

THE CORPORATION OF THE TOWNSHIP OF HORTON

Special Meeting at the Request of Dave Bennett

March 31, 2014

There was a Meeting held in the Municipal Council Chamber on Monday March 31, 2014, held at the request of Dave Bennett, Chair of the Community Centre Expansion Building Sub-Committee. Invited and in attendance were Mayor Don Eady, Councillor Robert Kingsbury and Councillor Glen Campbell. Staff present was Jennifer Barr, Treasurer and Mackie McLaren, CAO/Clerk. Also present with Mr. Bennett was Robert A. Johnston.

1. CALL TO ORDER

Mayor Eady called the Meeting to Order at 4:02 p.m.

2. DECLARATION OF PECUNIARY INTEREST

There was no declaration of pecuniary interest by Members of Council present or by Staff.

3. ADDITIONAL COSTS FOR THE EXPANSION PROJECT

Mr. Bennett informed the Members that he wished to review the costs that his company – Marshall's – had to put into the Community Centre Expansion Project and to see if there was an opportunity to reimburse some of his company's payroll expenses. He provided information showing his company put out payroll costs of \$23,481.99 for the project as of March 28th. He explained that this was necessary as the volunteer hours never reached the anticipated 700 hours. He presented a list of volunteers with hours that totals 546 hours.

Mr. Bennett informed the Members that in addition to these costs, his company has 128 hours into the stage removal and set up to date totaling \$3,253.21 in payroll costs plus fuel and supplies for the trucks used to move the stage at \$1,035.02. He noted that there is no charge for truck rental, just the company's out of pocket expenses. He suggested that there would be an additional \$2,000 of his payroll costs before the stage is complete.

Mr. Bennett requested consideration for reimbursement to offset some of his labour costs to help out his company as it was a lot more expensive to his company than he anticipated.

Jennifer Barr, Treasurer presented a reconciliation sheet for the project showing expenses and revenue to date on the expansion project. \$143,688.03 has been spent leaving a balance of \$13,910.67. The expenditures include approx. \$3,000 for the purchase of the stage which should be treated as a separate project as it was not part of the original construction plan.

Mr. Bennett said that he was caught by surprise as there were not enough volunteers. He tried twice to cut back his staff and both times the project stopped. He said he is only asking for the Township to cover the employee's wages, there is no request for profit.

Mayor Eady said that he has never run into this type of suggestion before. He is not aware how to deal with this request under the Township's Procurement By-law. He will rely on a staff report and the issue will have to go to Council for any decision.

Councillor Kingsbury said this issue came up at the March Recreation Committee Meeting where there was a request that the Finance Committee consider this. He believes the blame for this situation lies with everyone, Council, staff and Mr.

Bennett as we should have had a “what if” scenario on what would happen if there was a lack of volunteer turnout. He requested a report from staff on the matter.

The CAO/Clerk offered to review the Procurement By-law and report if there was or was not a procedure in the policy to follow for this request and report back at a future meeting. Mayor Eady said he would want this report to be presented at the Committee of the Whole Meeting scheduled for April 11 when Council is reviewing the draft budget.

Councillor Campbell said he was surprised when he read the recommendation in the Recreation Committee Minutes. He would have expected that this request would have been discussed during one of the weekly Building Committee Meetings. He said he understands and accepts that the stage costs are not part of the original expansion budget.

Mayor Eady asked if we have done more work over and above what was needed by the original plan. Robert A. Johnston said the works have to be completed by March 31. Without Marshalls extra work we never would have completed the work with the volunteer labour that came out and we would have had to return the \$33,000 grant. Councillor Campbell asked how much over material and over labour was there.

Jennifer Barr, Treasurer said that the CAO/Clerk asked her to prepare a repayment scenario “as if” we added \$30,000 (a purely hypothetical number) to this project repayment work sheets. She said it adds 1 year payment which is doable, but the issue is satisfying the requirements of the Procurement By-law.

Councillor Kingsbury said part of the issue was that the majority of the volunteers were older and not young enough to handle the heavier lifting.

Mayor Eady asked if the fundraising sub-committee was willing to add 1 more year to the repayment schedule. Councillor Kingsbury said the suggestion to reimburse the payroll costs came from the volunteers so he raised it at the last Recreation Meeting where the Members requested Finance Committee consideration. Ms. Barr added that there is only \$5,000 budgeted for annual payback so that number should be easy to reach each year.

Councillor Campbell asked what the total project cost was and where we are at today. Jennifer Barr reviewed the project budget sheets presented at the start of the meeting. She said that Council approved a \$157,599 project. \$143,688.03 has been spent to date which includes \$3,052.80 for the stage that wasn't part of the original budget. Dave Bennett said that the remainder of the budget includes the furnace and the serving counter area. Councillor Campbell asked if heating was in the original quote. Dave Bennett said \$12,500 was in and we have spent \$1,600 to date putting in the in-floor heating tubes leaving \$10,900 in the budget for the furnace.

Jennifer Barr estimated with the remaining costs and the extra costs for payroll could amount to \$30,000 when the remaining budget is approximately \$16,910. Councillor Campbell asked again if it was material or labour that we are over. Dave Bennett said what we are over is labour incurred by Marshalls when the some of the volunteers didn't show up. He noted that there was some labour to complete the mud and taping and plumbing that wasn't in the original budget.

Mayor Eady said that the removal of the stage from the school in Deep River and setting it back up at the Community Centre is an extra. We didn't include it in the original budget as we were applying for a Trillium Grant for it, but we were not successful. The fall back was to use the current stage placed in the new stage area. We had a great opportunity to get this stage from the closed school. Jennifer Barr noted that there was a resolution to purchase the stage but not how it was to be funded.

Jennifer Barr said she is ready for a Committee of the Whole Meeting for budget review being held April 11. The Members recommended that Jennifer Barr and Mackie McLaren investigate the requirements of the Procurement By-law and recommend a source of funding for this shortfall and for funding the cost of the stage.

Dave Bennett said the stage cost \$3,000 to purchase, \$3,253.21 to remove and he estimates \$2,000 more in extra labour to set up. Jennifer Barr said she would have the report on the stage with a breakdown for tomorrow's Council Meeting. Mackie McLaren agreed to continue with the Procurement By-law review for the extra labour costs for the April 11 Meeting.

4. ADJOURNMENT

Mayor Eady declared the Meeting to be adjourned at 4:50 p.m.

MAYOR

COA/Clerk