

**The Corporation of the Township of Horton
PUBLIC WORKS COMMITTEE**

January 29, 2015

There was a meeting of the Public Works Committee held in the Municipal Council Chambers on Wednesday, January 29, 2015. Present were: Committee Members: Chair David Bennett, Vice-Chair Jamey Larone, Mayor Robert Kingsbury, Rick Lester and Murray Humphries. Staff: Janet Collins, Public Works Manager; Rod Eady, Public Works Superintendent and Jennifer Barr, Treasurer.

1. CALL TO ORDER

Chair Bennett called the meeting to order at 8:38 a.m.

2. DECLARATION OF PECUNIARY INTEREST

None.

3. APPROVE AGENDA

The following items were separated for individual discussion from the overall budget:

- Grader Purchase
- Ontario Community Infrastructure Fund (OCIF)

Moved by Jamey Larone, Seconded by Rick Lester

That the Public Works Committee approve the agenda for the January 29, 2015 meeting.

Carried

4. MINUTES

Minutes of the regular Committee Meeting held January 21, 2015 to be reviewed at the next regularly scheduled PWC meeting (date to be determined).

5. BUSINESS ARISING FROM MINUTES

None.

6. DELEGATIONS

None.

7. STAFF REPORTS / INFORMATION

The following two items were discussed under Staff Reports / Information as they were reports presented at the Finance Committee meeting held January 27, 2015 and directed to the Public Works Committee for further review and recommendation.

- Ontario Community Infrastructure Fund (OCIF)
- Grader Purchase.

GRADER PURCHASE

Chair Dave Bennett opened discussions indicating that staff attended Ray's Equipment Ltd. ("Ray's") to view a 2012 Volvo G940B Grader, and that we have been provided with a Matris Report completed by Strongco. Rod Eady then provided a brief overview of the physical and working condition of the subject grader.

Chair Bennett indicated that he will be the lead negotiator as he has dealt with this company on previous equipment purchases. He suggested that an initial offer be made of \$165,000.00 with the inclusion of two front tires, and delivery. Chair Bennett indicated that he has not paid a delivery fee

for past purchases from Ray's. He further indicated that his preference would be to continue to operate with three sand/plow trucks in the future and not purchase or harness the grader with a plow and/or wing.

Vice-Chair Larone asked for information related to hours of operation and grading practices. Rod Eady indicated that we put approximately 350 hours a year on the grader, most being summer grading. In past we were about 300 hours, however now we grade end to end and don't 'spot' grade anymore. The 1992 Champion Grader has about 15,000 hours on it at the present time and is valued at about \$20,000.00. Janet Collins indicated that 'spot' grading is undertaken after significant or severe storms in order to remediate locations like Humphries Road hills that have severe washouts. Rod Eady further indicated that a new grader requires oiling every 300 hours until it reaches about 2,000 hours after which, it needs oiling every 100 hours ±. Dave Bennett indicated that our savings, by buying from Ray's vs. another dealer such as Stronco is between 45,000-\$60,000. Janet Collins indicated that Peter Vokey, Ray's Salesman estimated a savings of approximately \$90,000 from purchasing new.

After discussion the following motion was put forth:

Moved by Murray Humphries, Seconded by Rick Lester

THAT the Public Works committee recommends that Council makes an offer to Ray's Equipment Ltd., pending the mechanics review, for the purchase of a 2012 Volvo G940B to an upset limit of \$175,000.00.

Carried

ONTARIO COMMUNITY INFRASTRUCTURE FUND (OCIF)

Jennifer Barr, Treasurer, indicated that the Township was only successful in obtaining the 'formula grant' for \$25,000.00 for the next three years. She indicated that we must pick a project and provide our application information by March 31, 2015 to OCIF.

Chair Bennett asked what would happen if we did not use the grant amount. Ms. Barr indicated that we would likely lose it. She then proceeded to inform the Committee on where the funds could be directed. It was clearly indicated that labour was not a permitted expenditure. Generally the Committee agreed that the funds should go towards Thomson Road and put forth a motion accordingly.

Moved by Rick Lester, Seconded by Murray Humphries

THAT the Public Works Committee recommends that Council complete the Ontario Community Infrastructure Fund (OCIF) Funding Application, Schedule 'A', for work to be undertaken on Thomson Road.

Carried

8. REVENUE & EXPENDITURE REPORTS

None.

9. OUTSTANDING BUSINESS

Outstanding business included Budget Deliberations from the January 21, 2015 Public Works Committee meeting.

OPERATING / CAPITAL BUDGET

PW Manpower

Chair Bennett indicated that there was a need to increase the work force within the Public Works Department. A memo, prepared by Janet Collins, was provided to each member of the Committee. This memo indicated,

based on the 2014 salary grid, that the cost for one full time Driver/Operator (Grade 3, Step 5), including salary, benefits and overtime is approximately \$75,600.00 per year.

The ensuing discussion included a request for additional information and implications related to:

- Level of hire savings (i.e. what step in grade)
- Labour vs. Driver/Operator
- Casual, Part-time, Full Time, Seasonal (i.e. full time incl. benefits at step 5 ~ \$35.00/hour vs. Part-time no benefits ~ \$24.00/hour)
- Existing funding within operating budget (i.e. casual work budgeted at 200 hours per annum)
- Distribution of work (i.e. gravel, brushing, winter maintenance, etc.)
- Impact on taxation (i.e. \$18,000-20,000 is a 1% levy increase, therefore a full time position would be a 4-5% levy increase).

Chair Bennett indicated that he, in conjunction with staff, will prepare additional information related to a proposed position.

2015 Working Budget Sheet

Jennifer Barr provided a quick review and noted that by taking the estimated \$6,000.00 for a Vehicle Exhaust System for the Garage from equipment reserves, and taking a \$1,000.00 from the Asset Management Reserve, we have reduced the increase to \$647.00 which was generally acceptable to all Committee Members.

Of note during the discussions:

- The Vehicle Exhaust System for the Garage should be reviewed in relation to the Ministry of Labour requirements to ensure that a satisfactory system is purchased at a nominal cost (i.e. tight fitting hose exhaust through door).
- Building maintenance line includes a number of items outlined in the asset management plan to be completed (i.e. stair railing, lighting, etc.). It was agreed that J. Barr and J. Collins would determine what maintenance fits within the asset management plan recommendations, general ongoing maintenance and the approved budget. Other items not completed in 2015 will be reviewed again in 2016.
- Mayor Bob Kingsbury indicated that the Township will be starting the 2016 budget in September 2015 with intent to have it finalized by December 2015.

Thomson Road

It was generally agreed by all persons in attendance that work needs to commence on Thomson Road. Chair Bennett suggested that 3 cross culverts be replaced, including granulars and resurfacing from River Road to 100 feet north of Early Road. Upon question he indicated that we do not have a figure for this work.

Murray Humphries suggested that we look into the deep culverts as these may become an emergency due to washout. Chair Bennett indicated that he has not visually reviewed the culvert conditions. He further indicated that in his opinion Thomson Road will be a project undertaken over the entire term (length) of this Council.

Jennifer Barr provided a brief review of potential funding, as follows:

1.	Reserves	\$26,000
2.	Gas	\$134,000
3.	OCIF	\$25,000
4.	9% Development Charges	\$18,000
	Sub-TOTAL	\$203,000
5.	1% levy increase	\$18,000
	TOTAL	\$221,000

Rick Lester asked if this Council was open to debenture /borrow funds as the present interest rates are very low. Jamey Larone indicated that he could not support a 20 year debenture until he knows the direction of the Federal & Provincial Governments in relation to infrastructure funding. Dave Bennett indicated that he was not supportive of borrowing, but did suggest that another source of funding for Thomson Road could come from the gravel program. Bob Kingsbury indicated that he would not support taking funds from the gravel program.

Janet Collins indicated that her recommendation to undertake an engineering design had not changed from the onset of this project. She feels that the engineering design will provide numerous benefits including required studies, permits, design elevations, grades, culvert size, and would further provide information that will permit the Township to make informed decisions to phase the project and budget using quality estimated construction costs.

The Committee suggested that \$200,000 be placed in the 10 yr. Capital Plan in 2015 for Thomson Road with the remainder of the balance being deferred to 2016.

10 YEAR CAPITAL FORECAST

A review of the 10 Year Capital Forecast was undertaken. Public Works Buildings and Fleet were reviewed for the entire 10 year cycle being 2015-2024. Due to meeting time constraints, the Roads section of the 10 Year Capital Forecast was only reviewed in relation to 2015.

The following is a summary of the review:

- Bob Kingsbury indicated that the Septage Spreader and Tractor Discbine “used” may be required if/when the Provincial Government forces septage treatment prior to field spreading.
- Dave Bennett recommended we leave the \$45,000.00 in for a new $\frac{3}{4}$ ton however; he would like a mechanical review of the truck and suggested that it may provide an additional 4 year life to the Township with an estimated \$6,000.00 investment. The review should be completed and a recommendation made to the Committee prior to a new purchase. Chair Bennett further indicated that he would like to look at changing the life cycle for all equipment and fleet.
- The backhoe is slated for replacement with a used backhoe in 2017 at an estimated cost of \$70,000. A new backhoe is estimated to cost \$125,000-\$130,000. It was suggested that a review regarding the size of backhoe and the size of bucket be undertaken prior to replacement.
- The excavator is listed in the 10 year however it does not have a life cycle replacement year or value attached to it. It was recommended that a report be returned to the Committee outlining the hours, date of purchase, purchase/existing/replacement values, etc.
- The Townships trailer is ‘homemade’. Dave Bennett indicated that we should check new legislation regarding the trailer and its ‘legal’ status. It is understood that new legislation came out January 1, 2015 regarding trailers.
- All 2015 roads projects noted on the 10 Year Capital Forecast, with the exception of Thomson Road which was reduced from \$570,000 to \$200,000, was reallocated to 2016.
- Jennifer Barr noted that discussions and decisions do not appear to have regard for the Roads Needs Study or the Asset Management Plan which were completed at a significant cost to the Township. She indicated that although we know not all the work can be completed as recommended, we cannot continue to randomly select projects. They should be based on the adopted asset management plan as directed by the Province.

- Staff suggested that the Committee select the road(s) to be completed under the gravel program for 2015. The Committee discussed several options however the Committee did not put forth a motion.

BY-LAW 2014-25, SCHEDULE "H" TRANSPORTATION FEES

A review of Schedule "H", Transportation Fees was completed. The equipment rates was raised as a concern, however it was noted that these rates do not include the operator, which is above and beyond.

Upon question, staff indicated how fees are presently charged by using the example of a request to dispose contaminated soil. Following the example, it was determined that the Township may benefit by including both an emergency rate and a rate for outside of regular hours. The following motion was put forth:

Moved by Rick Lester, Seconded by Murray Humphries

THAT the Public Works Committee recommends that Council revise Schedule "H" to By-Law 2014-25, Transportation Fees to include:

- (a) A definition of *Emergency*,
- (b) An emergency rate that is three (3) times the regular rate,
- (c) A definition of *Regular Hours*, and
- (d) A rate for services outside of regular hours that is two (2) times the regular rate.

Carried

10. CORRESPONDENCE
None.

13. OTHER BUSINESS
None.

14. NEXT MEETING
Public Works Committee meeting will be held on Friday, February 13, 2015 at 8:30 a.m. in the Municipal Council Chambers.

15. ADJOURNMENT
The meeting was adjourned at 11:05 a.m.

Moved by Rick Lester, Seconded by Jamey Larone

That the Public Works Committee meeting be adjourned at 11:05 a.m.

Carried.

CHAIR: Dave Bennett

RECORDED BY: Janet Collins