

THE CORPORATION OF THE TOWNSHIP OF HORTON

Special Council Meeting

April 14, 2014

Following Site Meeting at Horton Community Centre

There was a Special Council Meeting held in the Municipal Council Chambers on Monday April 14, 2014. Present was Mayor Don Eady and Councillors Bob Kingsbury, Glen Campbell, Jamey Larone and Margaret Whyte. Staff present was Jennifer Barr, Treasurer/Tax Collector and Mackie McLaren, CAO/Clerk.

1. CALL TO ORDER

Mayor Eady called the Special Council Meeting to Order at 5:09 p.m.

2. DECLARATION OF PECUNIARY INTEREST

There was no declaration of pecuniary interest by members of council or staff.

3. COMMUNITY CENTRE EXPANSION PROJECT

- Reimburse Marshalls for payroll costs

Mayor Eady reviewed the background of this request. On March 19, 2014 Recreation Committee requested Finance Committee consider reimbursing Marshalls for payroll costs incurred on the expansion project. Dave Bennett of Marshalls requested a Meeting on March 31 which was attended by a number of Council Members. Council met as a Committee of the Whole April 11 where there was discussion on this request. It was agreed that there be an onsite meeting at the Community Centre today followed by this Special Council Meeting.

The site meeting took place between 4:30 and 4:55. 12 people were in attendance which included all Council Members, the CAO/Clerk and 6 members from the public.

Councillor Kingsbury reviewed the budget for the project. He noted that with the Catering Committee donation of \$1400 from their catering account, the balance available to be spent is \$17,544.05. Mayor Eady said that this money has to install the furnace (\$10,900) electrical of \$700 - \$800, \$1400 for the counter and labour to install the floor tile in the old kitchen area. This leaves an approximate balance of \$2,700.

Dave Bennett was present and advised that \$4,000 worth of drywall was donated for a cost of \$400. Volunteers painted the storage room which was not in the original plan.

Councillor Kingsbury asked if this \$2700 could be applied to the reimbursement amount. He said the request needs to be paid. Marshalls deserve the money. The fundraising committee has accepted the need to fundraise this additional amount. The amount to be reimbursed isn't to be paid by tax dollars.

Councillor Whyte said all Council Members voted to submit the grant application. We left a meeting with our Member of Parliament convinced to proceed. We all agreed that the project would cost more than the \$100,000 project total reported in the grant application. A lot of volunteers were used to save project costs. Extra cost for heating the expansion put stress on the budget. We all had concerns about manpower and costs. Mr. Bennett was under an enormous stress to complete the project on time. All eyes were on the March 31 deadline. The deadline was met. The stage is an extra. In the end we have an addition that has been nicely done. Feels we need to pay Marshalls.

Councillor Campbell said he has nothing against volunteers. We had a checklist of items that had to be completed to receive the grant. At one time we were reminded we had to proceed to ensure we received future grants. Everyone worked harder than they probably anticipated. When we ran out of volunteer time we started to generate a cost which we should have been aware of. How does our Procurement By-law permit this payment? He said he is not saying work shouldn't have been done, but now we are asked to write a cheque. He knew a lot of the "volunteers" were from Marshalls. Disappointed that this wasn't raised at the weekly meetings when we could have planned for it or get more volunteers. This request leaves him in a bad situation. Not that they shouldn't be paid, but how and where does the money come from. The Procurement By-law sets out limits on the type of tenders. Needs to do background based on numbers that make sense. He said he wants to see a final number, a breakdown and how the by-law permits this to be paid.

Councillor Kingsbury referred to the CAO/Clerk's report on his review of the Procurement By-law.

Councillor Larone said his comments and concerns were raised at the April 11 Committee of the Whole Meeting. Numerous people have offered positive comments on the expansion project. This is positive for the people who volunteered. It was disappointing that some people's commitments never came through. Noted that Council Members and staff members are donating through payroll deductions. The expansion benefits future fundraising and new activities. Mr. Bennett has lots of building knowledge. At end of the day there were lots of opportunities to step forward when the project was costing more money. He didn't want rumours that Council didn't support the project. Mr. Bennett should have come forward and advised Council. We asked for a schedule of volunteers and project timelines so we would not be in this position. The issue is how do we pay the reimbursement request with our procurement by-law. But how do we make it possible. If we only knew ahead. He had no knowledge of this issue.

Mayor Eady said Council is always watched closely. Our website is reviewed. We have been taken to Freedom of Information at the start of the term. He feels like Councillor Whyte that the work is done, Marshalls should be paid. He said he would like legal advice on the CAO/Clerk's report on the procurement by-law. He suggested that this could be done this week and hope the opinion would be positive. We would then have to sit down to make a decision.

Councillor Kingsbury asked what the cost could be for a legal opinion. The CAO/Clerk said it could be between \$200 and \$500 but he really didn't have any knowledge on what the cost would be.

Councillor Larone said he agreed with Mayor Eady. He would feel comfortable if there was a legal opinion.

Councillor Campbell said he needed to digest this and know if paying the request was the right thing. When he saw all the people working hard he assumed they were all volunteers. We need to know what our by-law permits. If spending up to \$500 keeps us in good graces of the township, this is what we need to do. If we knew sooner we could have resolved the issue differently – maybe even a quote to finish. He acknowledged that this is a net cost not a profit cost. It could have made it easier for the township to deal with situation. It didn't happen overnight. Spending on a legal opinion in a timely fashion will assist.

Mayor Eady reviewed the 4 points the CAO/Clerk set out in his report. We need to get reassurance his work is accurate.

Councillor Kingsbury asked Mr. Bennett for input on all the points of discussion. Mr. Bennett said the \$23,481.99 is to pay the guys. He didn't charge for equipment they used or profit. He said he listened to the Council Members

comments and accepts he didn't do everything right. He spoke with the CAO/Clerk. We went out on the limb to secure the drywall. No meetings were held once the Councillor holidays started in February. He was down to the wire on how to move forward on the project. You can say he did it wrong, but at the time he was faced with the March 31 construction deadline. This meant that \$33,000 in grant dollars was out the door. Some volunteers came and some didn't. This was out of his control. He had to make something fit to complete the work.

Councillor Larone recognized that Mr. Bennett was the Chair of the Building Committee but at some time during the weekly meetings it should have been raised and discussed. He knows that what Mr. Bennett has personally put into the project. Wanted the paper work.

Dave Bennett said this is where they differ. This money has been agreed to be fundraised and part of the fundraising group is he and his guys. He has found himself too deep into the project and finding it difficult financially.

Councillor Larone said that Council is not saying they won't pay but want to find out how they can do it.

Councillor Whyte said the fundraising group has already raised \$23,000 of their goal. The Township is carrying the shortfall with cash flow. Can we not go ahead and reimburse Marshalls and get a legal comment? We have completed the project and spent the money. None of us did this right, we all share part of the blame.

Councillor Campbell said he understood Councillor Whyte's suggestion, but wants to make sure it is done correctly. If a legal opinion is positive this confirms it is right to do.

Mayor Eady said whatever Council decides to do it could be moved ahead as fast as possible. We will immediately sign a cheque if the legal opinion is positive.

Councillor Kingsbury suggested that Council consider a motion that would seek a legal opinion but also authorize the reimbursement if the opinion is positive without coming back to Council. He presented the following motion:

Moved by Bob Kingsbury

Seconded by Margaret Whyte

That subject to favourable legal opinion, Council agrees to reimburse Marshall's for \$23,481.99 of their payroll costs in providing labour and skilled trades to complete the Community Centre Expansion project after the anticipated and promised volunteers failed to materialize in total.

Discussion

Councillor Larone said he would like to review the legal opinion before he votes on the motion.

Councillor Campbell asked if there is any way we could see savings in the project. Councillor Larone said he didn't know what savings are.

Mayor Eady offered to not sign the cheque until every Council Member knows the legal opinion but if the opinion comes back favourable who would not support. Councillor Kingsbury suggested email notification was fine.

Councillor Larone said this is forcing him to vote now before we have the legal opinion.

Councillor Campbell said legal opinions are not always cut and dried.

Mayor Eady said he reviewed the CAO/Clerk's report. He noted that the Township is ultimately responsible for the Fundraising Committee's commitment.

Councillor Campbell said he wants to read the opinion in full before he makes a decision on payment. Mayor Eady asked if everything comes back favourable, a special meeting could be called if requested by a Council Member, otherwise the payment can be made.

Councillor Larone said if he doesn't have an opportunity to review the legal opinion before he votes on the reimbursement request it will put him in a position to vote against this resolution.

Mayor Eady called for the vote.

Motion defeated.

Councillors Kingsbury and Whyte for.
Councillors Campbell and Larone and Mayor Eady against.

Mayor Eady said that now that he has listened to all discussion he believes the cleanest method is to wait until a legal opinion is received and call a Special Council Meeting.

Moved by Jamey Larone
Seconded by Glen Campbell

Resolution No. 2014-131

That Council seek a legal opinion on the CAO/Clerk's report on the Procurement By-law, and Council agrees to hold a Special Council Meeting once the opinion is received.

Discussion

Councillor Campbell said this is not a win or lose. It is not us against them. He wants everyone in the room to understand that everything is done in proper order. Represents all taxpayers. He has a chance to review the opinion.

Mayor Eady called for the vote.

Carried on Division.

Opposed Councillor Kingsbury.

4. COMMUNITY CENTRE STAGE PROJECT

- Reimburse Marshalls for labour, fuel and materials to remove stage and relocate it in the Horton Community Centre and fund purchase and installation costs.

Mayor Eady informed Council Members that the cost of this used stage was never part of the building expansion budget and supports Marshall being reimbursed for their costs.

Councillor Kingsbury noted that the costs to date are \$7,906.40

Councillor Larone asked for a breakdown of the Marshall costs. Dave Bennett reviewed the costs of \$4,363.70 net. Councillor Campbell said he saw the breakdown and is satisfied. Councillor Whyte said she is good with project costs. Councillor Larone said the purchase, removal and setup of the stage in the Community Centre is a good deal for Horton. Kudos to Councillor Campbell for finding the stage in the former school in Deep River and to Dave Bennett and volunteers for removing and reinstalling it.

Moved by Glen Campbell
Seconded by Margaret Whyte

Resolution No. 2014-132

That Council approves the purchase, transportation and the costs to refit/refinish a used stage and the costs be financed from Lot Development Funds and the Recreation Reserve.

That the firm Marshalls be engaged for the transportation and refit/refinish of the stage and be reimbursed for labour and fuel. Further, Lockwood's/Castle Building Store shall be reimbursed for material costs.

Carried

6. CONFIRMING BY-LAW 2014-27

Moved by Glen Campbell
Seconded by Jamey Larone

Resolution No. 2014-133

That Council enacts and passes the following by-law:

- By-law No. 2014-27 – Confirming By-law.

Carried

7. ADJOURNMENT

Moved by Bob Kingsbury
Seconded by Margaret Whyte

Resolution No. 2014-134

That Council adjourns this Special Meeting at 6:31 p.m.

Carried

MAYOR

CAO/Clerk