Municipality or, in the further alternative, the Owner shall, after receiving permission from the Municipality, at its sole risk and expense, remove such topsoil out from within the boundaries of the Municipality.

Notwithstanding the foregoing, the Owner shall relocate, at its expense, any existing trees on Manning Road that need to be relocated as a result of the construction activities contemplated by this Agreement, which relocation shall occur within the Manning road allowance to the satisfaction of the Town and Corporation of the County of Essex.

#### 2.1.4.6 Elevation Plans

Intentionally deleted.

#### 2.1.4.7 Reference Plan

The Owner, at the Owner's expense, shall engage a registered Ontario Land Surveyor to prepare, submit and register a Reference Plan, which must delineate all of the Lands. The Owner, at the Owner's expense, shall initially provide Two (2) copies and (1) diskette of the Plan. All files are to be projected to North American Datum (NAD 83) UTM Zone 17 Geographic Coordinate System. It is represented by the Owner that the entire lands are delineated by Plan 12R-27322 as more particularly described on Schedule A hereto. Any additional Reference Plans required to describe any portion of the Lands for which an interest (in fee simple or otherwise) is to be conveyed by the Owner shall be prepared, registered and copies supplied to the Municipality in the manner indicated above and at the expense of the Owner.

#### 2.1.5 Engineer

The Owner shall employ at its expense a Consulting Engineer to:

- a) Design and submit drawings with respect to all services required (herein "the Engineering Data")...
- b) Visit the site as required by the Municipality and inspect all services, etc.
- c) Submit to the Municipality (and all other authority having jurisdiction) "as-built" details and elevations.

#### 2.1.6 Services

##### 2.1.6.1 Stormwater Management

The Owner agrees that stormwater management measures shall be applicable to the development of the Lands, in a manner which is in accordance with the provisions of The Drainage Act, R.S.O. 1990, c.D.17 and amendments thereto, subarticle 4(f) of the Service Agreement and to the satisfaction of the Municipality's Engineer.

##### 2.1.6.2 Sanitary Sewers

The Owner, at its own expense, shall supply, construct or install all sanitary sewer connections necessary to service the site all in accordance with the Engineering Data. No work shall be carried out until the Engineering Data has been approved by the Town.

##### 2.1.6.3 Water Services

The Owner, at its own expense, shall supply, construct or install all water connections necessary to supply water to the site all in accordance with the Engineering Data. No such work shall be carried out until the Engineering Data has been approved by the Town. Remote registry water meters shall be installed as specified by the Town. All costs of connecting water services to existing services shall be borne by the Owner.

##### 2.1.6.4 Electrical Services

All hydro services shall be underground. The Owner, at its expense, shall supply, construct or install all underground hydro services in the manner, location and design depicted in the Engineering Data but subject to the manner, design and specifications established from time to time by Ontario Hydro and the Essex Power Corporation for such services. All costs of connecting hydro services to existing services shall be borne by the Owner.

##### 2.1.6.5 Underground Telephone and Gas

The Owner shall ensure that all Bell Canada and Union Gas Company installations shall be underground.

#### 2.1.6.6 Notification and Permits

The owner hereby agrees to notify all local, Provincial or Federal authorities having jurisdiction as to its proposed development, and to obtain all necessary permits and/or approvals which may be required from any authority having jurisdiction with respect thereto.

#### 2.1.6.7 Co-ordination of Services

The Owner shall be responsible for co-ordinating the installation of all facilities and works including without limitation the services to be installed by Bell Canada and Union Gas Company. The Municipality will send to the Owner's engineer all plans of installations received from time to time from Bell Canada and Union Gas Company.

#### 2.1.6.8.1.1.1 Fencing

The Owner at its own expense, shall supply, construct or install to the site at the westerly limit of the Lands abutting neighbouring residential lots and as more particularly shown on the attached Schedules a commercial grade vinyl fence colour matching to the commercial property to the south and six (6') foot high in accordance with the Engineering data and in a manner consistent cross-section details supplied to and approved by the Town.

#### 2.1.7 Traffic Signs

The Owner shall provide, install and maintain suitable traffic direction and information signs, all in accordance with The Highway Traffic Act of Ontario, R.S.O. 1990, c.H.8 and amendments thereto, and The Public Transportation and Highway Improvement Act, R.S.O. 1990, c.P.50 and amendments thereto, to the satisfaction of the Municipality. The Owner shall provide, install and maintain suitable traffic direction and information signs painted or otherwise marked on the surface of the parking area and driveway approaches, all to the satisfaction of the Municipality.

#### 2.1.8 Entrances and Access

The Owner hereby agrees to construct and install all entrances, driveways, and curbing to the satisfaction of the Municipality's Building Inspector and the County of Essex Road

Department if applicable; and further agrees that the same shall barrier free. The Owner shall maintain all entrances and driveways on the Lands to the satisfaction of the Municipality and the County of Essex Road Department if applicable. Any driveway approaches which become redundant following the development of shall be closed and the area restored to the satisfaction of the Municipality.

The Owner acknowledges and agrees that it has granted rights to Green Hill Investments Ltd. (herein "Green Hill") and any successor in title to the Green Hill Lands (being Part of PIN 75245-0663, Part Block 99, Plan 12M-393 designated as Parts 2, 3, 5, 6, 7, and 8 on Plan 12R-27322, Town of Tecumseh, County of Essex) to construct such part or all of the Shared Access Road (as that term is defined) in an Easement and Operating Agreement made April 30, 2018 (herein "the Shared Services Agreement"). The Owner further acknowledges that as part of Green Hill's rights in that regard, if it proceeds as a "Developing Owner" it shall be entitled to construct the relevant portion of the Shared Access Road on Parts 4 and 9, Plan 12R-27322. The Town shall not be responsible for collecting any amount owing to or enforcing the rights of either Green Hill or the Owner under the Shared Services Agreement.

As detailed in the Site Plan, a further in-bound receiving lane (herein "New Inbound Lane") to the Lands is being constructed within the limit of that portion of the Lands designated as Parts 11,12,14,16, and 17 12R-27322 (the "Mutual Right of Way"). Such improvements as are required by the County to the adjacent Manning Road intersection to accommodate this new in-bound lane shall be constructed as required by and to the satisfaction of the County of Essex. Further, the Mutual Right of Way is currently the subject of mutual access easements with the southerly abutting lands registered as instruments LT299321 and LT299322 and a reciprocal easement agreement registered on title as LT299323 (herein "the Easement Agreement"). While not presently anticipated, the Owner acknowledges that should the New Inbound Lane or any portion thereof be

located outside the Mutual Right of Way (following completion or at any time in the future) the Owner covenants and agrees to, obtain permission under the Planning Act, prepare and register any requisite Reference Plan and subsequently convey a further easement, free and clear of encumbrance (excepting any municipal agreements) to the southerly abutting owner for the purpose of ingress and egress over those lands occupied by the New Inbound Lane and located outside the Mutual Right of Way. In such event, the Owner further agrees to amend the Easement Agreement, as necessary, to include any additional lands to which the Owner conveys or receives the benefit of any such easement.

#### 2.1.9 Repair

The Owner agrees that any Municipal property, including without limiting the generality of the foregoing, curbs, gutters, pavements, sidewalks, or landscaped areas on the public highway, and any property belonging to a third party, which are damaged during construction or otherwise, shall be restored by the Owner at its expense, and to the satisfaction of the Municipality. The Owner shall keep the subject lands in a state of good repair (including the cutting of weeds) and upon written notice from the Municipality shall correct deficiencies in the state of repair within ten (10) days thereof.

#### 2.1.10 Dirt and Debris

The Owner further agrees to keep the public highways adjacent to the subject lands free from dirt and debris caused by the construction of the subject lands, and to provide reasonable dust control for the site and adjacent municipal streets during the course of construction.

#### 2.1.11 Address Sign

The municipal address of the building shall be provided in a prominent location on the site and shall be designed to be easily readable from the adjacent street(s).

#### 2.1.12 Environmental Laws

The Owner shall at all times in connection with the development and the implementation of this agreement comply fully with all environmental laws.

#### 2.1.13 Noise By-Laws

The owner shall at all times insure that the provisions of the noise by-law for the Municipality be strictly adhered to.

#### 2.1.14 Local Improvements / Drainage Act

The owner agrees to sign Local Improvement petitions for, and agrees not to oppose, any municipal services proposed by the Municipality to be constructed pursuant to

- a) the provisions of the Municipal Act S.O., 2001, c.25, including but not limited to Ontario Regulation 119/03, or
- b) the Drainage Act of Ontario R.S.O. 1990 c.D.17 and amendments thereto, which shall directly or indirectly benefit the lands.

#### 2.1.15 Parking, Driveways and Loading Areas

The Owner at its own expense shall provide parking driveways and loading areas in accordance with the Site Plan and/or the Site Services Plan.. All such areas shall be paved with asphalt or concrete. All handicapped parking areas shall be identified with signage and logos to the satisfaction of the Municipality and identified as such using the then-current form available from the Office of the Clerk of the Municipality..

#### 2.1.16 Snow Removal

The Owner, and not the Municipality, shall be responsible for keeping the parking and access areas

free and clear of all snow and ice regardless of who owns those improvements or the lands upon which they are situate. No snow or ice from the subject lands shall be deposited on any municipal streets.

#### 2.1.17 External Lighting

The Owner shall erect exterior lighting on the subject lands as depicted in the Site Plan and/or the Site Services Plan all in accordance with the Engineering Data. The Owner shall not erect any exterior lighting on the subject lands, other than that provided for in the Engineering Data or depicted in the Site Plan, unless the consent therefor is first had and obtained from the Municipality. The Owner further agrees that all lighting of the said lands shall be oriented and its intensity so controlled as to prevent glare on adjacent roadways and residential properties.

Should the Municipality, in its sole discretion determine that the lighting of the said lands has an adverse impact on the adjacent roadways or residential properties, then the Owner shall take all necessary measures to correct the adverse impact to the satisfaction of the Municipality. Measures to reduce the impact may include but shall not be limited to, the relocation of the lighting fixtures, the shielding of the lighting fixtures, the replacement of the lighting fixtures, replacing the lamps with lamps of lower intensity, reducing the time period when the lighting is activated or the removal of the lighting fixture.

#### 2.1.18 Signs

The Owner shall not erect any signs on the subject lands other than signs which are allowed by this Agreement and are consistent with the Town's Sign Bylaw or which are otherwise required by applicable law.

#### 2.1.19 Refuse Collection

The Owner agrees to provide on-site facilities for refuse collection. Such facilities shall be screened from view in accordance with the requirements of the Municipality. The Owner, and not

the Municipality, shall be responsible for the removal of any garbage, refuse or other wastes from the waste storage facility.

#### **2.1.20 Air Conditioning Units**

The Owner at its own expense shall provide air conditioning units. The Owner shall provide esthetic shielding and locate said shielding to the satisfaction of the Municipality.

### ***ARTICLE 3***

#### ***TIMING***

#### **3.1 CONDITIONS**

##### **3.1.1 Conditions Precedent**

It is a condition precedent to the coming into force of this Agreement that the Owner complete the following simultaneously with the execution of this Agreement:

- a) Security for performance is posted pursuant to Paragraph 6.1;
- b) Construction lien deposit pursuant to Paragraph 6.3;
- c) An amendment to reciprocal easement agreement registered as LT299323 be entered into between the Owner and the owner of the southerly abutting lands incorporating a reduction to the "No Building Area" to the satisfaction of the Town including the preparation and registration of a reference plan showing the revised "No Building Area";
- d) Amendment to paragraph 1.1 (b) of the Easement and Operating Agreement registered on title as CE832474 to clarify the purpose of the easement is for the "passage and repassage of motor vehicles and pedestrians" .

##### **3.1.2 Conditions Subsequent**

It is a condition subsequent of this Agreement that the Owner complete the following as soon as is reasonably possible subsequent to the execution of this Agreement failing which, the Town may at its option elect to terminate this Agreement:

- a) Workers' Compensation Board Clearance Certificate issued if required;
- b) Proof of Insurance is provided pursuant to Paragraph 6.4 if required;
- c) Due registration against the title of the land of this Agreement;
- d) Postponement to this Agreement by all encumbrances;
- e) Receipt of the opinion of the Owner's lawyer confirming 3.1.2(c) and 3.1(d) if required by the Town;

#### **3.2 BUFFER AREA**

The Owner agrees to landscape all of the buffer and/or planting areas shown on the Site Plan and/or the Site Services Plan annexed hereto and marked Schedule "B" and "C" within SIX (6) months of commencement of construction as determined by the Chief Building Official.

#### **3.3 COMPLETION**

The Owners agree to fulfil all of the covenants set out herein to the satisfaction of the Municipality within ONE (1) year of the date of execution of this Agreement.

### ***ARTICLE 4***

#### ***PAYMENTS***

#### **4.1 COSTS**

The Owner shall reimburse the Municipality for all the Municipality costs with respect to the



development, including without limiting the generality of the foregoing, the fees and disbursements of its Engineer, and Solicitor. The Municipality shall deliver invoices to the owner in a timely fashion payment for which shall be due immediately.

#### **4.2 DEVELOPMENT CHARGES**

The Owner agrees to pay development charges with respect to the development in accordance with the Municipality's Development Charges By-Law.

### ***ARTICLE 5***

#### ***CONVEYANCES***

##### **5.1 EASEMENTS**

The Owner shall convey or dedicate to the Municipality upon demand and without cost and free of encumbrance the easements provided for in the Engineering Data and Site Plan, in, through, over and under the subject lands as required for drainage purposes, sewers, hydro, gas, watermain, telephones etc. If the Municipality determines that additional easements are required, the Owner shall also convey or dedicate such additional easements upon demand and without cost and free of encumbrance. The Owner shall execute an amending agreement, prepared to the satisfaction of the Town's solicitor, with the Town respecting easement registered as no. LT111071 to update the language of the easement to accord to the Town's customary utility easements and confirm that although parking is permitted within the easement, any damage done by the Town or its agents to any hard surfacing or other improvements situated on the easement lands shall be repaired by the Owner at its sole expense and waiving any related claim for loss or damages flowing from the lawful exercise of the Town's rights under the easement.

##### **5.2 ROAD WIDENING**

The Owner shall convey or dedicate to the County failing which to the Municipality upon demand and without cost and free of encumbrance the lands shown on the Site Plan or Site Service Drawings for road widening (**if any**). If the Municipality determines that additional lands are required for road widening, the Owner shall also convey or dedicate such additional lands for road widening upon demand and without cost and free of encumbrance.

### ***ARTICLE 6***

#### ***SECURITY***

##### **6.1 PERFORMANCE**

The Owner agrees, so as to assure the performance by the Owner of each of the terms and conditions of this Agreement during the development of the Lands, that the Owners shall, upon execution of this Agreement, forthwith deposit with the Municipality security in an amount which is equal to \$20,000.00 plus an amount equal to the value of the road work, if any, to be completed within any municipal road allowance (as calculated by the Owner's Engineer and approved by the Municipality). For greater certainty, the amount of said security shall be subject to approval by the Municipality's Clerk and Solicitor.

Said security shall be either by way of

- a) cash, or
- b) a Standby Letter of Credit pursuant to UCP500 only, issued by a chartered bank of Canada in form satisfactory to the Municipality's Clerk and Solicitor. (not a Letter of Guarantee or Bond)

Provided that in no event shall the Municipality be required to pay interest on this security.

## **6.2 RELEASE OF SECURITY**

The Municipality agrees to return the said security to the Owner upon the completion and final approval of the works specified in this Agreement which approval is at the Municipality's sole discretion.

## **6.3 CONSTRUCTION LIENS**

In as much as the Owner is obligated at the Owner's entire expense and not at the expense of the Municipality, to make improvements to the municipal infrastructure, the Owner shall deposit with the Municipality, in order to satisfy the requirements of Section 17(4) of the Construction Lien Act, R.S.O. 1990, c.C.30 and amendments thereto, cash or a letter of credit in form satisfactory to the Municipality and its Solicitor and in an amount of the holdbacks (under Part IV of the Construction Lien Act, R.S.O. 1990, c.C.30 and amendments thereto) that would have been required were the improvements made at the expense of the Municipality. The Owner may, at its option, obtain a single letter of credit with respect to its responsibilities pursuant to Paragraph 6.1 of this Article, provided that the Municipality and its solicitor is satisfied that the Municipality's security under each paragraph, if read separately, would not be compromised by the Letter of Credit proposed by the Owner.

Provided that in no event shall the Municipality be required to pay interest on this security.

## **6.4 INDEMNITY AND INSURANCE**

The Owner shall indemnify and save harmless the Municipality, and the Essex Power Corporation, from and against all actions, claims, loss, damage and liability connected with the development as contemplated herein arising directly or indirectly out of the negligence or unlawful performance or the non-performance of any obligation of the Owner or any contractors to the Owner under this Agreement. While any of the facilities and works herein have not been approved by the Municipality, the Owner shall maintain in full force and effect a policy of personal liability and property damage insurance in form and amount satisfactory to the Municipality's solicitor wherein the Owner, the Municipality, and the Essex Power Corporation, shall be insured as principals against such liability to the limits approved. The Owner shall provide the Municipality with a certified copy of such policy prior to the commencement of construction of any of the facilities and works referred to herein.

# ***ARTICLE 7***

## ***DEFAULT***

### **7.1 STOP WORK**

In the event of any default by the Owner in the performance of any of the terms and conditions of this Agreement, the Municipality at its discretion shall, in addition to other remedies available to the Municipality, be entitled to refuse building permits with respect to the development and/or shall be entitled to refuse building and/or occupancy permits with respect to any buildings, and/or shall be entitled to issue stop work orders with respect to any matters in respect of which a building permit has been issued and/or may refuse to grant to the Owner any permissions, permits, certificates, approvals or authorities of any kind or nature which the Owner would have been entitled to receive had the Owner otherwise complied with the Municipality's requirements in this agreement, and/or shall be entitled to refuse to issue releases, all of which may be done until such time as the default has been cured in a manner satisfactory to the Municipality.

### **7.2 MUNICIPALITY MAY COMPLETE**

The owner acknowledges that this agreement is entered into pursuant to section 41(11) of the Planning Act, R.S.O. 1990 c.P.13 and amendments thereto, and that a bylaw has been passed by the Municipality approving the entering into of this Agreement by the Municipality and incorporating the terms of this Agreement into that bylaw, and further that section 446 of The Municipal Act, S.O.

2001, c.25 and amendments thereto, applies to all requirements of this Agreement. If the Owner neglects to undertake any matter or thing required to be done by this Agreement and such default continues after SEVEN (7) days of the Owner being given written notice by the Municipality of such default, in addition to other remedies available to the Municipality, the Municipality may direct that such matter or thing shall be done at the expense of the Owner, and the Municipality may recover the costs incurred in doing it, by action or by adding such costs to the tax role and collecting them in the same manner as taxes; the Owner hereby authorises the Municipality (including, without limiting the generality of the foregoing, its employees, agents and servants) to enter upon the Lands to do any such matter or thing.

## ***ARTICLE 8***

### ***REGISTRATION AND CONSENTS***

#### **8.1 REGISTRATION AND ENFORCEMENT**

Pursuant to Section 41(10) of the said Planning Act, R.S.O. 1990, c.P.13 and amendments thereto, this Agreement may be registered against the Lands to which it applies, as a first charge, at the Owner's expense, and the Municipality is entitled to enforce the provisions hereof against the Owners, who shall be jointly and severally liable for the Owners' covenants and obligations outlined herein, and, subject to the provisions of The Registry Act, R.S.O. 1990, c.R.20 and amendments thereto, and the Land Titles Act, R.S.O. 1990, c.L.5 and amendments thereto, against any and all subsequent owners of the Lands.

#### **8.2 CONSENT**

The Owners hereby consent to the registration of this Agreement on the title of the Lands, said registration (as well as the preparation of this Agreement) to be at the Owners' expense.

#### **8.3 MORTGAGEES**

The owners agree to obtain a postponement of any mortgages or other encumbrances which may affect the Lands.

## ***ARTICLE 9***

### ***MISCELLANEOUS***

#### **9.1 COMMUNICATION**

Subject to the express provisions of this Agreement, all communications provided for or permitted hereunder shall be in writing, personally delivered to an officer of the addressee or sent by registered and receipted mail, charges prepaid, or by facsimile transmission or other means of recorded telecommunication, charges prepaid, to the applicable address set forth below or to such other address as either party hereto may from time to time designate to the other in such manner.

Communications sent to the Municipality shall be addressed to:

917 Lesperance Road, Tecumseh, Ontario N8N 1W9

Communications sent to the Owner shall be addressed to:

3338 Dufferin Street, Toronto, Ontario M6A 3A4

Any communication so personally delivered shall be deemed to have been validly and effectively given on the date of such delivery. Communications so sent by registered and receipted mail shall be deemed to have been validly and effectively given on the Business Day next following the day

on which it is received, as evidenced by the postal receipt. Communications so sent by facsimile transmission or other means of recorded telecommunication shall be deemed to have been validly and effectively given on the Business Day next following the day on which it is sent. Any party may from time to time change his or its address for service on written notice to the others.

“**Business Day**” means any day, other than a Saturday, Sunday or any other day on which the principal chartered banks located in the Town are not open for business during normal banking hours

## **9.2 TIME OF ESSENCE**

Time shall be of the essence of this Agreement and of every part thereof.

## **9.3 WAIVER**

No waiver by any part of a breach of any of the covenants, conditions and provisions herein contained shall be effective or binding upon such party unless the same shall be expressed in writing and any waiver so expressed shall not limit or affect such party's rights with respect to any other future breach.

## **9.4 FURTHER ASSURANCES**

Each of the Parties covenants and agrees that he, his heirs, executors, administrators and assigns will sign such further agreements, assurances, waivers and documents, attend such meetings, enact such by-laws or pass such resolutions and exercise such votes and influence, do and perform or cause to be done and performed such further and other acts and things as may be necessary or desirable from time to time in order to give full effect to this Agreement and every part thereof.

## **9.5 HEADINGS**

The headings of the Articles of this Agreement are inserted for convenience only and do not constitute part of this Agreement.

## **9.6 SUCCESSORS AND ASSIGNS**

The covenants hereunder shall run with the land and this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

## **9.7 GENDER**

All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and pronoun.

## **9.8 SEVERABILITY**

If any covenant or provision contained herein is determined to be in whole or in part, invalid or unenforceable by reason of any rule of law or public policy, such invalidity or unenforceability shall not affect the validity or enforceability of any other covenant or provision contained herein and, in the case of partial invalidity or unenforceability of a covenant or provision, such partial invalidity or unenforceability shall not affect the validity or enforceability of the remainder of such covenant or provision, and such invalid or unenforceable covenant or provision or portion thereof, as the case may be, shall be severable from the remainder of this Agreement.

## **9.9 ENTIRE AGREEMENT**

This Agreement expresses the entire agreement among the parties hereto with respect to all matters herein and no representations, inducements, promises or agreements or otherwise among the parties not embodied herein shall be of any force and effect. This Agreement shall not be altered, amended or qualified except by a an instrument in writing, signed by all the parties hereto, and any alteration, amendment or qualification thereof shall be null and void and shall not be binding upon any such party unless made and recorded as aforesaid and registered on title.

## **9.10 EXECUTION IN COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same instrument.

## **9.11 JURISDICTION**

This Agreement and all other agreements, security and documents to be delivered in connection with this agreement shall be governed by and construed in accordance with the applicable laws of the Province of Ontario and of Canada.

## **9.12 ASSIGNMENT**

Subject to the terms of this agreement, this agreement is not assignable by the owner prior to completion of the works without the consent of the Municipality.

## **9.13 TRUE COPY**

All of the parties hereto acknowledge having received a true copy of this document.

## **9.14 SCHEDULES**

Those Schedules marked as Schedules “B”, “C”, “D”, “E” and “F” have been signed by the parties and are on file with the Municipality. A reduced copy of those schedules are annexed hereto which copy may be removed prior to registration on title should the Land Registry Office so determine or require.

## **9.15 CONTRA PROFERENTEM RULE NOT APPLICABLE**

It is agreed and acknowledged that both parties, directly or through their agents, principals, representatives and/or solicitors, have participated in the preparation and/or negotiation of the provisions of this agreement.

Should any provision of this agreement require judicial interpretation, mediation or arbitration, it is agreed that the court, mediator or arbitrator interpreting or construing the same shall not apply a presumption that the terms thereof shall be more strictly construed against one party or so as to disadvantage any party on the basis that such party and/or its solicitor or agent:

To the extent that the solicitors of Wolf Hooker Professional Corporation has been involved in the preparation of this agreement, such solicitors act solely as solicitors for the Town and with regard to the interests of the Town and not for any other party to this agreement. It is strongly recommended that all other parties to this agreement obtain independent legal advice prior to signing this agreement. Each such party acknowledges:

- IN WITNESS WHEREOF** the Parties hereto have hereunto set their hands and seals.

Per: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
*"I/We have authority to bind the Corporation"*

**SCHEDULE "A"**

**THE LANDS**

**PIN 75245-0674**

**Part Block 99, Plan 12M-393**

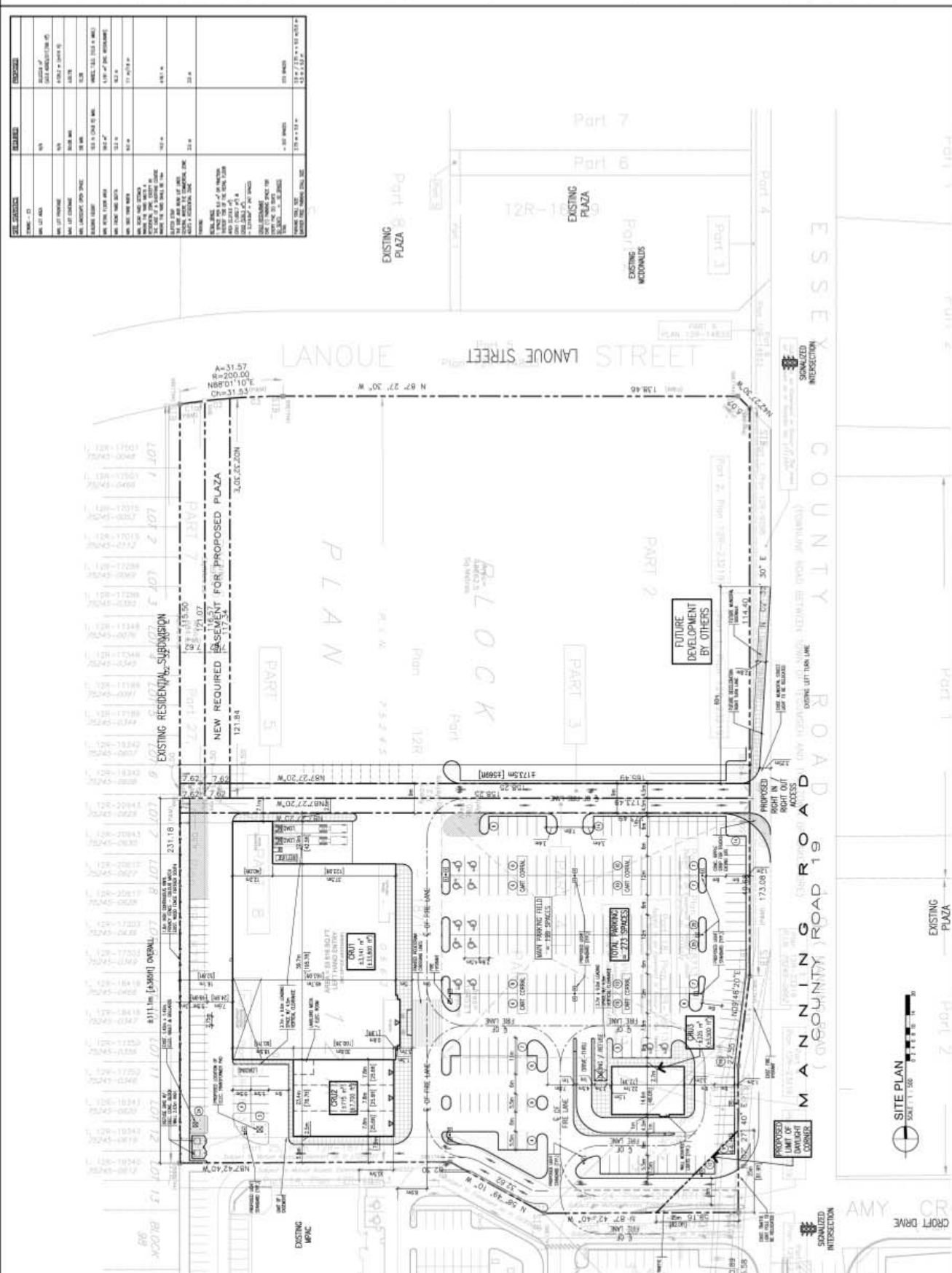
**Designated as Parts 1, 4, & Parts 9 to 18 on Plan 12R-27322**

**Town of Tecumseh, County of Essex**

## SCHEDULE "B"

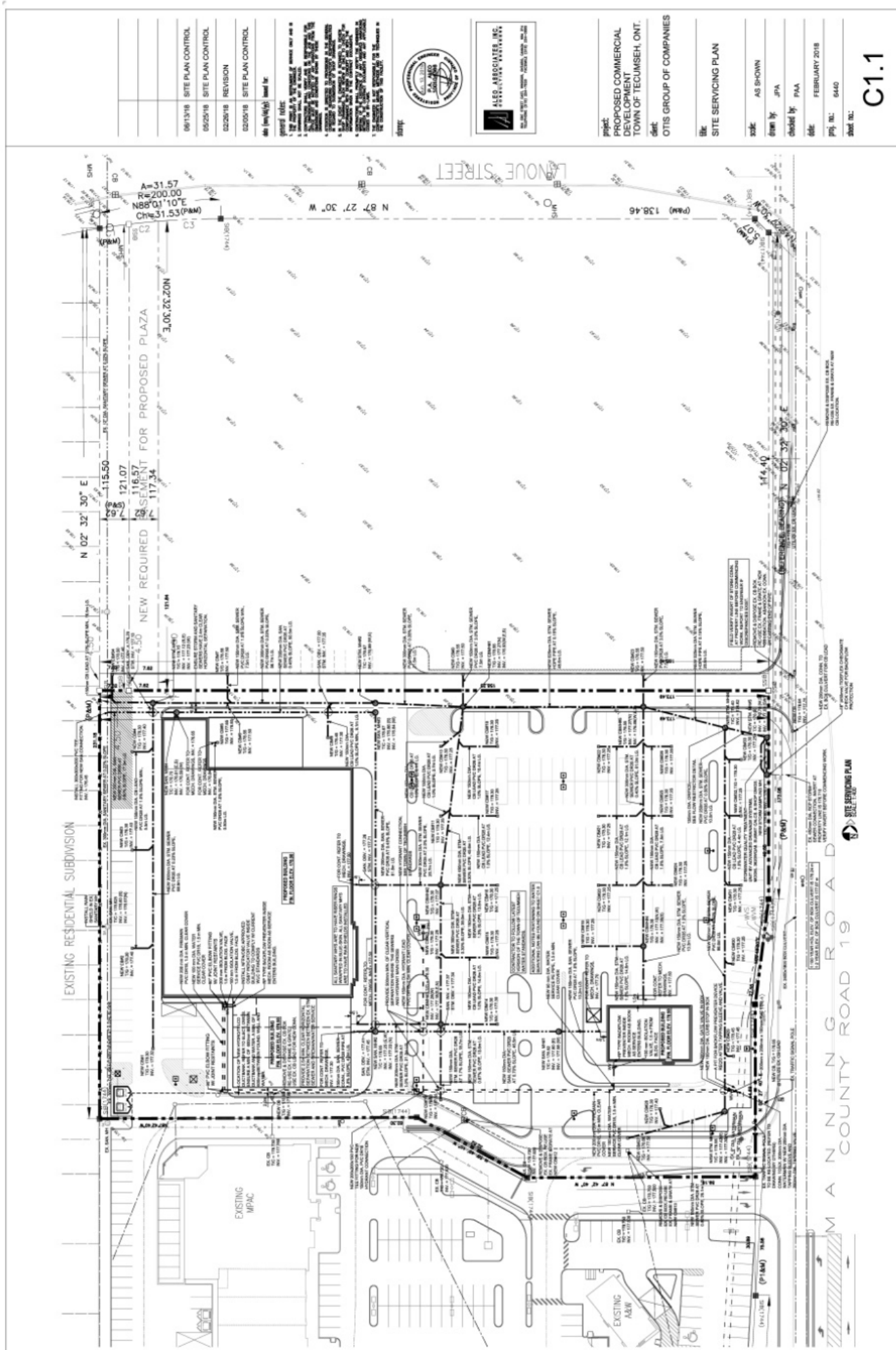
### SITE PLAN

## SITE PLAN

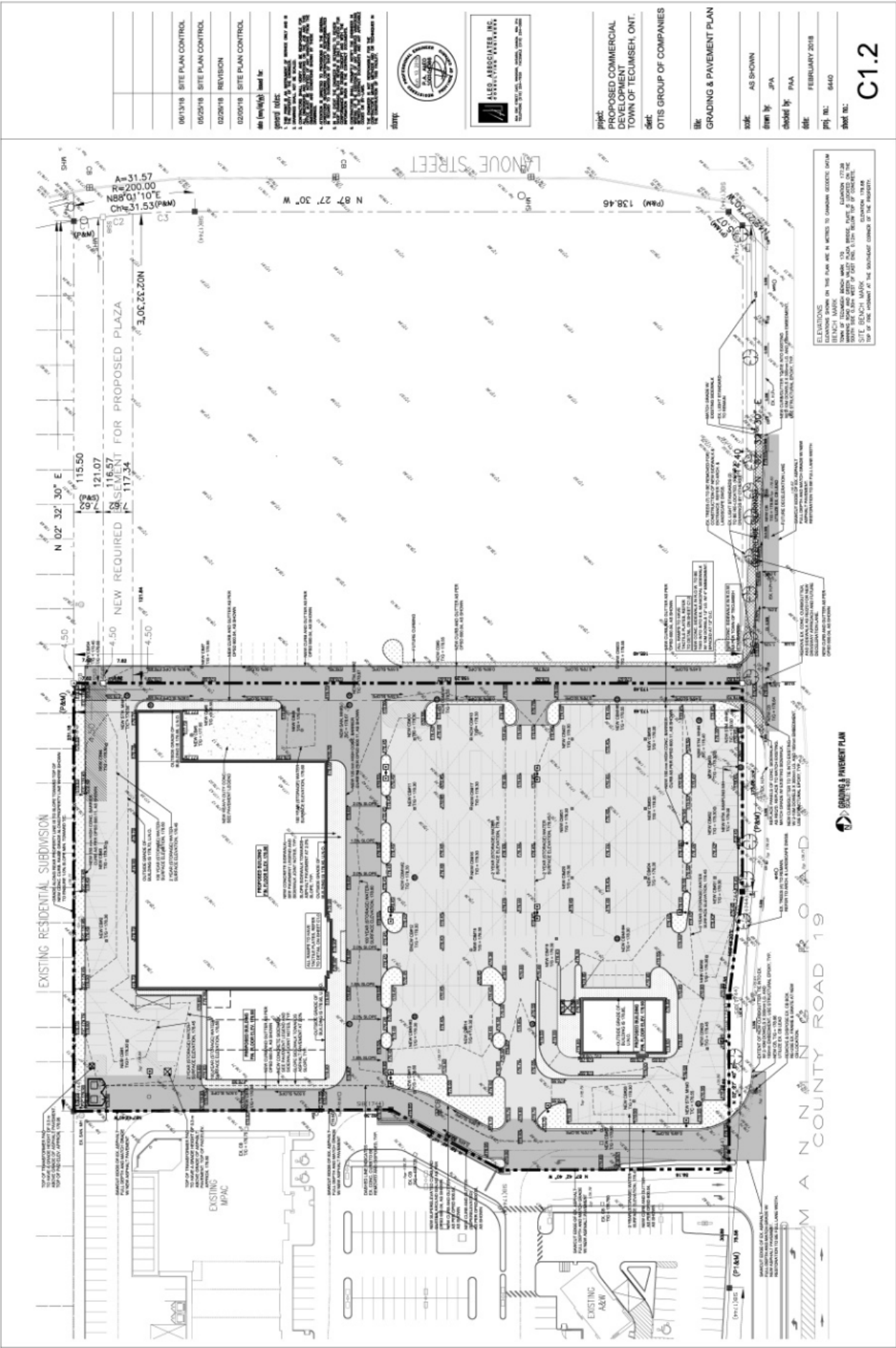




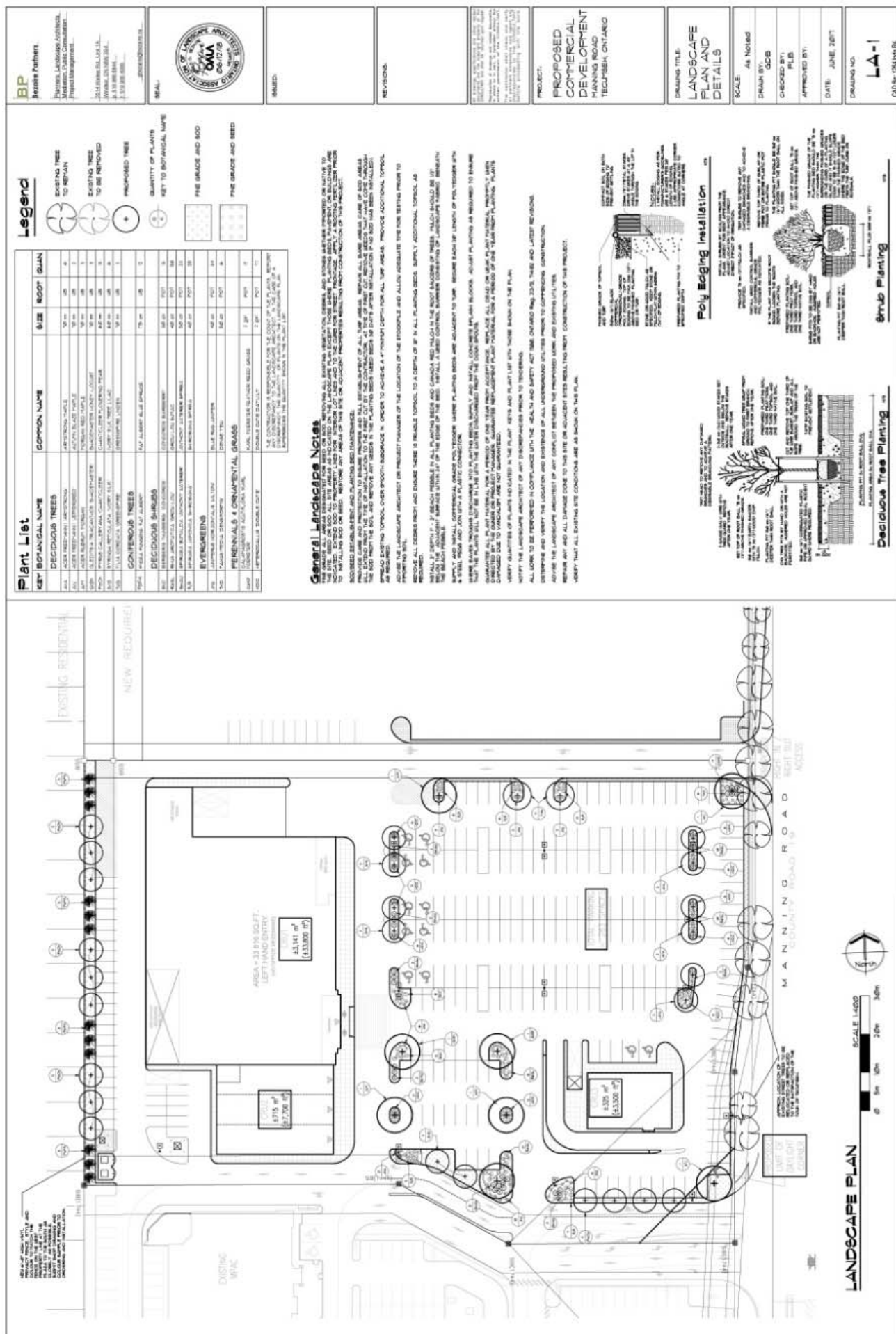
## 245



SCHEDULE "D"  
GRADING & PAVEMENT PLAN

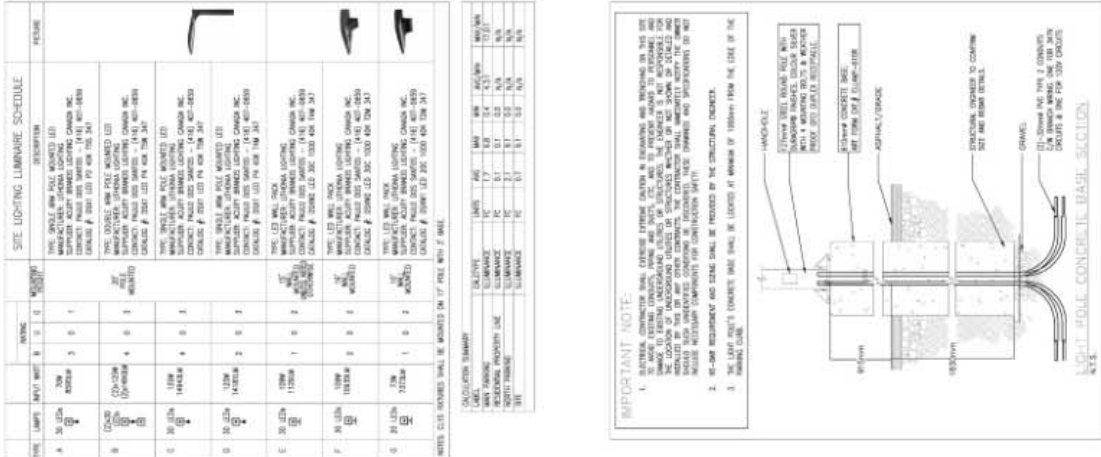


## LANDSCAPING PLAN AND DETAILS





## LIGHTING SERVICES DETAIL / PHOTOMETRIC LAYOUT





## The Corporation of the Town of Tecumseh

Public Works & Environmental Services

**To:** Mayor and Members of Council

**From:** Denis Berthiaume, Manager Water & Wastewater Services

**Date to Council:** June 26, 2018

**Report Number:** PWES-2018-15

**Subject:** Ontario Clean Water Agency  
Service Agreements

---

### Recommendations

It is recommended:

**That** the Town enter into a ten year extension to the existing Servicing Agreement for a fee of \$110,978 for 2019, increased biennially by the Consumer Price Index, All Items (Ontario) with the Ontario Clean Water Agency and that the Mayor and Clerk **be authorized** to execute the Agreement, satisfactory in form to the Town's Solicitor, with Ontario Clean Water Agency.

### Background

The Town of Tecumseh (Town) entered into a five-year Service Agreement with the Ontario Clean Water Agency (OCWA) in January 1, 2014 to operate and maintain the Town's wastewater pumping stations (Motion: RCM-128/14); this Agreement expires December 31, 2018.

### Comments

#### Legislative Requirements

Provincial legislation requires the Town to have certified operators to operate the Town's wastewater facilities which includes pumping stations, metering facilities. The *Ontario Water Resources Act*, O. Reg. 129/04 S.14 (1), states, "The owner of a facility shall ensure that every operator employed in the facility holds a license applicable to that type of facility". Based on this requirement, Administration, in conjunction with the Ministry of the Environment and the

Town's consultants, amalgamated the three wastewater systems into one (St Clair Beach, Tecumseh and Sandwich South). The system is a Class 1 collection system.

The Town's wastewater systems are currently operated by two entities:

Wastewater Facility	Operator	License Required	License Obtained
Pumping Stations & Metering Facilities	OCWA	Yes	Yes
Collection System	OCWA	No	Yes

As required under O. Reg. 129/04, OCWA has the appropriate licences to operate the respective wastewater systems. Legislation is forthcoming which will require licensed operators to operate the wastewater collection systems (sanitary sewers).

### Ontario Clean Water Agency (OCWA)

In consultation with the Town's consultants and wastewater operators, Administration considered options to streamline operations in the wastewater area creating efficiencies, meeting Provincial legislation and keeping with changes in the wastewater industry.

Administration assessed the Town's current wastewater service provider. OCWA best fits the requirements to continue operating the Town's wastewater system since OCWA has been operating the Town's pumping stations and metering facilities for 15 years and OCWA is the Provincially legislated agency consulted if an operator cannot provide the proper wastewater services as per Provincial standards.

### Service Agreement

The proposed Agreement outlines the services OCWA will [continue to] provide for the following facilities:

- St Clair Beach Wastewater collection system and Lakewood Sanitary pump station.
- Sandwich South wastewater collection system metering and the Sylvestre Drive and St. Alphonse Sanitary pump stations.
- Tecumseh Wastewater Collection System including the Cedarwood Pump Station

### OCWA Duties

The proposed Agreement outlines the duties OCWA will [continue to] deliver:

- Provide certified operator(s) to attend at the Facilities as required under normal operating conditions on Business Days and during Business Hours and supply other

personnel as may be necessary to operate, maintain and manage the Facilities under normal operating conditions in compliance with the requirements of Applicable Laws, terms of an Agreement, including management, operation, routine maintenance, administration and reporting;

- Supply a certified operator(s), who will be on call 24 hours per day, 365 days per year to respond to emergency conditions in respect of the operation of the Facilities, any such response to be charged to the Client in accordance with Schedule D herein or by way of an annual set amount;
- Provide all necessary training and continuing education for staff to ensure the continued operation of the Facilities, in accordance with all Applicable Laws;
- Provide an Overall Responsible Operator for the Facilities, including but not limited to the following:

### **Regulatory Reporting**

- Prepare and submit all reports to the Client and the MOECC respecting the operation and maintenance of the Facilities as required by the MOECC or any other regulatory agency or body having jurisdiction at the time of the Agreement.
- Review any inspection reports prepared by the MOECC in respect of the Facilities and, subject to any approvals of the Client may correct or negotiate with the MOECC amendments to a deficiency.
- Report to the Client and the MOECC non-compliance with a regulatory requirement.

### **Routine Operation & Maintenance**

- Inspection of process control equipment to ensure proper operation.
- Maintenance of daily on-site logs and records, including process control log sheets, laboratory.
- Data log sheets, bypass reports and routine checklists as required by Applicable Laws.
- Before September 1<sup>st</sup>, prepare a report outlining the foreseeable Major Maintenance Expenditures and Capital Projects required for the Facilities, complete with cost estimates for the Client's budgeting purposes.

## **Insurance**

- The Town and OCWA will indemnify each other and will carry appropriate insurance as required by this Agreement.

## **Overall Responsible Operator**

As the Overall Responsible Operator, the proposed ten-year Agreement ensures that OCWA:

- Provides staff that act as the Overall Responsible Operator (ORO) under the *Ontario Water Resources Act, R.S.O. 1990. c.O.40* (OWRA) and ensures the services provided are in compliance with all applicable Environmental Laws.
- Visits each facility and meets with Town employees on a quarterly basis to review operational issues;
- Provides consultation at any time with respect to the operation of the facility;
- Reviews and comments on any operational data and log book of the facility provided by the Town's employees.

## **By-Law 2017-60, Purchasing Policy**

- Part III, Section 3.11, Direct Negotiation states the following:

Unless otherwise provided in accordance with the Purchasing By-Law and this policy, goods and services may be purchased using the Direct Negotiation method only if one of more of the following conditions apply:

- i. the required goods and services are reasonably available from only one source by reason of the scarcity of supply in the market or the existence of exclusive rights held by any supplier or the need for compatibility with goods and services previously acquired and there are no reasonable alternative or substitutes;
- ii. the required goods and services will be additional to similar goods and services being supplied under an existing contract (i.e. contract extension or renewal);
- iii. an attempt to purchase the required goods and services has been made in good faith using a method other than Director Negotiation under Section 3.2 through 3.7 of this policy which has failed to identify a successful supplier and it is not reasonable or desirable that a further attempt to purchase the goods and services be made using a method other than Direct Negotiation;
- iv. the goods and services are required as a result of an emergency, which not reasonably permit the use of a method other than Direct Negotiation;



**v. the required goods and services are to be supplied by a particular vendor or supplier having special knowledge, skills, expertise or experience.**

Part III, Section 3.11 (v) supports the recommendation of Administration. OCWA has been working with the Town for 15 years and has extensive knowledge and experience operating and maintaining the Town's wastewater system. Based on OCWA's special knowledge, skills, expertise and experience with the Town's wastewater collection system, direct negotiation with OCWA is recommended.

Unlike the previous five year Agreements, the proposed ten-year Agreement will not have an annual price increase; rather, the ten-year Agreement proposes a biennial increase of Consumer Price Index (CPI) **only**.

The new ten-year Agreement proposes a **decrease** in the annual fee from the budgeted amount of \$117,000 for 2018 to \$110,978 for 2019. OCWA is proposing a lower price structure for the following reasons:

- OCWA no longer maintains or oversee the Skyway Wastewater Treatment RBC Plant as it was decommissioned 2014/2015.
- The proposed Agreement combines the operation & maintenance of the wastewater collection system along with the ORO duties.

The Town will monitor the proposed ten-year contract and will continue to have access to all facilities and records that are maintained by OCWA on behalf of the Town. The Town will retain ownership of all records and will be responsible for any capital upgrades. The Town will further ensure that all by-laws are current with regard to waste discharges in the collection system and indemnify OCWA.

The Manager Water and Wastewater will monitor the service contract with formal quarterly meetings for the duration of the contract.

The term of the proposed Agreement is ten years but can be shortened pending proper notification.

## **Consultations**

Financial Services  
Corporate Services & Clerk  
OCWA

## **Financial Implications**

In accordance with Section 4.2 of the proposed ten-year Agreement and subject to any adjustments made pursuant to other provisions of the Agreement, the Town will pay OCWA a price for the Services for each year of the initial Term in the following amounts (the Annual Price):

## Proposed Ten Year Prices

January 2019	\$ 110,978
January 2020	\$ 110,978
January 2021	\$ 113,198
January 2022	\$ 113,198
January 2023	\$ 115,462
January 2024	\$ 115,462
January 2025	\$ 117,771
January 2026	\$ 117,771
January 2027	\$ 120,126
January 2028	\$ 120,126

OCWA is proposing a ten-year Service Agreement where rates will be adjusted on January 1 biennially, commencing January 1, 2019, based on an estimated 2% Consumer Price Index.

Under the current five-year Service Agreement between the Town and OCWA, the Town had paid OCWA \$120,372 in 2017. Under the proposed ten-year Agreement, the Town will be paying less in 2028 than what was paid in 2017.

OCWA is proposing a lower price structure in the proposed ten-year Agreement for the following reasons:

1. OCWA no longer maintains or oversees the Skyway Wastewater Treatment RBC Plant, as this Plant was decommissioned in 2014/2015.
2. The proposed Agreement combines the operation and maintenance of the collection system, along with the ORO duties, all under one Agreement rather than two separate Agreements [currently executed between the Town and OCWA].

Following discussions with the Chief Administrative Officer and the Purchasing Officer and based on the previous good working relationship with OCWA and excellent past service carried out by OCWA, it is recommended that the Town enter into a ten year extension to the existing Servicing Agreement for a fee of \$110,978 for 2019, increased biennially by the Consumer Price Index, All Items (Ontario) with the Ontario Clean Water Agency and that the Mayor and Clerk be authorized to execute the Agreement, satisfactory in form to the Town's Solicitor, with Ontario Clean Water Agency.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input checked="" type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Denis Berthiaume, ORO  
Manager Water & Wastewater Services

Reviewed by:

Dan Piescic, P.Eng.  
Director Public Works & Environmental Services

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
1	Services Agreement Between OCWA and Town of Tecumseh

**SERVICES AGREEMENT**  
**BETWEEN**  
**ONTARIO CLEAN WATER AGENCY**  
**A N D**  
**THE CORPORATION OF THE TOWN OF TECUMSEH**

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## SERVICES AGREEMENT

THIS AGREEMENT effective as of the 1<sup>st</sup> day of January, 2019 (the “Effective Date”),

B E T W E E N

**ONTARIO CLEAN WATER AGENCY/AGENCE ONTARIENNE DES EAUX**, a corporation established under the *Capital Investment Plan Act, 1993*, c.23, Statutes of Ontario.

(“OCWA”)

A N D

**THE CORPORATION OF THE TOWN OF TECUMSEH**

(the “Client”)

### **RECITALS**

- (a) OCWA is in the business of providing management, operations and maintenance services for wastewater facilities.
- (b) The Client is the owner of the wastewater system more particularly described in Schedule A (the “Facility”).
- (c) The Client wishes to retain the services of OCWA to operate and maintain the Facility in accordance with the provisions of this agreement (the “Agreement”).
- (d) The Client and OCWA (collectively, the “Parties” and each a “Party”) are entering this Agreement to set out their respective rights and obligations with respect to the management, operation and maintenance of the Facility.
- (e) The Council of the Client on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ passed By-Law No. \_\_\_\_\_ authorizing the Client to enter into this Agreement.

NOW THEREFORE in consideration of the mutual covenants contained in this Agreement and other good and valuable consideration the receipt and sufficiency of which is hereby irrevocably acknowledged, the Client and OCWA agree as follows:



## **ARTICLE 1 - INTERPRETATION**

### **Section 1.1 - Definitions**

In this Agreement, definitions are set out in Schedule B, or within applicable provisions as indicated.

## **ARTICLE 2 - RESPONSIBILITIES OF OCWA**

### **Section 2.1 - Retention of OCWA**

- (a) The Client retains OCWA to provide management, operation and maintenance services, as described in Schedule C to this Agreement, in respect of the Facility (the “Services”).
- (b) The Client acknowledges and agrees that for the purposes of Section 449 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, OCWA is an agent of the Client.

### **Section 2.2 - Performance of Services**

- (a) OCWA shall deliver the Services in compliance with all applicable Environmental Laws, except as described in Paragraphs 2.2(b) and (c) below and in any of the following circumstances:
  - (i) the Client not making the Major Maintenance Expenditures and/or not undertaking the Capital Projects reasonably recommended by OCWA as per Sections 4.6 and 4.7 herein;
  - (ii) failure of the Client to meet its responsibilities specified in this Agreement;
  - (iii) failure of any equipment at the Facility, unless the failure is due to OCWA’s negligent maintenance;
  - (iv) the wastewater transmitted to the Facility does not meet the requirements of the Client’s sewer use by-law or any Environmental Law;
  - (vi) the quantity or quality of wastewater transmitted to the Facility exceeds the Facility’s design or operating capacity;
- (b) OCWA may temporarily cease to provide or reduce the level of provision of Services in the event of an emergency, a breakdown or any Uncontrollable Circumstance. OCWA shall, when practicable, try to give the Client reasonable advance notice of any such occurrence.

- (c) Notwithstanding any other provision of this Agreement, delay in the performance of, or a failure to perform any term of this Agreement by OCWA, shall not constitute default under this Agreement or give rise to any claim for damages suffered by the Client if and to the extent caused by occurrences or circumstances beyond the reasonable control of OCWA (an “Uncontrollable Circumstance”), including but not limited to any circumstances set out in Paragraph 2.2(a), decrees of government, acts of God (including but not limited to hurricanes, tornadoes, floods and other weather disturbances), sabotage, strikes, lockouts and other industrial disturbances, insurrections, war, civil disturbances, pandemics, riots, explosions, fire and acts of third parties.
- (d) The Client recognizes that in an emergency situation or where an Uncontrollable Circumstance exists, OCWA’s primary concern will be to use all reasonable efforts to maintain the Facility in compliance with Environmental Laws and that OCWA may be required to correct a deficiency or deal with the emergency situation without obtaining the Client’s prior approval. Should such a situation arise, OCWA shall advise the Client as soon as reasonably possible and shall provide as much information as possible to the Client and will work with the Client to ensure the emergency situation is appropriately addressed.

### **Section 2.3 - OCWA as Independent Contractor**

In performing the Services, OCWA shall be acting as an independent contractor and only to the extent and for the specific purposes expressly set forth herein. Neither OCWA nor its employees, agents or subcontractors shall be subject to the direction and control of the Client, except as expressly provided in this Agreement.

### **Section 2.4 - Authorized Representatives**

Each of OCWA and the Client shall be entitled to designate in writing to the other, one or more individuals who shall be authorized to represent it in connection with the day-to-day administration of the provisions of this Agreement (the “Authorized Representative(s)”). Each of the Parties shall be entitled to rely on the acts and approvals given by the other Party’s Authorized Representative until such time as it receives a written notification of change of the other Party’s Authorized Representative.

### **Section 2.5 - Indemnification of the Client**

- (a) OCWA shall exonerate, indemnify and hold harmless the Client, its directors, officers, employees and agents from and against Claims which may be suffered or incurred by, accrue against or be charged to or recoverable from the Client to the extent that such Claim is solely attributed to OCWA’s negligence or wilful misconduct when performing the Services, except where such Claim is due to an Uncontrollable Circumstance or to a condition of the Facility which existed prior to OCWA’s commencement of the Services (a “Pre-existing Condition”), including but not limited to those listed in Schedule F. Such Pre-existing Conditions shall be the ongoing responsibility of the Client. OCWA,

in providing these Services, is not responsible, accountable or liable, in any way, for Pre-existing Conditions, either directly or indirectly.

- (b) The Client shall be deemed to hold the provisions of this Section 2.5 that are for the benefit of the Client's directors, officers, employees and agents in trust for such directors, officers, employees and agents as third party beneficiaries under this Agreement.
- (c) Notwithstanding Paragraph 2.5(a) above, OCWA shall not be liable in respect of any Claim to the extent the Claim is covered by the Insurance.
- (d) Claims by the Client for indemnification from OCWA will follow the Indemnification Process as set out in Schedule B.

### **Section 2.6 - Waiver of Consequential Damages**

In no event shall the Parties be liable to each other, and each Party specifically waives as against the other, any and all claims for consequential, incidental, indirect, special or punitive damages resulting in any way from performance or non-performance of this Agreement, whether such damages are characterized as arising under breach of contract or warranty, tort (including negligence), fault, strict liability, indemnity, or other theory of legal liability.

### **Section 2.7 - Insurance**

- (a) OCWA shall maintain, subject to reasonable availability, insurance coverage as described in Schedule E to this Agreement (the "Insurance") and the Client shall be an additional insured under the Commercial General Liability and Contractor's Pollution Liability insurance. The Client acknowledges that, given the unpredictability of the insurance market, deductibles and coverage limits may not be available (or may not be reasonably priced) from year to year. Insurance coverage is reviewed annually and the Client will be notified if there is a change in coverage or a price increase.
- (b) The Client specifically recognizes and agrees that neither OCWA nor the Crown bears any responsibility for the Pre-existing Condition(s) of the Facility. As such, OCWA is not required to obtain insurance for this purpose and the Client has or will obtain its own insurance.
- (c) The Client shall be responsible for securing its own insurance for any other operations with which it is involved that are not part of the Services. The Client acknowledges that OCWA's Commercial General Liability and Contractor's Pollution Liability insurance shall not extend to cover any claims, exposure or liability beyond those directly linked to the provision of Services by OCWA staff. The Client further acknowledges that it will have no recourse under OCWA's Commercial General Liability and Contractor's Pollution Liability insurance for any operations that do not form part of the Services.
- (d) In the event of a claim under the Insurance, the payment of deductibles is as specified in Schedule E.

- (f) The policies of insurance obtained by the Client in connection with this Agreement shall be primary, notwithstanding other insurance obtained and maintained by OCWA.

### **ARTICLE 3 - RESPONSIBILITIES OF THE CLIENT**

#### **Section 3.1 - Obligations of the Client**

- (a) The Client has the full power and authority to enter into and perform its obligations under this Agreement.
- (b) The Client has passed all necessary By-Laws and has obtained all necessary Authorizations to enable it to enter into and perform its obligations under this Agreement and to operate the Facility, (including, without limitation, any Authorizations required from the Ontario Municipal Board and the Ministry of the Environment and Climate Change), and the Authorizations are in good standing.
- (c) The Client has provided OCWA with a true copy of each of the Authorizations referred to in Paragraph 3.1(b) above prior to the date of this Agreement, including a certified copy of each municipal By-Law required to authorize the Client to enter into and perform its obligations under this Agreement.
- (d) As the owner of the Facility, the Client is fully aware of its responsibilities and obligations regarding the operation and maintenance of the Facility under Applicable Laws, including without limitation its responsibilities under the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40 (the “OWRA”) and the *Occupational Health and Safety Act* (the “OHSA”) and their regulations.
- (e) The Client confirms that there are no Pre-existing Conditions existing at the Facility which would affect OCWA’s ability to operate the Facility in compliance with the terms of this Agreement and Applicable Laws, other than what is listed in Schedule F. The Client acknowledges and agrees that the Client shall be responsible for addressing such Pre-existing Conditions.
- (f) The Client confirms that as of the date of execution of this Agreement, to the best of the Client’s knowledge, the Facility is in compliance with all Applicable Laws.
- (g) The Client is not aware of the presence of any designated substances as defined under the *Occupational Health and Safety Act* (the “OHSA”) at the Facility. The Client acknowledges and agrees that it is responsible for dealing with the designated substances (including but not limited to asbestos and lead) in accordance with the OHSA and its regulations and to notify OCWA of the location of any designated substances in the Facility.

### **Section 3.2 - Covenants of the Client**

The Client hereby covenants the following for the benefit of OCWA:

- (a) The Client agrees to promptly pay all amounts owing to OCWA under this Agreement as they become due, including any interest charges on late payments as determined under Section 4.9.
- (b) The Client agrees to promptly provide OCWA with any information relating to the Facility which could have a bearing on the provision of Services by OCWA, including but not limited to any engineering report prepared in respect of the Facility, any Authorization or amendment to any Authorization, as well as any governmental notice or order relating to the Facility.
- (c) The Client agrees to commit the necessary resources to appropriately address and comply with any such reports, Authorizations, notices or orders.
- (d) The Client shall repair, maintain and keep in a good working state, in accordance with good engineering practices and the standards reasonably applicable to an owner of a like facility, all wastewater works that belong to or are under the control of the Client and that collect and transmit wastewater to the Facility.
- (e) The Client agrees to promptly commit the necessary resources to appropriately address any health and safety issues identified by OCWA which are the responsibility of the Client.
- (f) The Client shall take reasonable steps to ensure that wastewater transmitted to the Facility complies with the Client's sewer use by-law and any Environmental Laws. If requested by OCWA, the Client shall provide OCWA with copies of the Client's inspection reports (sewer usage, cross-connections, sump pump connections), if available.

### **Section 3.3 - Exoneration and Indemnification of OCWA**

- (a) Subject to Paragraph 3.3(c) below, the Client shall exonerate, indemnify and hold harmless OCWA, its directors, officers, employees and agents and Her Majesty the Queen in Right of Ontario, as represented by the Minister of the Environment and Climate Change and all directors, officers, employees and agents of the Ministry of the Environment and Climate Change (collectively referred to as the "Indemnified Parties") from and against any and all Claims which may be suffered or incurred by, accrue against, or be charged to or recoverable from any one or more of the Indemnified Parties that is solely attributed to the Client's negligence or wilful misconduct.
- (b) OCWA shall be deemed to hold the provisions of this Article 3 that are for the benefit of OCWA's directors, officers, employees and agents and the other Indemnified Parties as defined above, in trust for all such Indemnified Parties as third party beneficiaries under this Agreement.

- (c) Claims by OCWA for indemnification from the Client will follow the Indemnification Process as set out in Schedule B.
- (d) Notwithstanding Paragraph 3.3(a) above, the Client shall not be liable in respect of any Claim:
  - (i) to the extent that such Claim is covered by the Insurance; however, the Client shall be responsible for any deduction or self-insured retention amount in accordance with Schedule E; and
  - (ii) to the extent that such Claim is caused solely by OCWA's negligence or wilful misconduct in providing the Services.

#### **ARTICLE 4 - TERM, PAYMENT FOR SERVICES AND OTHER CHARGES**

##### **Section 4.1 - Initial Term of Agreement**

This Agreement shall start on the Effective Date and shall continue in effect for an initial term of ten (10) years, ending on December 31, 2028 (the "Initial Term") and then may be renewed for successive five (5)-year terms (each a "Renewal Term") subject to mutual agreement between the Parties, subject to Sections 4.3 and 6.1 of this Agreement.

##### **Section 4.2 - Annual Price for the Initial Term**

Subject to any adjustments made pursuant to other provisions of this Agreement, the Client shall pay OCWA a price for the Services for each Year of the Initial Term as described in Schedule D.

##### **Section 4.3 - The Annual Price in Renewal Terms**

The Annual Price for any Renewal Term will be as agreed between the Client and OCWA. If the Parties cannot agree on the Annual Price for any Renewal Term within six (6) months of the beginning of the last Year of either the Initial Term or the Renewal Term, as the case may be (the "Current Term"), then this Agreement will be terminated twelve (12) months after the last day of the Current Term unless the Parties mutually agree to extend the term of the Agreement. During this twelve (12) month period or mutually agreed upon extension period, the Client shall pay the Annual Price paid for the last Year of the Current Term, plus an adjustment for inflation calculated as described in Schedule D, pro-rated over that period.

##### **Section 4.4 - Payment of the Annual Price**

The Client shall pay OCWA the Annual Price for each Year of the Initial Term or any Current Term, in twelve (12) equal monthly payments, in advance, on the first day of each month. The first payment shall be due and payable on January 1, 2019.

#### **Section 4.5 - Items Not Included in the Annual Price**

The Annual Price, as further described in Schedule “D”, for each Year of the Initial Term and any Renewal Term, covers all charges for the Services, but does not include any charges for the following:

- (a) any Capital Projects (as defined in Section 4.7 below) or costs resulting from any failure of the Client to implement reasonably recommended Major Maintenance Expenditures;
- (b) costs or charges for services resulting from a Change in Applicable Laws;
- (c) Unexpected Expenses (as defined in Paragraph 4.8(a) below);
- (d) Hydro/Utility costs;
- (e) charges for any Optional Services that are provided by OCWA to the Client;
- (f) costs and charges associated with providing and/or maintaining continuous monitoring technology (SCADA technology) used in respect of the Facility;

#### **Section 4.6 - Major Maintenance Expenditures**

- (a) “Major Maintenance Expenditures” means the charges for all non-routine, non-repetitive activities, repair or replacement of machinery or equipment required for the continuity of operations, safety, and operating performance of the Facility that are necessary to prevent or correct a failure of any component of the equipment which is not included as part of Routine Maintenance including labour charges, together with the Service Fee or fixed fee basis.
- (b) No later than July 31st of each Year this Agreement is in force, or a date as the Parties may agree in writing, OCWA will provide the Client with rolling six (6)-year recommendations of the Major Maintenance Expenditures required for the long term operation of the Facility. The Client’s written approval of the estimate or revised estimate, in the form set out in Schedule “H”, authorizes OCWA to incur the Major Maintenance Expenditures included in the estimate (the “Approved Major Maintenance Expenditures”).
- (c) OCWA will invoice the Client for the Approved Major Maintenance Expenditures together with supporting documentation and the Client shall pay the invoice within thirty (30) days of the date of invoice.
- (d) OCWA will not be required to obtain the prior approval of the Client for any Major Maintenance item costing less than \$2,000.00.

#### **Section 4.7 - Capital Projects**

- (a) “Capital Projects” means changes and improvements to the Facility which include the installation of new technology, improvements to the efficiency, performance and operation of the Facility, replacement of major pieces of equipment, structural modifications to the Facility and the construction and commissioning of new Facilities.
- (b) During the term of this Agreement, the Client may request OCWA to undertake Capital Projects for the Client. The terms and conditions of such Capital Projects including the fee shall be negotiated by OCWA and the Client.

#### **Section 4.8 - Unexpected Expenses**

- (a) “Unexpected Expenses” means unanticipated expenditures or additional costs which may include Major Maintenance Expenditures in addition to the Approved Major Maintenance Expenditures, that OCWA reasonably incurs in order to address a Change in Applicable Laws, any Uncontrollable Circumstance, any work required by regulatory order (e.g. MOECC or MOL) or identified through an inspection (e.g. ESA, MOECC, MOL) that is not solely the result of OCWA’s negligence in performing the Services or any other emergency situation, together with the Service Fee.
- (b) In the event that OCWA is required to incur Unexpected Expenses, the prior approval of the Client with respect to those Unexpected Expenses will be required only if time permits. Within ten (10) days of incurring the Unexpected Expenses, OCWA will provide the Client with a report detailing the reasons the Unexpected Expenses were incurred.
- (c) Any Unexpected Expenses will be invoiced to the Client together with appropriate supporting documentation, and the Client shall pay the invoice within thirty (30) days of the date of the invoice.
- (d) In the event that OCWA is required to incur Unexpected Expenses, OCWA will not be required to obtain the prior approval of the Client for any Major Maintenance Expenditure item costing less than \$2,000.00.

#### **Section 4.9 - Interest on Late Payments**

- (a) **Monthly Payment of Annual Price.** If the Client’s monthly payment of the Annual Price is not available in OCWA’s designated bank account on the agreed to date of payment, OCWA will notify the Client that the funds were not available. Interest will be charged to the Client starting from the day after the payment was due in the account. Interest shall be paid at a rate determined by the Minister of Finance, from time to time, as payable on overdue accounts, in accordance with the Lieutenant Governor in Council under s.10(4) of the *Financial Administration Act*, R.S.O. 1990, c.F.12, plus any banking charges and an administrative fee.



- (b) **Other Invoices.** Invoices, other than for the monthly payment set out in Section 4.9(a) above, shall be paid no later than thirty (30) days from the date of the invoice and interest shall begin to accrue one (1) day after the payment is due.

#### **Section 4.10 - Partial Payment of Disputed Invoices**

If the Client disputes any portion of an invoice, the Client shall pay to OCWA the undisputed portion of the invoice by the due date set out herein and provide OCWA with written notice of such dispute by the due date. Failure to provide such written notice of any such dispute will act as a waiver of any defence or justification for failing to pay the full amount of the invoice by the due date. Within ten (10) days of resolution of the disputed amount, the Client shall pay to OCWA all amounts determined to be payable to OCWA, plus interest in accordance with Section 4.9(a).

#### **Section 4.11 - Hydro Costs/Utility Costs**

OCWA is not responsible for paying any Hydro/Utility Costs in respect of the Facility. The Client shall pay all Hydro/Utility Costs.

#### **Section 4.12 - Optional Services**

- (a) If requested by the Client, OCWA may provide Optional Services to the Client by Change Order as set out in Schedule G, provided that the Client and OCWA agree in writing to the specific scope of work required.
- (b) Unless otherwise agreed to in writing, fees for Optional Services which OCWA agrees to provide to the Client shall be billed directly to the Client on a time and materials basis as described in Schedule D.
- (c) Once OCWA has agreed to provide Optional Services to the Client, the Optional Services shall be subject to the terms and conditions of this Agreement, with any necessary changes having been made.
- (d) The labour and mileage rates described in Schedule D will be reviewed annually by OCWA and may be subject to change.

#### **Section 4.13 - Changes to the Agreement**

- (a) A Change to the Agreement may be carried out after execution of this Agreement by Change Order. A Change Order shall be based upon agreement between the Parties and shall be reflected in a Change Order Form.
- (b) The Parties shall execute a Change Order Form, which shall be substantially in the form found in Schedule G which will state their agreement upon all of the following:

- (i) the new services to be provided;
- (ii) fees for the services provided under the Change Order;
- (iii) the extent of the adjustment to the maintenance and operating schedule, if any;
- (iv) the extent of any adjustments to the Annual Price, if any; and
- (v) all other effects that the change has on the provisions of this Agreement.

## **ARTICLE 5 - DISPUTE RESOLUTION**

### **Section 5.1 - Mediation**

- (a) If a dispute arises between the Client and OCWA which cannot be resolved within a reasonable time, then the issue shall be referred to a mediator.
- (b) The fees and expenses of the mediator shall be divided equally between the Parties.
- (c) Involvement in mediation is on a without prejudice basis and does not preclude and is not a bar to either Party pursuing whatever legal remedies may be available, including litigation.

## **ARTICLE 6 - TERMINATION**

### **Section 6.1 - Termination of Agreement**

- (a) At least one (1) calendar year before the expiry of the Current Term, the Client shall notify OCWA in writing whether it wishes to terminate or renew this Agreement at the end of the Current Term. However, OCWA reserves the right to decline to renew the Agreement by notifying the Client in writing of its decision to decline, within thirty (30) days of receipt of the Client's written request to renew.
- (b) During the Initial Term or any Renewal Term, this Agreement may only be terminated by either the Client or OCWA by giving at least thirty (30) days' notice in writing to the other Party if:
  - (i) there has been a material breach of the Agreement;
  - (ii) the Party complaining of the breach has given written notice of the breach to the other Party; and
  - (iii) the other Party does not correct the breach within thirty (30) days of receiving the notice.
- (c) If either Party disputes the existence of a breach or that the breach is material, then the dispute may be referred to mediation under Section 5.1 of this Agreement.

## **Section 6.2 - Early Termination**

If this Agreement is terminated for any reason prior to the expiry of the Current Term, then the Client shall pay OCWA for all Services provided up to the date of termination, as well as any costs relating to the early termination, including but not limited to demobilization and severance costs (in accordance with the collective agreements between OCWA and its employees); the costs associated with the removal of remote monitoring and control systems installed by OCWA; the costs of cancelling agreements with suppliers and subcontractors; as well as any previously incurred Major Maintenance Expenditures, costs related to Capital Projects, Unexpected Expenses and Optional Services.

## **Section 6.3 - Inventory Count of Consumables/Supplies**

OCWA and the Client will conduct an inventory count of consumables/supplies at the Facility on the first day of the Initial Term or as soon as the Parties may agree. If OCWA no longer operates the Facility at termination of this Agreement, OCWA shall either:

- (a) ensure that there is the same amount of consumables/supplies at the Facility on the date of termination as there was on the first day of the Initial Term; or
- (b) reimburse the Client for any shortfall.

If the amount of consumables/supplies at the Facility on the date of termination exceeds the amount on the first day of the Initial Term, the Client will either reimburse OCWA for any excess or OCWA may take possession of any excess, as OCWA may determine.

## **Section 6.4 - Final Settlement**

If OCWA ceases to operate the Facility, there shall be a final settlement of all accounts with respect to the Annual Price and any other expenses incurred by OCWA and amounts owing by or to the Client under this Agreement including, but not limited to any outstanding accounts, if any, owed to OCWA, no later than ninety (90) days after OCWA ceases to provide the Services or thirty (30) days after OCWA has provided the Client with a final invoice, whichever comes later.

## **Section 6.5 - Transfer of Operations**

Upon the termination of this Agreement, OCWA will return the following to the Client:

- (a) The log book for the Facility.
- (b) The original operations manual(s) that were provided by the Client to OCWA at the commencement of the Services with all updates to the expiry date of the Agreement.
- (c) A list of emergency phone numbers from the contingency plan binders used by OCWA staff in respect of the Facility.

- (d) Maintenance and repair records of equipment at the Facility in electronic format.

## **ARTICLE 7 - GENERAL**

### **Section 7.1 - Ownership of Technology**

The Client acknowledges and agrees that in providing the Services, OCWA may utilize certain technology developed by or for OCWA, for example, OCWA's WMMS, Outpost 5 and/or PDM (the "Technology"). The Client further agrees that use of the Technology by OCWA with respect to the Facility does not in any way give the Client any ownership or licensing rights in or to the Intellectual Property Rights to the Technology unless otherwise agreed to in writing between the Parties. For greater certainty, nothing in this Section 7.1 shall be interpreted as requiring OCWA to provide the Client with the Technology and any upgrades or other similar technology in respect of the Facility as part of the Annual Price.

### **Section 7.2 - Agreement to Govern**

If there is any inconsistency between the main body of this Agreement and any Schedule to this Agreement, then the provision in the main body of this Agreement shall govern.

### **Section 7.3 - Entire Agreement**

This Agreement constitutes the entire agreement between the Client and OCWA with respect to the subject matter hereof and cancels and supersedes any prior understandings, undertakings, representations, warranties, terms, conditions and agreements, whether collateral, express, implied or statutory, between the Client and OCWA with respect thereto.

### **Section 7.4 - Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless it is in writing and duly executed by both of the Parties hereto. No waiver of any breach of any provision of this Agreement will be effective or binding unless it is in writing and signed by the Party purporting to give such waiver and, unless otherwise provided, will be limited to the specific breach waived.

### **Section 7.5 - Successors and Assigns**

This Agreement shall operate to the benefit of and be binding upon, the Parties hereto and their successors and assigns. This Agreement may be assigned in the discretion of either Party.

### **Section 7.6 - Survival**

All outstanding payment obligations, and the confidentiality obligation under Section 7.11, shall survive indefinitely the termination of this Agreement.

### **Section 7.7 - Severability**

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision and everything else in this Agreement shall continue in full force and effect.

### **Section 7.8 - Notices**

- (a) All notices required or permitted to be given under this Agreement shall be in writing and shall be deemed to be properly given if hand-delivered, sent by email, sent by confirmed facsimile or by registered mail postage prepaid, return receipt requested, or by courier, to the Parties at their respective addresses as set forth below, or to such other addresses as the Parties may advise by like notice. Such notices if sent by facsimile, registered mail or courier shall be deemed to have been given when received.
- (i) if to the Client:  
Town of Tecumseh  
917 Lesperance Road  
Tecumseh, Ontario  
N8N 1W9  
Telephone: 519-735-2184  
Attention: Denis Berthiaume, Manager Water & Wastewater
- (ii) if to OCWA:  
Ontario Clean Water Agency  
370-450 Sunset Drive  
St. Thomas, Ontario  
N5R 5V1  
Telephone: 519-318-3271  
Attention: Susan Budden, Business Development Manager
- (b) A Party to this Agreement may change its address for the purpose of this Section by giving the other Party notice of such change of address in the manner provided in this Section.

### **Section 7.9 - Counterparts**

This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

### **Section 7.10 - Freedom of Information**

The Parties understand that this Agreement and any materials or information provided to OCWA through the performance of the Services may be subject to disclosure under the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c.F.31, as amended, or as otherwise required by law.

**Section 7.11 - Confidentiality**

The Parties shall strictly maintain confidential and secure all material and information provided, directly or indirectly, by the other Party pursuant to this Agreement. Subject to relevant legislation related to freedom of information or the protection of privacy and any other laws, neither Party shall directly or indirectly disclose to any person, either during or following the term of this Agreement, any such material or information provided to it by the other Party without first obtaining the written consent of the Party who provided such material or information, allowing such disclosure.

IN WITNESS WHEREOF the Parties have duly executed this Agreement.

**ONTARIO CLEAN WATER AGENCY**

\_\_\_\_\_  
Date of Signing

By: \_\_\_\_\_  
(Authorized Signing Officer)

\_\_\_\_\_  
Date of Signing

By: \_\_\_\_\_  
(Authorized Signing Officer)

**THE CORPORATION OF THE TOWN OF TECUMSEH**

\_\_\_\_\_  
Date of Signing

By: \_\_\_\_\_  
(Authorized Signing Officer)

\_\_\_\_\_  
Date of Signing

By: \_\_\_\_\_  
(Authorized Signing Officer)

**SCHEDULE A - The Facility****Part 1. Description of the Facility**

For the purposes of this Agreement, the Facility is comprised of the following pump stations:

- 5921 - Lakewood – St. Clair Beach
- 5696 - Sylvestre - Sandwich South
- 5870 - Cedarwood - Tecumseh/St Clair Beach/Sandwich South
- 5696 - St. Alphonse - Sandwich South

**Part 2. Street Address of the Facility**

The street address of the Facility is as follows:

- Lakewood P.S. located at 150 Manning Rd., Tecumseh, ON, N8N 2L9.
- Sylvestre P.S. is located at Sylvestre Drive, approximately 150 m south of County Road #22.
- Cedarwood P.S. is located northwest of Cedarwood Drive at Gauthier Drive near the boundary of Windsor, ON.
- St. Alphonse P.S. is located on the northwest corner of the intersection of County Road #42 and St. Alphonse Ave.

## **SCHEDULE B - Definitions**

In this Agreement, the following terms are defined below or in the section in which they first appear:

**“Agreement”** means this agreement together with Schedules A, B, C, D, E, F, G, and H, attached hereto and all amendments made hereto by written agreement between OCWA and the Client.

**“Annual Price”** is defined in Section 1 under Schedule D of this Agreement.

**“Applicable Laws”** means any and all statutes, by-laws, regulations, permits, approvals, standards, guidelines, certificates of approval, licences, judgments, orders, injunctions, authorizations, directives, whether federal, provincial or municipal including, but not limited to all laws relating to occupational health and safety matters, fire prevention and protection, health protection and promotion, land use planning, environment, Building Code, or workers’ compensation matters and includes Environmental Laws.

**“Approved Major Maintenance Expenditures”** is defined in Paragraph 4.6(b) of this Agreement.

**“Authorizations”** means any by-laws, licences, certificates of approval, permits, consents and other authorizations or approvals required under Applicable Laws from time to time in order to operate the Facility.

**“Authorized Representative(s)”** is defined in Section 2.4 of this Agreement.

**“Business Days”** means a day other than a Saturday, Sunday or statutory holiday in Ontario.

**“Business Hours”** means the hours between 7:30 a.m. and 4:00 p.m. on a Business Day.

**“Capital Projects”** is defined in Section 4.7(a) of this Agreement.

**“Change in Applicable Laws”** means the enactment, adoption, promulgation, modification, issuance, repeal or amendment of any Applicable Laws that occur after the date this Agreement is executed by both Parties.

**“Change Order”** means the document shown in Schedule “G” describing the changes to the Agreement agreed to by both parties.

**“Claim”** means any claim, fine, penalty, liability, damages, loss and judgments (including but not limited to, costs and expenses incidental thereto).

**“CPI Adjustment”** means the percentage difference between the Statistics Canada Consumer Price Index, All Items (Ontario) (“CPI”) during July of the previous Year as compared to the CPI of July of the current Year.



**“Current Term”** is defined in Section 4.1 of this Agreement.

**“Crown”** means Her Majesty the Queen in Right of Ontario.

**“Effective Date”** is defined on Page 1 of this Agreement.

**“Environmental Laws”** means, any and all statutes, by-laws, regulations, permits, approvals, certificates of approval, licences, judgments, orders, judicial decisions, injunctions, and authorizations related to environmental matters or occupational health and safety and which are applicable to the operation of wastewater treatment facilities.

**“ESA”** means the Electrical Safety Authority.

**“Facility”** is defined in Paragraph (b) of the Recitals to this Agreement and further described in Schedule A.

**“Hydro Costs”** means hydroelectricity costs due to the operation and maintenance of the Facility.

**“Indemnification Process”** means the procedures a Party is required to follow to obtain indemnification:

- (a) upon receipt of a claim, or notice of claim, the Party shall immediately forward such claim or notice of claim to the Indemnifying Party;
- (b) if requested by the Indemnifying Party, the Party shall provide all documentation relating to the claim, or notice of claim;
- (c) the Party shall take such steps necessary to protect its right to defend such claim, or notice of claim, and shall assign such right to the Indemnifying Party including any subrogation rights;
- (d) the Indemnifying Party shall not settle any claim, or notice of claim, without the prior written consent of the Party; and
- (e) the Party shall have the right to take-over the defence of any claim, or notice of claim and the Indemnifying Party shall fully co-operate with such action.

**“Indemnified Parties”** is defined in Paragraph 3.3(a) of this Agreement.

**“Indemnifying Party”** means the Party responsible for dealing with any Claims and paying out any Claims.

**“Initial Term”** is defined in Section 4.1 of this Agreement.

**“Insurance”** is defined in Paragraph 2.7(a) and further described in Schedule E.

**“Intellectual Property Rights”** means any copyright, trademark, patent, registered design, design right, topography right, service mark, application to register any of the aforementioned rights, trade secret, rights in unpatented know-how, right of confidence and any other intellectual or industrial property rights of any nature whatsoever in any part of the world.

**“Major Maintenance Expenditures”** is defined in Paragraph 4.6(a) of this Agreement.

**“MOECC”** means the (Ontario) Ministry of the Environment and Climate Change.

**“MOL”** means the (Ontario) Ministry of Labour.

**“OHSA”** means the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1.

**“Optional Services”** means any services not included in the Annual Price that the Client and OCWA agree in writing to designate as “Optional Services” subject to Section 4.12.

**“Outpost 5”** means a remote monitoring and control system designed and constructed by OCWA and its consultants for the purpose of monitoring and controlling processes at water treatment facilities and their related parts.

**“Overall Responsible Operator”** means the person who will act as the overall responsible operator pursuant to Section 15 of O. Reg. 129/04 under the *Ontario Water Resources Act*, R.S.O. 1990 (“OWRA”) in respect of the Facility.

**“OWRA”** means the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40

**“Parties”** is defined in Paragraph (d) of the Recitals to the Agreement.

**“PDM”** or **“Process Data Management”** means technology that allows process data to be entered into a format that can be viewed, manipulated and retrieved in the form of customized reports.

**“Pre-existing Condition”** is defined in Section 2.5(a) of this Agreement.

**“Renewal Term”** is defined in Section 4.1 of this Agreement.

**“Routine Maintenance”** means regular and/or repetitive activities recommended by the equipment or facility manufacturer or practices of a prudent operator to maintain the reasonably expected service life of the equipment and components thereof and includes preventative maintenance.

**“SCADA”** means Supervisory Control and Data Acquisition.

**“Service Fee”** is defined and described in Schedule D.

**“Services”** is defined in Section 2.1 of this Agreement.

**“Technology”** is defined in Section 7.1 of this Agreement.

**“Uncontrollable Circumstance”** is defined in Paragraph 2.2(c) of this Agreement.

**“Unexpected Expenses”** is defined in Paragraph 4.8(a) of this Agreement.

**“Utility Costs”** means the costs of natural gas used in the operation of the Facility.

**“WMMS”** or **“Work Management Maintenance System”** means a computer program used to determine a program of preventive maintenance activities for equipment in a facility based on a risk analysis that considers factors such as equipment life expectancy, present value and replacement cost.

**“Year”** means the three hundred and sixty-five (365) day period from January 1<sup>st</sup> to December 31<sup>st</sup> of the calendar year.

**SCHEDULE C - The Services****B - Services for Wastewater Collection System****Part 1 – Services**

OCWA will provide the following services:

1. **Staffing**

- (a) certified operator(s) to attend at the Facilities as required under normal operating conditions on Business Days and during Business Hours and supply other personnel as may be necessary to operate, maintain and manage the Facilities under normal operating conditions in compliance with the requirements of Applicable Laws, terms of an Agreement, including management, operation, routine maintenance, administration and reporting;
- (b) supply a certified operator(s), who will be on call 24 hours per day, 365 days per year to respond to emergency conditions in respect of the operation of the Facilities, any such response to be charged to the Client in accordance with Schedule D herein or by way of an annual set amount;
- (c) provide all necessary training and continuing education for staff to ensure the continued operation of the Facilities, in accordance with all Applicable Laws;
- (d) provide an Overall Responsible Operator for the Facilities.

2. **Regulatory Reporting**

- (a) prepare and submit all reports to the Client and the MOECC respecting the operation and maintenance of the Facilities as required by the MOECC or any other regulatory agency or body having jurisdiction at the time of the Agreement;
- (b) review any inspection reports prepared by the MOECC in respect of the Facilities and, subject to any approvals of the Client may correct or negotiate with the MOECC amendments to a deficiency;
- (c) report to the Client and the MOECC non-compliance with a regulatory requirement.

3. **Operations Manuals**

- (a) recommend to the Client, any section in the operating manuals that should be modified/changed to ensure that the operating manuals reflect the actual or revised approach to operating the Facilities, which recommendations may require third party assistance.

4. Initial Inventory

- (a) develop and maintain inventory of the Client's original equipment tools and attractables in place as of the date of the Agreement;
- (b) develop inventory of critical spares.

5. Change In Laws

- (a) notify the Client of any modifications or changes to the Services or the Facilities required to comply with any Change in Laws and subject to Client approval make the required modifications or changes at an additional cost.

6. Facility Emergency Preparedness

- (a) prepare and revise, as necessary, an Emergency Plan for the Facilities consistent with the requirements of the Applicable Laws and the Client's Emergency Plans;
- (b) establish procedures for managing foreseeable emergencies or abnormal conditions affecting the Facilities.

7. General

- (a) good housekeeping to maintain a safe work environment;
- (b) provide security at the Facilities by maintaining the existing fences and gates and locking same and notifying the Client of the need for any repairs;
- (c) provide mobile communications services.

8. Routine Operations & Maintenance

- (a) in providing routine operation of the Facilities, OCWA will conduct:
  - (i) visual inspection of all buildings, equipment and Facilities insofar as can be observed while these are in service;
  - (ii) instrumentation cleaning, verification of meters;
  - (iii) sampling and/or on-site analysis;
  - (iv) sample collection, preservation, packing and shipment for off-site analysis as required by Applicable Laws at the time of the commencement of this Agreement;
  - (v) laboratory sampling, analysis and reports as required by Applicable Laws at the time of the commencement of this Agreement;
  - (vi) coordination of chemical supply with chemical vendors;
  - (vii) checks and response to alarms during Business Hours;

## C

- (viii) inspection of process control equipment to ensure proper operation of disinfection system, pumps, valves, chemicals system;
  - (ix) maintenance of daily on-site logs and records, including process control log sheets, laboratory data log sheets, bypass reports and routine checklists as required by Applicable Laws;
  - (x) consolidation and processing of OCWA's internal operational data forms for statistical input into a reporting system for the report;
  - (xi) recording and analysis of flows, chemicals used, residuals and other process readings as required;
  - (xii) utilize Client's SCADA system (if applicable) for trending review and reporting, gap analysis, testing, and compliance;
  - (xiii) before July 31<sup>st</sup> (as per agreement 4.6(b)), prepare a report outlining the foreseeable Major Maintenance Expenditures and Capital Projects required for the Facilities, complete with cost estimates for the Client's budgeting purposes;
  - (xiv) maintenance of vehicle(s) used in providing the services, including fuel and any other operating costs associated with such vehicle(s);
  - (xv) removal of grit and screening;
  - (xvi) manhole inspections on an annual/rotating basis.
- (b) perform routine preventive maintenance on the equipment used in the operation of the Facilities as specified in the maintenance management system including mechanical, electrical, HVAC, instrumentation and communication;
- (c) implement and utilize a maintenance management system which shall record information related to the maintenance of the Facilities.

## **Part 2 - Optional Services (To Be Provided at the Request of the Client)**

OCWA may provide additional services to the Client including but not limited to the Optional Services set out below:

### **1. Operation Related Services**

- (a) operation manual updates;
- (b) maintenance and repair of sewage collection system, including but not limited to, smoke/dye testing, manhole inspections, rodding, CCTV inspections, and tree root removal/treatments;
- (c) sewer system locates as set out by applicable legislation and Ontario One Call;
- (d) new sewer service installation or connection inspection;
- (e) contract repair for sewer line breaks including road restoration;
- (f) inspection of repaired sewer services;
- (g) inspect and flush sanitary collection system, including sewers, manholes and clean outs;
- (h) high pressure sewer flushing;
- (i) acoustic pipe inspection;
- (j) infiltration surveys, sewer cameraing;
- (k) adjust and leveling manholes;
- (l) biosolids removal from lagoon;
- (m) odour control system.

### **2. Capital Projects Plans**

- (a) prepare a detailed Capital Projects Plan for the facility(ies).

### **3. Engineering Services**

- (a) engineering services;
- (b) energy audits;
- (c) provide assistance and/or complete applicable funding applications;
- (d) financial plans.

### **(4) Information Technology Services**

- (a) SCADA development and maintenance.

## **SCHEDULE D - The Annual Price and Other Charges**

### **Annual Price for the Initial Term**

In accordance with Section 4.2 and subject to any adjustments made pursuant to other provisions of this Agreement, the Client shall pay OCWA a price for the Services for each Year of the Initial Term in the following amounts (the “Annual Price”):

For Year One from January 1, 2019 through to December 31, 2019 inclusive: \$110,978

- (ii) For Year Two \$110,978
- (iii) For Year Three \$110,978 plus the CPI Adjustment, plus an adjustment for maintaining the Insurance which is renewed annually by OCWA. The CPI Adjustment shall be calculated as soon as necessary information is available from Statistics Canada. In Year Three of the Agreement, the CPI Adjustment shall be added to the Annual Price for Year Two of the Agreement and for alternate Years, on a cumulative basis.

### **2. Payment of the Annual Price**

In Year One of the Initial Term, the monthly payment of the Annual Price shall be \$9,248.17

### **3. Optional Services**

Unless otherwise agreed to in writing, fees for Optional Services which OCWA agrees to provide to the Client shall be billed directly to the Client on a time and materials basis at the following rates which may be adjusted on an annual basis:

- (a) Labour rates on Business Days, Monday to Friday, (0730 to 1600) shall be billed at \$85.00/hour/person for a senior operations manager or process and compliance technician and \$60.00/hour/person for an operator or mechanic, plus vehicle expenses at \$0.50/km/vehicle;
- (b) Labour rates after hours and on weekends shall be billed at \$127.50/hour/person for a senior operations manager or process and compliance technician and \$90.00/hour/person for an operator or mechanic, with a minimum four (4) hour charge, plus vehicle expenses at \$0.50/km/vehicle;
- (c) Labour rates on Statutory holidays shall be billed at \$127.50/hour/person for a senior operations manager or process and compliance technician and \$90.00/hour/person for an operator or mechanic, with a minimum eight (8) hour charge, plus vehicle expenses at \$0.50/km/vehicle;



- (d) The labour rates set out in paragraphs (a) (b) and (c) above are subject to any increase which OCWA's applicable OPSEU employees may receive during the term of this Agreement. Any increase in the labour rates shall coincide with the start date of such increases, including any retroactive start dates.
- (e) Costs for parts, equipment and supplies, and outside labour charges (i.e., contractors), used by OCWA staff to provide the Optional Services shall be billed to the Client, and the Client will pay such costs together with a Service Fee.

#### **4. Service Fee**

**"Service Fee"** means an additional fee charged to the Client when OCWA purchases materials, supplies, equipment or contractor's services on behalf of the Client. For any individual item or service purchased, the Service Fee shall be calculated as follows:

- (a) 10% on the first \$50,000; plus
- (b) 15% on the amount in excess of \$50,000.

For example, the Service associated with Major Maintenance which required \$56,000 in supplies and materials would be \$5,900 ( $10\% \times \$50,000 + 15\% \times \$6,000$ ).

### **SCHEDULE E - Insurance**

A summary of the insurance coverage that OCWA will arrange in respect of the facilities is described below:

#### **Property Insurance**

<b>Insured Perils:</b>	All Risks of direct physical loss or damage (including Flood and Earthquake) occurring during the term of this policy, except as hereinafter excluded.
<b>Policy Limits:</b>	<ul style="list-style-type: none"> <li>- Replacement Value</li> <li>- Extra expenses</li> <li>- Expediting expenses</li> </ul>
<b>Insurable Values:</b>	Lakewood P.S. \$1,300,000 Sylvestre Pump Station: \$299,300 Cedarwood (Gauthier) Pump Station: \$2,678,364 St. Alphonse Pump Station: \$626,466
<b>Deductibles:</b>	For the year 2019;  Earthquake – 3% of the value of the property insured subject to a minimum of \$100,000.  Flood – A flood deductible of \$50,000 applies to facilities with values under \$1.1M 100-year flood zones.  Flood – A flood deductible of \$100,000 applies to facilities with values between \$1.1M to 3.3M located in 100-year flood zones.  A flood deductible of \$50,000 applies to locations in the 500-year flood zones.  A flood deductible of \$50,000 applies to all other locations.  Sewer back-up and water damage deductible of \$50,000. (Except \$100,000 for locations in 100-year flood zones)

The above is subject to change on an annual basis.

<b>All Other Losses:</b>	\$5,000 based on the insurable value of the Facilities at the time of execution of this Agreement (except earthquake, flood and sewer back-up).
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The above is subject to change on an annual basis.

Where the Client's property is repaired or replaced, the Client will pay the deductible. Where OCWA's property is repaired or replaced, OCWA will pay the deductible. In cases where both the Client's and OCWA's property is repaired or replaced, the deductible will be paid by both the Client and OCWA *pro rata* in accordance with the total loss.

**Property Insured:** Property of every kind and description as declared except as excluded under the "Property Excluded" section of the policy

### **Boiler & Machinery Insurance**

**Coverage:** Sudden & Accidental Breakdown of a Pressure, Mechanical, Electrical Object including Production Machinery as defined under the policy. Coverage applies to the loss of the "Object" itself and for loss to other insured property directly damaged by the "Accident", except as excluded under the policy.

**Limit:** \$100,000,000 per Accident.

**Deductibles:** \$5,000 for Property Damage per Accident for the year 2019; subject to changes on an annual basis.

Where the Client's property is repaired or replaced, the Client will pay the deductible. Where OCWA's property is repaired or replaced, OCWA will pay the deductible. In cases where both the Client's and OCWA's property is repaired or replaced, the deductible will be paid by both the Client and OCWA *pro rata* in accordance with the total loss.

### **Automobile Insurance**

**Coverage:** Automobile Liability for OCWA owned or leased vehicles.

**Limit:** \$5,000,000

### **Commercial General Liability Insurance**

**Coverage:** Third party liability including legal fees, for property damage and/or bodily injury as caused by OCWA's negligence arising out of OCWA's operations of the Facilities.

**Limit:** \$5,000,000 per Occurrence.

**Deductible:** \$50,000 for the year 2019; subject to change on an annual basis.

**Contractor's Pollution Liability/Professional Liability Insurance**

**Coverage:** Professional Liability: To pay on behalf of OCWA sums which OCWA shall become legally obligated to pay as damages and/or claims expense as a result of claims made first against OCWA, and reported to the insurer, in writing during the policy period, automatic extended reporting period (60 days), and by reason of any act, error or omission in professional services rendered or that should have been rendered by OCWA, or by any person for whose acts errors or omissions OCWA is legally responsible, and arising out of the conduct of OCWA's profession.

Pollution legal liability covering third party property damage and bodily injury and clean-up costs for pollution conditions arising out of the performance of the services provided by OCWA.

**Limit:** \$10,000,000 per loss on a Claims Made basis with automatic, extended reporting periods for Pollution Liability. \$10,000,000 aggregate.

**Limit:** \$5,000,000 for Professional Liability Insurance

**Deductible:** \$50,000 for the year 2019; subject to change on an annual basis.

**SCHEDULE F - List of Pre-Existing Conditions**

As per Paragraph 3.1(e) of this Agreement, the following Pre-existing Conditions have been identified:

There have been no pre-existing conditions identified.

G  
**SCHEDULE G - Change Order Form**



## Change Order Form

Change Being Requested			
<b>Name of Change:</b>			
<b>Ontario Clean Water Agency (OCWA)</b>	<b>Per:</b> _____ <b>Name:</b> _____ <b>Title:</b> _____	<b>Date (YYYY/MM/DD):</b>	
<b>Client</b>	<b>Per:</b> _____ <b>Name:</b> _____ <b>Title:</b> _____	<b>Date (YYYY/MM/DD):</b>	
Adjustment			
Check Appropriate Type of Change			
<b>Apply (Y/N)</b>	<b>Type of Change:</b>		
	Adjustment to Annual Price		
	Change to Service		
	Impact		
Adjustment to Annual Price			
Description – Attach Additional Documentation if Required			
Change in Services			
Description – Attach Additional Documentation if Required			

Cost Breakdown for Change in Services			
Item		One-time Cost	Annual Cost
	Total Cost:		

## H

**SCHEDULE H - Expenditure Request and Approval to Proceed**

Hub Name  
 Hub Address  
 City, ON Code  
 Phone: XXX-XXX-XXXX Fax: XXX-XXX-XXXX

**PART 1**

<b>Facility Name:</b>			
<b>Project Name:</b>			
<b>Project Number:</b>		<b>Estimated Project Start Date:</b>	
<b>Total Estimated Cost of the Project:</b>	\$	<b>Detailed Quote Attached:</b>	<input type="checkbox"/> Yes <input type="checkbox"/> No

*It is recognized that this is a budget estimate and the final price may vary. OCWA will provide additional justification where the final invoice price varies from the estimate by more than 10%*

**Type of Project:**

- ☐ Maintenance Project
 ☐ Out of Scope Work
 ☐ Contingency
 ☐ Emergency  
☐ Health & Safety

**Description of Project or Expenditure:****Submission Prepared By:**

Name (Print)

Signature

Date

*Authorized Representative for the Ontario Clean Water Agency*

**PART 2****Approval to Proceed:**

- ☐ Approved
 ☐ Declined
 ☐ Deferred
 Reason if Declined or Deferred

The Ontario Clean Water Agency is authorized to proceed with the project/expenditure according to the description and cost estimate provided above. This may include but not limited to the hiring of sub-contractors, consulting firms, etc. as required. The Municipality agrees to pay OCWA the costs associated with this work upon its completion based on the terms of the Municipality's agreement with OCWA.

**Approved By:**

Name (Print)

Signature

Date

*Authorized Representative for the Municipality*

**PART 3**

<b>OCWA Internal Use Only:</b>			
Client PO / Project #:		Date:	
Project Start Date:		Project Completion Date:	
OCWA Invoice #		Date:	
OCWA Account Code:		OCWA Work Order #	





## The Corporation of the Town of Tecumseh

Public Works & Environmental Services

**To:** Mayor and Members of Council

**From:** Phil Bartnik, Director Public Works & Environmental Services

**Date to Council:** June 26, 2018

**Report Number:** PWES-2018-17

**Subject:** Flood Mitigation Strategy

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### Recommendations

It is recommended:

**That** the Public Works & Environmental Services Report PWES-2018-17, titled “Flood Mitigation Strategy,” **be received.**

### Background

The Town of Tecumseh has recently experienced major rainfall events on September 29, 2016 and August 28, 2017 which inundated the normal operating capacities of the storm sewer system. As a result, street flooding occurred in low lying areas which increased the opportunity for storm water to enter the sanitary sewer system. In addition, storm water entered the sanitary system through inflow and infiltration routes, which in turn, caused the sanitary system to surcharge simultaneously.

### Recent Rainfall Events

Using data from independent rain gauges monitored by Weather Underground located in Tecumseh, the following rainfall was observed:

#### September 29, 2016 Rainfall Event

- **220** mm of rain fell in the 24 hours between 6:00 p.m. September 28, 2016 and 6:00 p.m. September 29, 2016.
- 195 mm of rain fell in the 12 hours between 12:00 midnight and 12:00 noon on September 29, 2016.
- 175 mm of rain fell in the six hours between 6:00 a.m. and 12:00 noon on September

29, 2016.

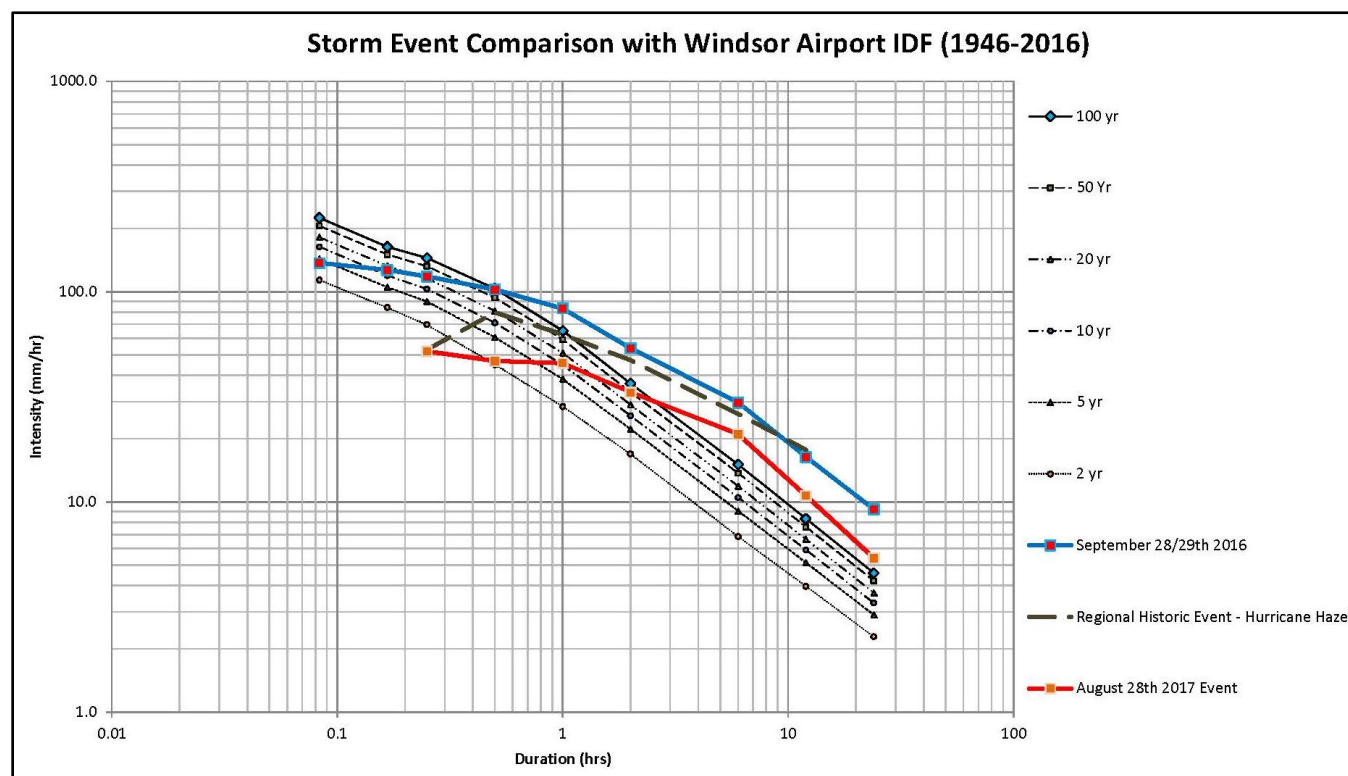
- 110 mm of rain fell in two hours during an intense period of the storm, between 8 a.m. and 10 a.m. on September 29, 2016.

#### August 28, 2017 Rainfall Event

- **129 mm** of rain fell in 11 hours between 1:00 p.m. and 12:00 midnight on August 28, 2017.
- 126 mm of rain fell in the six hours between 6:00 p.m. and 12:00 midnight on August 28, 2017.
- 94 mm of rain fell in 3.5 hours between 7:00 p.m. and 10:30 p.m. on August 28, 2017.

A rainfall event is typically classified according to its frequency of occurrence. Classifying the event considers various factors such as the duration and intensity of the rainfall, as well as the amount of accumulation. Rainfall frequency return periods typically are established through statistical review of rainfall events. The average rainfall intensity over a given time can also provide the expected return period noting that a short duration and high intensity rainfall can be characteristic of a 1:100 rainfall event as can be a longer rainfall event with a moderate rainfall intensity. In other words, a 1:100 year rainfall event is a relatively abnormal event as it has a 1 out of 100 chance of occurring every year. The Ministry of Environment and Climate Change (MOECC) Design Guidelines for Sewage Works identifies a minimum return frequency for storm sewer design is 1:2 or 1:5 year rainfall events for which the Town's storm sewers are designed to. This is the standard practice throughout Ontario.

Both of the aforementioned rainfall events exceeded the 1:100 year return frequency and have been plotted on the Windsor Airport Intensity-Duration-Frequency (IDF) Curve below for 1:2 and 1:100 year return periods. To our knowledge, both rainfall events were the largest ever recorded in the Town of Tecumseh.



## Comments

The Town's past and proposed infrastructure modifications and improvements are significant; however, they alone will not guarantee that a basement flooding event will never occur again. The cumulative effect of all actions completed to date as well as those proposed within the Flood Mitigation Strategy below will serve to reduce the impact of severe rainfall events and lessen the extent of basement flooding associated with heavy rainfall events.

### Town of Tecumseh Flood Mitigation Strategy

To mitigate the risk of flooding, Administration is recommending the following multi-step plan spanning many different categories including: Planning & Development, Storm Infrastructure, Wastewater Infrastructure, works on Private Properties and Subsidy Programs.

#### Planning & Development

##### 1) Completion of the Town's Development Manual

This will set the framework and design standards for how new development and redevelopments will occur. Ensuring that wastewater and storm water design standards are clearly outlined and adhered to will lessen the risk of basement flooding associated with heavy rain events. The engineering component of the manual has been completed and the development/planning section is currently under review and anticipated to be completed in late 2018/early 2019.

Once the Development Manual has been completed, it will be brought to Council for adoption.

##### 2) Town-wide Site Plan Control

Site Plan Control is a way for municipalities to guide development on a site-specific basis to ensure that:

- Developments are built and maintained in a proper manner;
- New developments meet certain criteria of quality and appearance;
- Proper servicing and infrastructure is provided;
- There is safe and easy access for pedestrians and vehicles;
- The appearance and design features of buildings, and their sustainable design are satisfactory;
- There is adequate on-site landscaping, parking and drainage;
- Nearby properties are protected from incompatible development through noise abatement, screening and landscape design.

Generally Site Plan Control is applied to commercial, industrial, institutional and community facility developments, as well as medium and high density residential developments. It is noted that the existing legislation does not require low density residential development (typically single detached dwellings) to be subject to site plan control. Section 41 of the *Planning Act* permits a municipality to establish a site plan control area (or areas) within the municipality. The areas within the Town that are currently under Site Plan Control include Wards 1, 2, 3, and the newer development areas in Oldcastle Hamlet in Ward 4. It is proposed to expand the site plan control area to encompass the few remaining areas in the Town for commercial, industrial,

institutional and multi-residential developments, which will ensure that all properties being considered for new development are in compliance with the Town's Development Manual and current design standards. The most significant impact will be that some of the existing developed areas of Oldcastle Hamlet that are not currently subject to site plan control will become subject to this requirement at the time of infill development, redevelopment or construction of building additions.

### **3) Mandatory Sewage Ejector Pump Installations for New Home Builds**

In 2014, the Town implemented a new standard for new residential subdivisions that all plumbing fixtures in basements must be drained via a sewage ejector pump to the sanitary building sewer. All plumbing fixtures on the first floor level and above may be drained by gravity pipes to the building sewer. This system virtually ensures that basement flooding will not occur from surcharging of the Town's sanitary sewer system. It also reduces the likelihood of cross connections of storm water into the sanitary system.

Administration will investigate opportunities to expand this standard to individual in-fill new home construction (occurring outside the framework of a development agreement).

## **Storm Infrastructure**

### **4) Completion of Storm Drainage Master Plans**

These Master Plans will have the combined effect of identifying recommendations for improvements to the existing storm infrastructure to reduce the risk and depth of street flooding and also providing a framework for the ultimate installation of appropriate infrastructure that will adequately support new development and redevelopment within their respective watershed areas.

#### **a. Upper Little River Watershed Stormwater Master Plan (2004-2018)**

The Essex Region Conservation Authority (ERCA), the City of Windsor and the Town of Tecumseh commenced a stormwater study in the Upper Little River Watershed in 2004 to document existing conditions and to recommend stormwater management measures to protect existing resources as development takes place in the upper reaches of the Little River watershed. The study area consists of the drainage area of the Upper Little River, upstream of E.C. Row Expressway. The drainage area is approximately 45 square kilometers including lands in both Windsor and Tecumseh.

In 2017 Council approved the issuance of the Notice of Study Completion (Motion RCM-174/17) which commenced the 30-day review period. The project team is currently addressing some concerns that were raised during the initial review period, but it is anticipated that this Master Plan will be finalized in 2018. The conclusions and recommendations of this Master Plan are being incorporated into the final draft of the Tecumseh Hamlet Secondary Plan.

b. Tecumseh Storm Drainage Master Plan (2017-2018)

This Master Plan will focus on an analysis of the storm infrastructure within the eight (8) storm pumping station service areas along Lake St. Clair, servicing Wards 1, 2 and 3. This analysis will review how the Town's stormwater infrastructure functions during minor and major rainfall events. The storm pumping stations will also be reviewed to determine if any modifications or improvements are required based on the pump station capacity and as a result of any of the recommended storm sewer network improvements (i.e. capacity upgrades).

Council commissioned this Master Plan as part of the 2017 PWES Capital Works Plan (Motion RCM-442/16) and it is anticipated to be completed by early 2019. Administration will seek Council's approval prior to the issuance of the Notice of Completion through a subsequent report to Council.

c. Oldcastle Hamlet Storm Drainage Master Plan (2018-2019)

The stormwater infrastructure network located within the Oldcastle Hamlet area is comprised of a combination of roadside ditches, Municipal Drains, storm sewers, swales/sub-drains, as well as County and Provincial storm infrastructure, typically associated with their roads. There are three (3) distinct watershed areas within the Oldcastle Hamlet which include Little River (8 outlets), Turkey Creek (1 outlet), and River Canard (3 outlets). This Master Plan will focus on an analysis of the storm infrastructure within these watersheds and will set the framework for how stormwater is addressed for new development and re-development.

Council commissioned this Master Plan as part of the 2018 PWES Capital Works Plan (Motion RCM-441/17) and it is anticipated to be completed by December 2019. Administration will seek Council's approval prior to the issuance of the Notice of Completion through a subsequent report to Council.

**5) Completion of the 'Windsor-Essex Region Stormwater Management Standards'**

In the Essex County/City of Windsor region, there has been a lack of consistent stormwater management standards amongst the seven lower tier municipalities. This leads to a wide range of variation in stormwater management design standards, which results in inconsistent stormwater management facilities and measures throughout Essex County.

In 2015 the Essex Region Conservation Authority (in cooperation with all of the County lower tier Municipalities, the County of Essex, and the City of Windsor), initiated the process to create technical standards that will provide a clear, concise and consistent approach to stormwater design within the Essex region. It is anticipated the standards will be completed in 2018.

The proposed standards will serve to identify the general policies and technical standards to be adopted by all Essex County municipalities, the City of Windsor and regulatory agencies (having jurisdiction). It will provide direction to consulting firms and municipalities during the development and review of stormwater technical reports in

support of new development. The standards will be tailored to the local challenges of this region and in this respect will take precedence over the current Ministry of the Environment and Climate Change (MOECC) Stormwater Management and Design Manual and the current Ministry of Natural Resources and Forestry (MNR) Natural Hazard Technical Guides.

#### **6) Completion of a Regional Climate Change Strategy (Climate Adaptation Plan)**

In September 2017 the Essex Region Conservation Authority Board of Directors adopted the recommendation to reallocate 2017 budget funding to initiate the development of a Regional Climate Change Strategy with municipalities and other partners. Like other Conservation Authorities and regions in Ontario, ERCA believes that a comprehensive and regional approach to addressing climate change that includes both mitigation and adaptation is required.

The development of a regional Climate Change Strategy (Climate Adaptation Plan) requires further discussion between ERCA and the local municipal partners.

#### **7) Installation of a Regional Weather Station Network (Rain Gauges)**

The Town currently has one rain gauge located at the Cedarwood Sanitary Pump Station (Cedarwood/Gauthier intersection), which is maintained and operated by the Town's contractor AMG Environmental. At the regional level, the Essex Region Conservation Authority has six weather stations located throughout the Essex region. Other municipalities within the region also have weather stations; however none of these separate systems are tied together for easy access during rain events. Also, the extent of maintenance and quality control on the collected data varies between station owners making it difficult to rely on recorded data to analyze storm events, as accurate data is needed for events that occur in the Essex region.

The development of a Regional Weather Station Network requires further discussion between ERCA and the local municipal partners.

#### **8) Completion of a (storm and sanitary) Pump Station Emergency Response Plan**

In 2016, the Town conducted an assessment on the eight (8) storm pumping stations and four (4) sanitary pumping stations to understand their condition and to effectively prioritize rehabilitation and any required replacement work in the future.

As part of the 2018 PWES Capital Works Plan, Council approved (Motion RCM-441/17) the completion of a Pump Station Emergency Response Plan for the Town's storm and sanitary pump stations. This plan will contain information on the key components for each pump station, contacts for pump suppliers and manufacturers, engineers and contractors, adjacent municipalities, regulatory authorities (i.e. ERCA) and operational entities retained by the Town (i.e. OCWA). The plan will also identify various situational emergencies (i.e. mechanical failures, illegal entry & vandalism, fire, loss of access to facility, etc.) and each of the required responses. It will be structured similar to the Water Services Emergency Response Plan which is legislated by the Ministry of the Environment and Climate Change.

## **9) Completion of a Shoreline Management Plan**

In 1973 the City of Windsor and surrounding areas (including Tecumseh and St. Clair Beach) experienced widespread flooding from Lake St. Clair and the Detroit River due to a combination of record high lake levels and strong on-shore winds. The properties along the shoreline as well as inland (lower lying) properties sustained significant flood damage during that event.

The water levels in Lake St Clair reached new record highs in 1985 (from the previous record set in 1973) , which prompted the Essex Region Conservation Authority in coordination with many local municipalities to undertake Shoreline Management Plans, including:

- The City of Windsor, 1986
- Town of LaSalle (Township of Sandwich West), 1988
- Town of Amherstburg (Township of Malden), 1989
- Town of Kingsville (Township of Gosfield South), 1990

It is recommended that Tecumseh undertake a Shoreline Management Plan to determine the best ways to identify and manage flood and erosion risk to the developed shoreline of Lake St Clair and the Pike Creek. The plan will also determine opportunities where partners, stakeholders and landowners can work together to identify, manage and reduce the risk of flooding and erosion due to high lake levels and wave action.

The Shoreline Management Plan will be incorporated within the 5-year PWES Capital Works Plan that is brought to Council for approval.

## **Wastewater Infrastructure**

### **10) Sanitary Sewer Rehabilitation (Inflow and Infiltration Removal)**

As part of the 2017 PWES Capital Works Plan Council approved (Motion RCM-442/16) the Sanitary Sewer Rehabilitation (Inflow and Infiltration Removal) Project for which the Town was successful in receiving two grants, the Ontario Community Infrastructure Fund (OCIF) and the Canada Water Wastewater Fund (CWWF). Components of this work began in September 2017 and are expected to continue throughout 2018.

This project involves the renewal and rehabilitation of approximately 30,000 linear metres of sanitary sewer pipe, 500 manholes and the rehabilitation of approximately 500 sanitary sewer service connections. The work generally consists of:

- Camera inspections of the sewer pipes to identify: pipe condition; pipe defects; and sources of inflow and infiltration using trenchless technology.
- Flushing and cleaning debris from the sanitary sewer pipes and service connections to facilitate leak testing and repair using trenchless technology.
- Pressure testing and sealing of: mainline joints, cracked or otherwise leaking pipes, tee connections, clean outs, risers and sanitary service connections using innovative trenchless technology.

- Structural repairs of sanitary sewer pipes where required using innovative trenchless technology.
- Sealing leaks in manholes using rain shields, chemical sealants and latest technology.

Once completed, this work is anticipated to subsequently reduce the amount of storm water inadvertently being admitted into the sanitary sewer system thereby reducing the risk of basement flooding.

## **11) Increase Sanitary System Storage Capacity**

At the April 23, 2013 Regular Council Meeting under PWES Report No. 13/13 (Motion: RCM-138/13) Council received the Municipal Class Environmental Assessment titled “Class Environmental Assessment (Class EA) Environmental Screening Report for the Town of Tecumseh Sanitary Collection System Improvements, April 2013”.

As part of the 2013 Class EA, various alternative solutions were identified and evaluated to address the problem of basement flooding and the lack of capacity in the sanitary sewage system to accommodate future growth. Based on a comparative evaluation, an expansion and upgrading of the existing sanitary sewage collection system was identified as the preferred solution.

The functional design for the preferred solution identified a reduction in the risk of basement flooding and could accommodate new development. These improvements included:

- Stage 1 (completed in 2014)
  - Lakewood Sanitary Pump Station Improvements
  - Increased storage capacity - Lakewood Park Trunk Sewer
- Stage 2 (future consideration)
  - Increased storage capacity - Riverside Drive Trunk Sewer
- Stage 3 (future consideration)
  - Additional investigation and sanitary sewer modelling required on Dillon Drive and Green Valley Drive

Stages 2 & 3 will be incorporated within the 5-year PWES Capital Works Plan that is brought to Council for approval.

## **12) Continued Flow Monitoring and Sanitary Sewer Modeling**

In 2011 Council received the report (Motion RCM-227/11) titled “Town of Tecumseh, Sanitary Sewer Assessment Report, dated May 2011”. The report included a recommendation that the Town update their existing sanitary sewer model every three years, as well as carryout a flow monitoring program.

The primary purpose of the flow monitoring program is to gain further understanding into the flow characteristics of the sanitary sewer system, particularly under varying wet weather conditions and to determine the impacts of various rainfall events in combination with proposed development scenarios. The modeling will provide insight



on available sanitary sewer capacity to accommodate infill development within the Town.

The update to the Sanitary Sewer Model will be incorporated within the 5-year PWES Capital Works Plan that is brought to Council for approval.

## **Private Property / Subsidy Programs**

### **13) Public Education and Awareness Program on Managing Risk of Basement Flooding**

While the Town has undertaken studies to address extraneous flows into the sanitary sewer collection system and has implemented many improvements to both the sanitary and storm water systems, there is also an opportunity for private property owners to implement protective measures to reduce the risk of basement flooding and to eliminate sources of extraneous flows.

It is recommended that the Town continue to implement public education and awareness programs through Public Information Centres, one-on-one sessions with property owners, Information brochures and through the Town's social media accounts and website that addresses the following:

- The function and level of service provided by the Town's public storm and sanitary collection systems, including factors affecting their performance;
- The function and maintenance requirements of private storm and sanitary plumbing systems; and
- The opportunities to manage the risks associated with these services.
- Opportunities to reduce inflows of stormwater into the sanitary building sewers on the private property.

### **14) Mandatory Downspout Disconnection Program**

In 2011 Council adopted a resolution (Motion RCM-277/11) that Administration develop a policy for the mandatory disconnection of rain water leaders (downspouts) and improper cross connections and report back to Council. However, the development and implementation of a mandatory disconnection of rain water leaders policy was suspended while the Ministry of the Environment and Climate Change, through the Essex Regional Conservation Authority offered a \$300 subsidy for the disconnection of rain water leaders. Work on the policy and report to Council was suspended due to the fact that there was a stipulation by the MOECC that the Town not have a mandatory disconnection policy in place in order to receive the MOECC/ERCA subsidy. The MOECC/ERCA subsidy has since expired and the recent significant rainfall events in September 2016 and August 2017 have brought this issue to the forefront again.

Downspouts are designed to convey water from eaves troughs and down the side of the house to a point of disposal. Downspouts often direct water to stormwater drains and/or the ground surface of the lot, but in some cases they may be connected to the weeping tile or the sanitary or storm sewer lateral. When connected directly to the municipal sewer system, eaves trough downspouts can contribute a substantial amount of water to these systems. Because of the environmental impacts and the increase in flood risk

that directly connected eaves troughs can cause, it has been made illegal to connect downspouts directly to municipal sewer systems in many Canadian municipalities.

Administration will develop a program and policy for the mandatory downspout disconnection program and report back to Council for approval and by-law adoption.

#### **15) Mandatory Foundation Drain Disconnection & Storm Sump Pump Installation Subsidy Program**

In 2012 Council implemented a voluntary subsidy program to assist homeowners with the cost of the disconnection of foundation drains from the sanitary sewer system. The eligibility for the program was backdated to June 2010. The program provides for a subsidy of a maximum of 50% of the cost of the disconnection of foundation drains from the sanitary sewer system up to a maximum of \$1,060.

Since program implementation in 2012, 84 residences have applied for the subsidy for the foundation drain disconnection, of which:

- 2012-2015: 0 applications
- 2016: 31 applications (All post September 29<sup>th</sup> rain event)
- 2017: 43 applications (29 post August 28<sup>th</sup> rain event)
- 2018: 6 applications (as of May 4, 2018)

The mandatory disconnection of foundation drains is viewed as an extremely important strategy to remove extraneous flows from the sanitary sewer system. This will in turn **significantly** reduce the risk of the sanitary system from surcharging which can cause basement flooding.

Administration will develop a program and policy for the mandatory foundation drain disconnection and storm sump pump installation program and report back to Council for approval and by-law adoption.

#### **16) Backwater Valve Installation Subsidy Program**

In 2012 Council implemented a voluntary subsidy program to assist homeowners with the cost of the installation of a new backwater valve. The eligibility for the program was backdated to June 2010. The program provides for a subsidy of a maximum of 80% of the cost of the installation of a new backwater valve up to a maximum of \$800.

Since the program implementation in 2012, 712 residences have applied for the subsidy for the backwater valve installation, of which:

- 2012-2015: 8 applications
- 2016: 263 applications (260 post September 29<sup>th</sup> rain event)
- 2017: 409 applications (178 post August 28<sup>th</sup> rain event)
- 2018: 32 applications (as of May 4, 2018)

Administration will review the subsidy program and report back to Council whether the value or percentage of the subsidy should be increased.

### **17) Sewage Ejector Pump Installation Subsidy Program**

In 2014, the Town implemented a new standard for new residential subdivisions that all plumbing fixtures in basements must be drained via a sewage ejector pump to the sanitary building sewer. This was achieved by designing the sanitary sewer connection at such a depth that a sewage ejector pump was required, thereby bringing the use of a sewage ejector pump into alignment with the Ontario Building Code. During the extraordinary rainfall events of September 29, 2016 and August 28, 2017, none of the basements of residences that were constructed in new residential developments experienced basement flooding as a result of sanitary sewer back-up.

Other municipalities, such as the City of London, have incorporated the installation of sewage ejector pumps within their basement flooding subsidy programs.

Administration will review the creation of a subsidy program for the installation of a sewage ejector pump in existing residences and report back to Council. It is anticipated that significant consultation with the Province will be required given the current wording in the Ontario Building Code.

### **18) Creation of an annual inspection program for private stormwater management facilities**

Administration has been able to inventory over 100 private stormwater management facilities that have been installed on Commercial, Institutional and Industrial properties since 2001. Currently, the Town does not have an inspection program in place to ensure that these systems are regularly maintained and functioning as designed.

Many other municipalities throughout Ontario have annual or semi-annual inspection programs in place, as they realize the benefits of the program and the risk that malfunctioning or abandoned and/or illegally removed stormwater facilities have in relation to increased flooding potential on public and private lands.

An annual inspection program will help develop a comprehensive database for comparison and trend analysis and future design considerations for what will be deemed acceptable by the Town.

## **Consultations**

Planning & Building Services  
Financial Services  
Essex Region Conservation Authority

## **Financial Implications**

There are no financial implications associated with this report.

## Link to Strategic Priorities

Applicable	2017-18 Strategic Priorities
<input type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that the Town of Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of the Town of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

## Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Phil Bartnik, P.Eng.  
Director Public Works & Environmental Services

Reviewed by:

Brian Hillman, MA, MCIP, RPP  
Director Planning & Building Services

Reviewed by:

Luc Gagnon, CPA, CA, BMath  
Director Financial Services & Treasurer

Recommended by:

Tony Haddad, MSA, CMO, CPFA  
Chief Administrative Officer

<b>Attachment Number</b>	<b>Attachment Name</b>
None	.

## UNFINISHED REGULAR COUNCIL BUSINESS

	Meeting Date	Resolution	Subject	Action/Direction	Depart.	Status/Action Taken
3/17	Mar 14, 2017		Alley Closing Policy	An alley closing policy is requested to establish a uniform process for closing alleys.	Clerks	Next Policies & Priorities Committee
4/17	Mar 28, 2017		Oldcastle Hamlet	The presentation and requests made by FOOD is referred to Administration for a report and recommendation.	Planning	OMB Hearing Nov. 17-17, 2017 OMB Decision Jan. 17, 2018 Section 43 Review Feb 13, 2018
13/17	May 23, 2017		Signage on Manning Road	Administration is requested to approach the Town of Lakeshore and the County of Essex in regards to establishing a gateway policy with a common standard for regulating urbanized areas and signs for Manning Road.	CAO	Tecumseh and Lakeshore Administration have met and a response is pending from Lakeshore.
18/17	July 25, 2017		Urban Chickens	Zoning Order issued to Dan Beaulieu relating to the keeping of chickens at 2380 Lesperance Road, be deferred pending further discussion and decision-making by Council on the matter of the keeping of urban chickens based on further research and reporting by Administration.	Clerks/ Planning	Research is in progress
25/17	November 14, 2017		Tenanted Farm Tax Class	Administration is requested to provide comments regarding the tenanted farm tax properties being reclassified as a residential tax class (for non-tilled land), and not implementing this change. How this action could financially impact municipalities and property owners.	Finance	
27/17	December 12, 2017		OMB Hearing Costs	A request is made for the financial costs of the OMB Ward Boundary hearing, in addition to the Del Duca and Oldcastle Hamlet OMB Hearings.	Finance	Final costs are being evaluated
1/18	January 30, 2018		Video Surveillance	Administration to follow up on video surveillance and potential grant funding for acquiring a system.	ICS	Grant application is being investigated and met with local expert
8/18	March 13, 2018		Air Quality Standards and Enforcement	Administration is requested to send a letter to the Ministry of the Environment and Climate Change to seek clarification on responsibility for enforcement of air quality standards in residential areas.	Clerks	Draft letter being prepared
10/18	March 27, 2018		Noise By-law Exemptions	Administration is asked to look into delegation of authority for exemptions from the noise by-law for non-alcohol related special events on Town property.	PRS/Clerks	
18/18	April 24, 2018		Cada Library Renovations	It is directed that Administration provide a report on the Cada Library to include consultations with TAAC, SAC, YAC, CAC, and other stakeholders on the current options proposed to refresh or renovate the current library building.	PWES/Clerks	The Library proposal will be presented to the May meetings of the SAC, YAC and CAAC and next meeting of the TAAC.

	Meeting Date	Resolution	Subject	Action/Direction	Depart.	Status/Action Taken
19/18	May 22, 2018		Property By-law	It is directed that Administration harmonize the by-law regarding disconnected tractor-trailers on residential properties to be consistent within the Town.	PBS	
20/18	May 22, 2018		Police Service Levels	It is directed that Administration review the current police service levels to address resident concerns regarding driver behaviour and enforcement of vehicles speeding in residential areas.	CAO	

**The Corporation of the Town of Tecumseh**

**By-Law Number 2018 -44**

Being a by-law to confirm the proceedings of the **June 26, 2018** regular meeting of the Council of The Corporation of the Town of Tecumseh

**Whereas** pursuant to Section 5(1) of the *Municipal Act, 2001*, S.O. 2001, c.25 as amended, the powers of a municipality shall be exercised by its Council; and

**Whereas** pursuant to Section 5(3) of the *Municipal Act, 2001*, S.O. 2001, c.25 as amended, a municipal power, including a municipality's capacity, rights, powers and privileges under Section 8 of the *Municipal Act, 2001*, S.O. 2001, c.25 as amended, shall be exercised by by-law unless the municipality is specifically authorized to do otherwise; and

**Whereas** it is deemed expedient that the proceedings of the Council of The Corporation of the Town of Tecumseh at this Session be confirmed and adopted by by-law.

**Now Therefore the Council of The Corporation of The Town of Tecumseh Enacts as follows:**

1. **That** the actions of the Council of The Corporation of the Town of Tecumseh in respect of all recommendations in reports and minutes of committees, all motions and resolutions and all other action passed and taken by the Council of The Corporation of the Town of Tecumseh, documents and transactions entered into during the **June 26, 2018**, meeting of Council, are hereby adopted and confirmed, as if the same were expressly embodied in this By-law.
2. **That** the Mayor and proper officials of The Corporation of the Town of Tecumseh are hereby authorized and directed to do all the things necessary to give effect to the action of the Council of The Corporation of the Town of Tecumseh during the said **June 26, 2018**, meeting referred to in paragraph 1 of this By-law.
3. **That** the Mayor and the Clerk are hereby authorized and directed to execute all documents necessary to the action taken by this Council as described in Section 1 of this By-law and to affix the Corporate Seal of The Corporation of the Town of Tecumseh to all documents referred to in said paragraph 1.

**Read** a first, second and third time and finally passed this 26th day of June, 2018.

\_\_\_\_\_  
Gary McNamara, Mayor

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Laura Moy, Clerk