

THE CORPORATION OF THE TOWNSHIP OF HORTON

Special Public Works Committee Meeting

October 11, 2013

There was a Special Meeting of the Public Works Committee held in the Municipal Council Chambers on Friday October 11, 2013. Present was Chair Glen Campbell and Rick Lester. Absent was Murray Humphries.

Council Members present was Bob Kingsbury, Jamey Larone and Margaret Whyte. Absent was Mayor Don Eady.

Present from Jp2g Engineering Consultants was Mike Fadock and Steve Webster.

Staff Members present was Jennifer Barr Finance Manager, Janet Collins Public Works Manager and Mackie McLaren CAO/Clerk.

1. CALL TO ORDER

Chair Campbell called the Meeting to Order at 1:05 pm.

2. DECLARATION OF PECUNIARY INTEREST

There was no declaration of pecuniary interest by Members of the Committee, Members of Council or Staff.

3. PRESENTATION OF DRAFT ASSET MANAGEMENT PLAN

Steve Webster, Vice President and Head of their Pembroke Operations and Mike Fadock, Planner/EIT were present from Jp2g Engineering Ltd to present a draft of the Asset Management Plan they are preparing.

Mr. Fadock presented an overview of the draft plan using a power point presentation and responded to questions from the Committee Members, Council Members and Staff. They provided a Roads Priority Listing based upon traffic levels, road conditions, safety concerns, discussion with staff and the results of the road needs study. They have calculated that the current average condition rating of all our roads is 6.33 out of 10.

Mr. Fadock advised the Members that he needed a desired level of service that Horton will provide over the next 10 years, as this is required to produce the financial part of the plan that must be adopted by December 31, 2013. He said that they have calculated that we will have to increase the levy by \$1,297,473 per year to raise the average condition to 8.19 out of 10 (scenario 5) or \$349,332 per year to raise the average condition to 6.93 in 10 years (scenario 2). The Engineers recommended a Road Condition Target of 7 to 7.5 average should be aimed for.

Mr. Fadock provided each Member with a report on a gap analysis of the 6 scenarios they have proposed to assist with the comparison of the funding shortfalls with each scenario. Mike suggested that the Members not consider scenario 1 – “Do Nothing” as over 10 years our average road condition will drop to 3.35 and scenario 6 which is “Unlimited Funding” which would increase our average to 8.49 at a cost of over \$1.8 million per year.

Jennifer Barr, Finance Manager advised that even the second lowest level of service – scenario 2 will result in a double digit tax increase. She noted that the Province wants the local municipalities to fund part of the funding shortfall using

debentures. She recommended that we not debenture more than \$2,000,000 in the future. The Province analyses our debt capacity and reserves available which are set out in the FIR return attached to our financial statements that are submitted annually. Jennifer stated that if we chose scenario 2 which was doing the least work on assets and maxed out our debt limit, we would not complete the work required.

Steve Webster suggested the Members consider adopting a policy on future development i.e. township will not pave roads that are currently gravel.

Jennifer Barr suggested that the province would want us to consider scenario 3 as a minimum which would bring our average road condition up to 7.4 which is within the target range but would add \$627,365 to the levy for 10 years. She noted that we have a week to make a decision on the scenario so we can use the information when Jp2g draft the Expression of Interest for a new infrastructure program the Province has just announced. Deadline for the grant application is November 1, 2013.

Mike Fadock commented that it will be a struggle to fund the desired level of service. Steve Webster said if we did not receive grants we would have to pick roads based on the asset management report but may not be able to complete them as one project.

The Members thanked the guests and they left the meeting at 3:07 p.m.

4. SMALL, RURAL AND NORTHERN MUNICIPAL INFRASTRUCTURE PROGRAM GRANTS (SRNMIF)

- Capacity Funding - \$21,028.24 to Complete Development and Implementation of Asset Management Plan.

Jennifer Barr informed the Members that this is round 2 of the grant to assist in developing our Asset Management Plan. When we tendered for our Plan, the cost was approximately twice this amount and we have financed the shortfall in the 2013 Public Works Budget. She said that the plan set out above is only for the road assets and will not include buildings and fleet. She recommended that this additional funding be used to complete the two missing components so we will have a complete and comprehensive document. Further she recommended that Jp2g be appointed to complete these components.

After discussion, the following resolution was presented:

Moved by Margaret Whyte, Seconded by Rick Lester that the Public Works Committee recommend that Council authorize staff to prepare the Expression of Interest for Capacity Funding to fund the asset management plan for buildings and fleet.

Carried

- Capital Improvement Funding – recommend a project to council

Jennifer Barr, Finance Manager and Janet Collins, Public Works Manager reviewed the newly announced SRNMIF grant program for improvement of rural infrastructure. They noted that the draft Asset Management Plan information presented earlier had set out Thomson Road as our number one priority. A section of this same road was the project for the previous MIII grant application made this past January which the Township was unsuccessful.

After discussion, the following resolution was presented:

Moved by Rick Lester, Seconded by Jamey Larone that Council select Thomson Road as our project for SRNMIF funding, and further, that Jp2g be authorized to complete the Expression of Interest form for this project.

Carried

5. ADJOURNMENT

Moved by Bob Kingsbury, Seconded by Margaret Whyte that this Special Public Works Committee Meeting be adjourned at 3:30 p.m.

Carried

CHAIR

CAO/Clerk