



COUNCIL MEETING AGENDA

**Tuesday, May 7, 2019
7:00 P.M.**

COUNCIL CHAMBERS – CIVIC SQUARE

- 1. COMMITTEE-OF-THE-WHOLE (IN-CAMERA) (5:00 p.m.)
(See yellow tab)**
 - Education or training sessions:
 - *Harold Elston, Integrity Commissioner - Legislative Procedures.*
 - Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board:
 - *Welland Tennis Club.*
 - Proposed or pending acquisition or disposition of land by the municipality or local board:
 - *Construction of Fire Station #2.*
 - Personal matters about an identifiable individual, including municipal or local board employees:
 - *Non union vacancy.*

- 2. ARISE FROM COMMITTEE-OF-THE-WHOLE (IN-CAMERA) (6:55 p.m.)**

- 3. OPEN COUNCIL MEETING (7:00 p.m.)**
 - 3.1 NATIONAL ANTHEM**
 - 3.2 OPENING REMARKS**
 - 3.3 ADDITIONS/DELETIONS TO AGENDA**
 - 3.4 ADOPTION OF MINUTES**

Regular Council Meeting of April 16, 2019 and Special Council Meeting of April 23, 2019 (*Previously Distributed*).
 - 3.5 CALL UPON THE CITY CLERK TO REVIEW COMMITTEE-OF-THE-WHOLE ITEMS (IN-CAMERA) TO BE ADDED TO BLOCK**
 - 3.6 DISCLOSURES OF INTEREST**
 - 3.7 COUNCILLORS TO DETERMINE AGENDA ITEMS AND BY-LAWS TO BE REMOVED FROM BLOCK FOR DISCUSSION IN COMMITTEE-OF-THE-WHOLE (OPEN) (See pink tab)**



COUNCIL MEETING AGENDA – Page 2

Tuesday, May 7, 2019

7:00 P.M.

COUNCIL CHAMBERS – CIVIC SQUARE

4. ORAL REPORTS AND DELEGATIONS

4.1 PRESENTATION(S) - Nil

4.2 DELEGATION(S) (maximum 5/10/5 policy)

06-75 Derek Ali and John Murphy, DFA Infrastructure re: Development Charges background study.

4.3 AGENCIES, BOARDS, COMMISSIONS AND COMMITTEES REPORT(S) - Nil

4.4 LEGISLATED PUBLIC HEARINGS/MEETINGS - Nil

5. COMMITTEE-OF-THE-WHOLE (OPEN) (to discuss items removed from Agenda Block)

6. BY-LAWS (SEE AGENDA INDEX)

7. NOTICES OF MOTION

7.1 Councillor matters discussed with staff for reporting purposes

7.2 Notices of Motion (previously submitted for discussion)

Councillor Van Vliet

18-43 THAT THE COUNCIL OF THE CITY OF WELLAND rescinds By-law 2018-46; and further THAT Welland City Council requests that staff be instructed to come back with an Election Sign By-law that is enforceable as the current By-law is not enforceable.

Councillor Chiochio

02-160 THAT THE COUNCIL OF THE CITY OF WELLAND re-establishes Council's corner to its former format prior to April 2017 to allow Councillors to communicate with the public about events and special activities in their wards and the City at the end of Council meetings.

7.3 Call for Notices of Motion (for introduction at the next scheduled Council meeting)



COUNCIL MEETING AGENDA – Page 3

Tuesday, May 7, 2019

7:00 P.M.

COUNCIL CHAMBERS – CIVIC SQUARE

8. CORPORATION REPORTS

8.1 Mayor's Report

8.2 Chief Administrative Officer's Report

9. CONFIRMATORY BY-LAW

A By-law to adopt, ratify and confirm proceedings of the Council of the Corporation of the City of Welland at its meeting held on the 7th day of May, 2019. Ref. No. 19-1

10. ADJOURNMENT



COUNCIL MEETING AGENDA INDEX

Tuesday, May 7, 2019

7:00 P.M.

COUNCIL CHAMBERS – CIVIC SQUARE

Page No.

AGENDA BLOCK

1. **BUSINESS ARISING FROM MINUTES, PREVIOUS MEETINGS AND OTHER ITEMS REFERRED FROM COUNCIL FOR DISCUSSION - Nil**

2. **COMMITTEE AND STAFF REPORTS**
 1. **Business Arising from Committee-of-the-Whole (closed)**
 - 1 2. **General Committee Report to Council - April 23, 2019**
 3. **Budget Review Committee Report to Council - Nil**
 4. **Staff Reports**

- 2 - 4 **CAO-2019-03** Chief Administrative Officer, G. Long, Gen. Mgr., Corporate Services, Chief Financial Officer/Treasurer, S. Zorbas and Fire Chief, Fire & Emergency Services, B. Kennedy - Construction of Fire Station #2. Ref. No. 19-15

- 5 - 8 **FIN-2019-11** Gen. Mgr., Corporate Services, Chief Financial Officer/Treasurer, S. Zorbas - Appointment of External Project Manager for Oversight of Design and Construction of Fire Hall #1 and Firehall #2. Ref. No. 19-15

- 9 - 11 **FIN-2019-10** Gen. Mgr., Corporate Services, Chief Financial Officer/Treasurer, S. Zorbas - Supply and Delivery of Compact Sweeper with Suction Hose Attachment. Ref. No. 19-46

- 12 - 17 **R&C-2019-06** Gen. Mgr., Corporate Services, Chief Financial Officer/Treasurer, S. Zorbas - Community Boathouse update report. Ref. No. 99-99

- 18 - 20 **P&B-2019-20** Gen. Mgr., Infrastructure and Development Services/City Engineer, E. Nickel - Community Improvement Plan Incentive Applications - Quarterly Summary Report for First Quarter of 2019. Ref. No. 03-133/11-108



COUNCIL MEETING AGENDA INDEX – Page 2

Tuesday, May 7, 2019

7:00 P.M.

COUNCIL CHAMBERS – CIVIC SQUARE

Page No.

- 21 - 30** **TRAF-2019-06** Gen. Mgr., Infrastructure and Development Services/City Engineer, E. Nickel - Region Traffic Signal Maintenance Agreement. Ref. No. 19-22
- 31 - 32** **TRAF-2019-07** Gen. Mgr., Infrastructure and Development Services/City Engineer, E. Nickel - Update to Exotic Animal By-law 7540. Ref. No. 06-156 (See By-law 1)
- 33 - 36** **TRAF-2019-08** Gen. Mgr., Infrastructure and Development Services/City Engineer, E. Nickel - Residential Rodent Control Rebate Program. Ref. No. 18-22
- 37 - 41** **ENG-2019-17** Gen. Mgr., Infrastructure and Development Services/City Engineer, E. Nickel - Edgar/Elgin Sewer Separation (Phase 2) Church Street, Fell Street, Highland Gardens, Shotwell Street, Elgin Street and Merrit Street. Ref. No. 17-53 (See By-law 2)
- 42** **CLK-2019-11** Gen. Mgr., Human Resources and Legislative Services, R. Mantesso - Lottery License. Ref. No. 19-3

3. NEW BUSINESS

- 43 - 48** 1. Ann-Marie Norio, Regional Clerk, Niagara Region re: Report PDS 17-2019: Niagara Housing Statement: Affordable Housing Data. Ref. No. 10-130

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information the correspondence from the Region of Niagara dated April 29, 2019 regarding Report PDS 17-2019: Niagara Housing Statement: Affordable Housing Data.

- 49 - 63** 2. Ann-Marie Norio, Regional Clerk, Niagara Region re: Report CSD 16-2019: 2019 Property Tax Policy, Ratios and Rates. Ref. No. 19-4

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information the correspondence from the Region of Niagara dated April 29, 2019 regarding Report CSD 16-2019: 2019 Property Tax Policy, Ratios and Rates.

A complete copy of Report PDS 4-2019 including Appendices can be found electronically at:

<https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=02e3296d-e1bb-4ff9-a44f-0868b388bc9d&Agenda=Agenda&lang=English&Item=12>



COUNCIL MEETING AGENDA INDEX – Page 3

Tuesday, May 7, 2019

7:00 P.M.

COUNCIL CHAMBERS – CIVIC SQUARE

Page No.

- 64 - 78** 3. Ann-Marie Norio, Regional Clerk, Niagara Region re: Report CSD 29-2019: Bill 142 - Construction Lien Amendment Act, 2017. Ref. No. 19-73

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information the correspondence from the Region of Niagara dated April 29, 2019 regarding Report CSD 29-2019: Bill 142 - Construction Lien Amendment Act, 2017.

- 79** 4. Starr Valentino founder of Do Something Good For Your Neighbor Day re: Request to declare May 16, 2019 as “Do Something Good For Your Neighbor Day”. Ref. No. 19-6

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND declares May 16, 2019 as “National Day of Mourning” in the City of Welland.

- 80** 5. Penny Morningstar, General Manager-Curator, Welland Museum re: Request to declare the month of May as “Museum month”. Ref. No. 19-6

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND declares the month of May as “Museum month” in the City of Welland.

4. BY-LAWS

MAY BE VIEWED IN THE CLERK’S DIVISION PRIOR TO THE MEETING IF DESIRED.

1. A By-law to amend By-law 1982-7540, being a By-law regarding the keeping of any kind of exotic or non-domestic animal in the City of Welland. Ref. No. 06-156
(See Report TRAF-2019-07)
2. A By-law to authorize entering into contract with Provincial Construction Ltd. for the Edgar/Elgin Sewer Separation (Phase 2) Church Street, Fell Street, Highland Gardens, Shotwell Street, Elgin Street and Merritt Street; and to amend By-law 2017-57 by extending the contract with GHD Limited. Ref. No. 17-53
(See Report ENG-2019-17)

GENERAL COMMITTEE REPORT TO COUNCIL

On Tuesday, April 23, 2019, the General Committee met with the following members in attendance: Chair, J. Larouche, F. Campion, J. Chiocchio (until 8:17 p.m.), B. Green, D. McLeod, A. Moote, C. Richard, G. Speck, L. Spinosa and L. Van Vliet.

The General Committee recommends Council approval on the following matters:

99-110

THAT THE GENERAL COMMITTEE receives for information and refer to staff for a report back to General Committee the presentation by Terry Hughes, resident, regarding naming the trails along the waterway.

Respectfully submitted,



CARMELA RADICE
Deputy Clerk

COUNCIL
OFFICE OF THE CAO

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

REPORT CAO-2019-03
MAY 7, 2019

19-15

SUBJECT: CONSTRUCTION OF FIRE STATION #2

AUTHORS: GARY LONG, CAO

**STEVE ZORBAS, CPA, CMA, B.Comm, DPA,
GENERAL MANAGER, CORPORATE SERVICES, CHIEF FINANCIAL
OFFICER/TREASURER**

**BRIAN KENNEDY, CEMC, CFEI, CMMIII
FIRE CHIEF, FIRE & EMERGENCY SERVICES**

RECOMMENDATIONS:

THAT THE COUNCIL OF THE CITY OF WELLAND approves the construction of Fire Station #2, as outlined in the City's approved 10-year Capital Budget Forecast; and further

THAT Welland City Council approves the financing of this project (\$3.5 million) from the one-time doubling of the Federal Gas Tax payment in 2019 and sale of land proceeds; and further

THAT Welland City Council directs staff to consolidate and simultaneously issue the tenders for the Fire Headquarters and Training Centre with Fire Station #2.

ORIGIN AND BACKGROUND:

An independent Building Condition Assessment of the City's Fire Stations was completed by CGI Group Inc. in 2016. These thorough evaluations outlined the deteriorating condition of each station as well as the short-term and long-term expenditures required to maintain minimum building standards as well as the significant capital costs required to address these deficiencies.

According to this report, the City's Fire Department Headquarters (HQ) located on King Street, requires many repairs, the estimated value for the immediate repairs, expressed in 2016 values are: 2017 - \$229,000; 2018 - \$702,000; 2019 - \$1,039,980; 2020 - \$29,500; 2021 - \$34,200; 2022 - \$232,500 for a 5 year total of \$2,267,180. Of these identified needs, only three (3) projects have been completed to date, for an approximate total of \$125,000 with an additional \$50,000 budgeted for urgent roof repairs.

As per the current Fire Station replacement strategy, the majority of equipment and administrative staff at the current King Street Fire Station will be relocated to the new HQ on East Main Street and the King Street Fire Station will continue to house emergency response staff. There is an opportunity along with compelling reasons to accelerate the timelines of the construction of Fire Station #2.

COMMENTS AND ANALYSIS:

Firstly, with budget approvals in place and the planning and preliminary design work underway for the new Fire HQ and Training Centre, now is the time to take advantage of potential opportunities for synergies and cost savings by having the external project manager, architect, and the skilled trades work on both projects concurrently.

Secondly, staff have identified a parcel of City owned land, behind the current King Street Fire Station, that will accommodate the new Fire Station (Station #2). Therefore, there are no land acquisition costs helping to minimize the overall total project costs.

Thirdly, the construction of Fire Station #2 aligns with the vision for the City's Fire Hall replacement strategy involving the consolidation of the five existing stations and constructing three new Fire Stations in key locations in the City, ensuring the most advantageous response times as the City grows in population and expands with new commercial and industrial investments. Also, Fire Station #2 is already included as part of the approved 10 year capital plan for the City.

Fourthly, demolishing the current station located at King Street sooner rather than later, and constructing a new Fire Station, is in the best interests of Firefighter safety, equipment placement, and apparatus housing. Prolonging the life of the current Fire Station through temporary fixes and a "band aid" solution is not a prudent use of public funds, and would not provide for the optimized workplace for firefighters and currently limits assembly and response times.

Fifthly, a new Fire Station #2 with a streamlined layout and design, will improve response times in the south end of the City including Dain City. A new building will also assist with the ongoing revitalization of King Street complementing private and public sectors investments that have already begun.

Finally, it's also important to look at this recommendation in the context of the City's Asset Management Plan that is used to help guide investment decisions. While the City has made investments in roads, sidewalks, parks, sporting venues and underground infrastructure, an area requiring more investment is our public facilities including our Fire Stations, as confirmed by the independent Building Condition Assessment report and the City's Asset Management Plan.

FINANCIAL CONSIDERATIONS:

We estimate the cost for construction of Fire Station #2 to be \$3 million, plus \$500,000 for contingencies, for a total project cost of \$3.5 million. This figure includes the demolition cost of the existing Fire Station on King Street. It is recommended that the special one-time doubling of the City's Federal Gas Tax payment totalling \$1.5 million in 2019, plus \$2 million from land proceeds, be used to finance this project. This financing strategy utilizes funds from other levels of government and the sale of land proceeds, rather than financing from debentures or the tax rate. While the City is in a position to self-finance this project, staff will pursue energy efficiency and net zero construction grants from the Federation of Canadian Municipalities (FCM) as staff are currently working with FCM on potential grants and low cost loan opportunities for the new Fire HQ.

OTHER DEPARTMENT IMPLICATIONS:

A Project Steering Committee comprised of staff from Fire Services, Finance, Administration, Purchasing & Procurement, Economic Development, and Facilities was created to oversee the

redevelopment of the East Main Street property and to work with the external project manager on the construction of the new Fire HQ and Training Centre. There are efficiencies and project synergies in having this Committee work closely with the external project manager on overseeing the design and construction of Fire Station #2 at the same time.

SUMMARY AND CONCLUSION:

It is recommended that Council moves forward with the early approval of the process to design and construct Fire Station #2 in 2019. This project is currently planned and budgeted for in 2020 as part of the City's approved 10-year Capital Budget forecast. By accelerating the timelines of this project by one year, the City will realize increased savings from project management, design, and construction costs as both Fire Station #1 and #2 will be tendered simultaneously.

Also, it is more prudent for the City to spend \$3.5 million on a new Fire Station on City-owned land, rather than spend \$2.2 million as outlined in the Building Condition Assessment Report, to address the deficiencies at the King Street Fire Hall as this building reached the end of its useful life many years ago and needs to be replaced. The construction of Fire Station #2 aligns with the City's Fire Hall Replacement Strategy designed to consolidate five (5) fire stations and build three (3) new fire stations in strategic locations to improve response times as the City continues to grow.

ATTACHMENTS:

N/A.

COUNCIL
CORPORATE SERVICES
FINANCE DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

19-15

REPORT FIN-2019-11
MAY 7, 2019

SUBJECT: APPOINTMENT OF EXTERNAL PROJECT MANAGER FOR OVERSIGHT OF DESIGN AND CONSTRUCTION OF FIRE HALL #1 AND FIREHALL #2

AUTHOR: ADAM BERES,
MANAGER OF FLEET, EQUIPMENT & PURCHASING

APPROVING G.M.: STEVE ZORBAS, CPA, CMA, B.Comm, DPA,
GENERAL MANAGER, CORPORATE SERVICES, CHIEF FINANCIAL OFFICER/TREASURER

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND recommends staff enter into an agreement with Mettko Ltd. for the provision of a Hybrid Delivery Model to manage, direct and oversee completion of the new Fire & Emergency Services Station #1; and further

THAT Welland City Council approves entering into a CCDC14 design – build stipulated contract for this project, and directs the City Clerk to prepare all necessary and appropriate by-laws to enter into a contract with Mettko Ltd.; and further

THAT Welland City Council directs staff to consolidate the work for the Fire Headquarters and Training Centre with Fire Station #2.

ORIGIN AND BACKGROUND:

A Project Steering Committee comprised of staff from Fire Services, Finance, Administration, Purchasing, Economic Development, and Facilities was created to oversee the redevelopment of the East Main Street property to shape the deliverables and establish expectations of the new Fire & Emergency Services Headquarters, Station #1 project structure.

In February 2019, the City released an RFP to retain the services of a project management firm to manage and oversee the construction of the new Fire & Emergency Services headquarters. The selected proponent would have the responsibility of managing the architectural firm (to be selected through competitive process) to ensure each deliverable is met. This proponent would liaise closely with City staff and keep the best interests of the City at the forefront throughout all stages of this project.

COMMENTS AND ANALYSIS:

Staff received and evaluated three responses to this opportunity. Each response contained background information of the proponent, including previously completed projects. During evaluation, it was deemed Mettko Ltd. demonstrated a superior project understanding with a portfolio of similarly completed projects of various budgets. Within the response, Mettko Ltd. illustrated their traditional project management skillset and qualifications, while introducing for consideration an innovative Hybrid Delivery Model approach, which the committee was interested in learning more about.

In March 2019, the team met with a project manager from Mettko Ltd. who explained more of the Hybrid Delivery Model, a process where much of the work is completed up front (design, tender, construction award) to develop solutions that provide multiple benefits and minimize waste and delay, and potential costly overruns or re-work.

Staff has concluded this model will offer improved certainty while significantly reducing the City's risk profile on the project, in addition to the oversight benefits of service consolidation.

Essentially, Mettko Ltd. becomes the liaison and holds the architectural, construction, and services firms to task to deliver the project on time and on budget.

The City still retains control in tendering the architectural and construction firm, however Mettko Ltd. will assist in the creation of the deliverables for each tender of Fire Station #1 and #2 while assisting with the evaluation of each proponent.

The mandate for Mettko Ltd. under this model will be to execute the work as design-builder, while remaining the sole source of the project responsibility for quality, cost control, commissioning of building, and delivering the completed project on schedule. Mettko Ltd. inherits the majority of the risk under this model.

Using this model, Mettko Ltd. and the City would enter into a CCDC14 design – build stipulated price contract.

This contract is a standard prime contract between the City and Mettko Ltd. where the design-builder provides the design services and performs the work under one agreement, for a single, pre-determined stipulated or fixed price. The City remains as payment certifier, authorizing payments when substantial complement has been met and as agreed.

FINANCIAL CONSIDERATION:

For comparison of the original project management deliverables, the City received the following responses:

Firm	Project Management Fee
Colliers Project Leaders	\$220,050.00
P2i Strategies Ltd.	\$170,300.00
Mettko Ltd.	\$172,800.00

By hiring a project management firm only, City staff would receive assistance in creating the project deliverables for the hiring of the architectural firm, contractor, and various trades; however,

all risk associated would be borne of the City with little leverage in holding the various hires to task throughout the life of the project.

As stated in CAO report CAO-2019-03, there is an opportunity, along with compelling reasons, to accelerate the timelines of construction of Fire Station #2 utilizing the Hybrid Delivery Model.

It promotes a cohesive approach for trades staff to work closely with the architectural firm to identify potential flaws that may hinder progress or add costs to the overall projects. This improved communication allows trades to be more productive resulting in greater savings within the quoting phase for each facility.

This model uses the overall project budget to predetermine non-construction costs in an effort to determine and make best use of the available funding for the actual construction of each facility. There are cost savings, construction efficiencies, and project synergies in having one external project management firm oversee the design/construction of both Fire Station #1 and #2 at the same time.

Staff have been successful in negotiating a "lower project management fee" for selecting the Hybrid model. Hiring "one" external project management firm will see the City realize significant cost savings for project management, a reduction from 5% to 4.5% of total project construction costs. In addition, cost savings will be realized for hiring an architectural firm to design both Stations #1 and #2 and lower construction costs will be realized by tendering both construction costs simultaneously.

As Mettko Ltd. essentially becomes the general contractor, there is not a need to pay a contractor who charges a similar, if not greater, fee.

Example of Hybrid Delivery Model fee structure:

	Overall Project Budget	PM Fee 1.8%	Design, Architectural Fee 8.5% Est.	*Soft Costs Non Const. 4.69% Est.	Actual Construction Budget	Hybrid Fee @ 5%	**Negotiated Fee 4.5%
Station #1	9,570,000	172,260	813,450	448,833	8,135,457	406,773	366,096
Station #2	3,000,000	54,000	255,000	140,700	2,550,300	127,515	114,764

*Soft costs include but are not limited to: Land surveyor, geotechnical investigation, environmental considerations, furniture, and fixtures.

**Hybrid GC fee for the work is based on actual construction budget, post soft costs.

OTHER DEPARTMENT IMPLICATIONS:

Consultations with the Project Steering Committee comprised of staff from Fire Services, Finance, Administration, Purchasing, Economic Development, and Facilities.

SUMMARY AND CONCLUSION:

It is recommended that Council approves entering into an agreement with Mettko Ltd. for the provision of a Hybrid Delivery Model to manage, direct, and oversee completion of the new Fire

& Emergency Services Station #1, and approves entering into a CCDC14 design – build stipulated contract for this project.

It is also suggested Council directs staff to consolidate the work for the Fire Headquarters and Training Centre along with Fire Station #2 to maximize the potential of savings gained through synergies of running projects in tandem.

ATTACHMENTS:

None

COUNCIL
CORPORATE SERVICES
FINANCE DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

19-46

REPORT FIN-2019-10
MAY 7, 2019

SUBJECT: SUPPLY AND DELIVERY OF COMPACT SWEEPER WITH SUCTION HOSE ATTACHMENT

AUTHOR: ADAM BERES,
MANAGER OF FLEET, EQUIPMENT AND PURCHASING

APPROVING G.M.: STEVE ZORBAS, CPA, CMA, B.Comm, DPA,
GENERAL MANAGER, CORPORATE SERVICES, CHIEF FINANCIAL OFFICER/TREASURER

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND approves the purchase of one (1) compact Sweeper with Suction Hose Attachment from Cubex Ltd. at a cost of \$194,660.20 inclusive of optional features and applicable taxes, as their offering provides best value for the needs of the City, staff productivity, and overall safety; and further

THAT Welland City Council directs the City Clerk to prepare all necessary and appropriate by-laws to enter into a purchase agreement with Cubex Ltd. for this equipment.

ORIGIN AND BACKGROUND:

Funding for this piece of equipment was approved by Welland City Council within the 2018 Fleet Enterprise & Water / Sewer Capital Budget requirements.

This addition to the equipment fleet will be used by crews to tidy up after events and maintain walking trails. It also features a hose attachment allowing the operator to safely remove trash from bins, minimizing the risk of exposure to sharps and biohazards.

In the summer of 2018, City staff contacted suppliers of this type of equipment for in-person demonstrations of their product offerings. This helped staff become familiar with different machine features and benefits, and helped establish a type most suitable for the needs of the City, while promoting operator safety and productivity.

COMMENTS AND ANALYSIS:

Staff found the recommended unit to be of best value for the City based on the following comparisons:

	Tender Spec	Cubex	Holder	Joe Johnson
Hopper Capacity m3	1.5 - 2.0	2	0.8	1.75
Travel Speed	0-40 KPH	0-40	0-40	0-30
Four Wheel Steering	Work Mode	Yes	Yes	No
Engine size, CC	Specify	3800	2165	1500
Horsepower	Specify	74	65	56
Tire size	Specify	16"	15"	12"
Turning Radius	Specify	145"	118"	180"
Third Brush Attachment	Specify	Optional	No	No
Brush Diameter	Specify	35"	27"	25"
Width of unit	50"	50"	60"	48"
Blower Capacity (m3/h)	13000	13000	3780	6796
Suction hose size	8"	8"	7"	8"
Hose @ rear, leaf cleanup	Specify	6"	No	No
Sweeping Width	Specify	50 - 106"	63 - 78"	44 - 100"
Passenger seat available	Specify	Yes	Yes	No
Specify Operator View	Specify degree	360	360	180
Emergency Stop Button	In cab	Yes	No	Yes
Tinted safety glass	Specify	Yes	No	No
Centralized Greasing	Specify	Yes	Yes	No
Warranty, Engine	Specify	2yr, 2000hr	2yr, 1500hr	1yr.
Warranty, Chassis	Specify	5yr.	2yr.	1yr.

FINANCIAL CONSIDERATION:

After becoming familiar with some of the features and benefits, staff released a tender in August 2018 to the City of Welland Biddingo site. Unfortunately, there were not enough qualified bids received to make an informed recommendation. Staff elected to re-tender with broader specifications in hopes of attracting more participation.

In March 2019 the revised tender attracted improved participation with three qualified respondents who also provided an in-person demonstration of their product offering.

Proponent	Base Bid Comparison (including taxes)	Budget
Joe Johnson	\$133,847.16	\$200,000.00
Holder Equipment	\$176,061.08	
Cubex Ltd.	\$191,348.26	

Though the higher priced unit is being recommended, staff feel strongly the enhanced safety features, capacities, performance, overall value and functionality of this unit are superior.

The recommended unit out-performed the other offerings during the demonstration with staff finding ease of operation was also superior.

OTHER DEPARTMENT IMPLICATIONS:

This unit will be shared between various crews to tidy up after events and maintain walking trails.

SUMMARY AND CONCLUSION:


THAT THE COUNCIL OF THE CITY OF WELLAND approves the purchase of one (1) Compact Sweeper with Suction Hose Attachment from Cubex Ltd at a cost of \$194,660.20 inclusive of optional features and applicable taxes; and further

THAT Welland City Council directs the City Clerk to prepare all necessary and appropriate by-laws to enter into a purchase agreement with Cubex Ltd. to complete this purchase

ATTACHMENTS:

None.

COUNCIL
CORPORATE SERVICES
RECREATION & CULTURE DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

REPORT R&C-2019-06
MAY 7, 2019

99-99

SUBJECT: COMMUNITY BOATHOUSE UPDATE REPORT

APPROVING SUPERVISOR: RICHARD DALTON, B. Comm, OLY
MANAGER, RECREATION & CULTURE DIVISION

APPROVING G.M.: STEVE ZORBAS, CPA, CMA, B.Comm, DPA,
GENERAL MANAGER, CORPORATE SERVICES, CHIEF FINANCIAL
OFFICER/TREASURER

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND accept report R&C-2017-06 for information.

ORIGIN AND BACKGROUND:

This report provides information and context related to the building and operation of the Welland Community Boathouse since its inception in 2009. This facility is located at the end of Thorold Rd., along on the Recreational Waterway, south of the Woodlawn Bridge.

COMMENTS AND ANALYSIS:

The Community Boathouse was initially conceived as a partnership between the Welland Recreational Canal Corporation (WRCC) and Notre Dame Rowing Club (NDRC). Funding to build the facility was a collaboration between several parties:

- WRCC – providing funding to support new home for Boat Rental Program
- Notre Dame – providing funding and significant labour to construct facility
- South Niagara Canoe Club – providing funding and labour to construct facility

Construction began on the facility in fall 2008, and was ongoing throughout the winter months until completion in May 2009. It is important to note that, for reasons unbeknownst to staff, no legal agreement was created to outline the investments of funds, time, and labor by the parties involved, or any rights or obligations to the facility in future years. The WRCC was, in many respects, the lead entity responsible for the building, and took responsibility for financing a sizeable portion of construction.

A quick chronology of the building's use since construction in 2009:

- 2009 Facility constructed, home to Welland Boat Rental Program, NDRC, and South Niagara Canoe Club (SNCC)
- 2011 Addition of NDCO, Provincial Rowing program
- 2014 Departure of NDCO, expansion of Welland Boat Rental Program
- 2018 Departure of SNCC, continued expansion of Welland Boat Rental Program

Throughout its history, the facility has been a destination for a number of programs and user groups, both casual and organized, and continues to see heavy use by the community each summer:

- Unsupervised swimming
- Lifeguard training
- Scouts
- Dragon Boat camps, clinics
- Rowing camps, clinics

The WRCC created an affiliate program as part of its Waterway development efforts during the time frame just prior to formation of the Welland International Flatwater Centre. These "affiliates" were partners of the WRCC in developing programming, leveraging grant funding, and expanding event hosting capacity and expertise. Initially there were four affiliates of the WRCC:

- NDRC
- SNCC
- SNRC
- RowOntario (ended 2017)

The agreement with each local affiliate was the same, except RowOntario which was unique in its scope and treated separately as a Provincial organization.

An additional nuance that is particular to the sport of rowing: the Notre Dame Rowing Club is a partner organization of Notre Dame Collegiate High School, however the club is a separate entity and operates in its own right throughout the entire year with a variety of programming for multiple age groups. Each year the Notre Dame High School rowing program operates through the club.

FINANCIAL CONSIDERATION:

All three current affiliates pay an annual affiliation fee to the City of Welland, pursuant to the affiliate agreement, in the amount \$1,000 + HST.

Additional payments have been made to assist in financing the cost of the building between 2010 and 2016 by NDRC and SNCC to the WRCC. These payments, known as "overages", were to cover costs of construction over and above anticipated costs. The amount of \$15,000 per club was paid by NDRC and SNCC.

OTHER DEPARTMENT IMPLICATIONS:

None.

SUMMARY AND CONCLUSION:

Within the affiliate agreement is a statement that provides for access by the Affiliate to WRCC facilities, as long the affiliate remains in good standing. As such, staff have supported the presence of Notre Dame at the Community Boathouse on the basis of their status as an Affiliate in good standing with the (now) City of Welland.

It is staff's opinion that a fair equity has existed between the affiliate organizations with Notre Dame's significant investment in funds and labor to build the facility providing a direct benefit to the City through the growth of the Boat Rental program.

Looking to the future, it would be reasonable to consider a new operating arrangement with NDRC, once the Boat Rental Program relocates to the Rotary Club of Welland Park.

ATTACHMENTS:

Appendix I Affiliate Agreement, WRCC and NDRC



Welland Recreational Canal Corporation (WRCC) Policy

<i>Policy Title:</i>	WRCC – WIFC Affiliation Policy	<i>Policy No:</i>	99-POL-01
<i>Date of Approval:</i>	March 30, 2010	<i>Affiliate:</i>	Notre Dame Rowing Club
<i>Primary Facility:</i>	Welland International Flatwater Centre (WIFC)	<i>Support Role:</i>	WRCC Program Coordinator
<i>Lead Role:</i>	WRCC Business & Operations Manager and/or WIFC Executive Director	<i>Review Date:</i>	March 2013
<i>WRCC File No.:</i>	WRCC-SR-2009-06		

PURPOSE:

Affiliation is a cooperative agreement between the Welland Recreational Canal Corp and local community groups and organizations involved in flatwater sports whose primary purpose is to provide recreational and/or competitive services for the citizens of Welland and surrounding Niagara Regional municipalities at and on the Welland International Flatwater Centre, South and North Courses. The aim of affiliation is to provide a vehicle by which the Welland Recreational Canal Corp can recognize eligible users of WRCC facilities and assist eligible organizations in providing first rate programming that will lead to active and healthy youth and adults. Any organization wishing to become affiliated with the Welland Recreational Canal Corp and the Welland International Flatwater Centre must meet the established criteria and adhere to same.

BENEFITS OF AFFILIATION:

- Priority access, but not exclusive access, to WRCC facilities and water courses, over outside agencies & organizations
- Facilities covered under the Affiliation Policy and comprising the WIFC are cared for and maintained by the WRCC
- Booking services for sport/playing fields, flatwater sport courses and recreation facilities including provision of schedules and permits
- Free use of City of Welland owned or WRCC owned or controlled meeting room for an annual general meeting where an election of officers is taking place
- Priority advertisement space in the City of Welland Leisure Guide
- Priority advertisement and hyperlink on both WRCC and WIFC websites
- Free listing in the City of Welland's Community Contact List at no charge
- Assistance from WRCC Management & Staff in a resource and advisory capacity
- Assistance in the provision of volunteer leadership training and recognition
- Provision of up-to-date information on federal and provincial grants and funding for recreational organizations
- Potential for reduced/subsidized fees for use of WRCC and City of Welland facilities
- Potential for reduced/subsidized fees for use of WRCC and City of Welland equipment
- Pre-existing 'legacy events/regatta' dates will be honoured for Affiliates in good standing

CRITERIA:

- The primary purpose or activity of the organization must be the delivery of flatwater sport programming with aims and objectives compatible to those of the WRCC and the City of Welland Parks, Facilities & Leisure Services Department
- The organization must be a nonprofit organization and operate under the authority of a volunteer board or committee
- The organization must be a member in good standing of True Sport and actively promote and operate under the "Principles for Sport" promoted by True Sport an organization to which both the WIFC and City of Welland themselves belong
- The organization will ensure that volunteers who work with children and youth will undergo a "Criminal Record Check" conducted by the Niagara Regional Police Service or an NRPS endorsed background check service provider
- The organization is required to obtain liability insurance in the amount of \$2,000,000 with the Welland Recreational Canal Corp and the City of Welland as additional insured parties
- The organization must be operated in an open and democratic manner through the holding of annual membership meetings and elections of an executive/board from the membership to carry out the wishes of the general membership
- The organization's base of operations shall at all times be in the City of Welland
- The organization must demonstrate that residents of the City of Welland receive priority access to membership or registration privileges (if membership is limited)

- The organization must not duplicate another affiliated organization which fulfills the exact same purpose over the exact same time periods unless the existing group is in agreement or the existing group cannot meet the demand for its services (final determination will be made by the WRCC Board of Directors, after review, at time of application)
- The organization must adhere to all Recognition Policies for the WRCC, WIFC and contributing upper level government organizations
- The organization's financial account with both the City of Welland and the WRCC must be in good standing at each annual renewal or affiliation status will be revoked

PROCESS:

Qualifying organizations must complete and submit an application form and provide additional information to the WRCC and/or the City of Welland. The application will be reviewed and if approved, the group will be assigned an affiliation number. Affiliation status must be renewed annually following the organization's annual general meeting.

All applications must include the following information:

- A statement of the organization's purposes, goals and objectives
- A proposed schedule of the programs, events and services that the organization intends to provide during the year and the corresponding facility at which or Course on which these activities are proposed to take place
- A copy of the organization's liability insurance certificate
- Names, addresses, telephone numbers of the organization's board of directors and contact person; including emails if available (all information is protected by the City of Welland Privacy Policy)
- A proposed budget for the upcoming year and a financial statement for the previous year of operation. The WRCC reserves the right to request financial statements prepared by a professional accountant.
- Fees for Affiliates will be based on membership levels and usage requests and determined on an annual basis. Base levels for the immediate future have been set at \$1,000 annually, with established 'affiliate usage rates' for 2010.
- Fees for Affiliate will be reviewed and on each recurring Review Date (starting Nov 2010) taking into account volume of use, membership numbers, demand for services, local impacts and financial position.
- Hosting Fees for Affiliates (Affiliate Regatta Fee) for up to a two day event are set at \$500 per event, until review date.

ROLE OF THE CONTACT PERSON:

All affiliate organizations must be represented by a Contact Person. This individual must be available in person and/or by phone during regular office hours Monday to Friday, 8:30 am to 4:30 pm

- The Contact Person is required to address all financial matters and ensure that the organization complies with policies, procedures, and rules established by the City of Welland and the WRCC
- The Contact Person is responsible to communicate any schedule changes, maintenance and/or special requests, or any other pertinent information on behalf of the organization. It is also the responsibility of the Contact Person to communicate to their respective organization the necessary WRCC or City of Welland bulletins, updates and information i.e. permit changes, maintenance request forms, upcoming events, road closures, peripheral events, scheduling of maintenance, etc.
- In the event that the WRCC is unable to reach the Contact Person, it may be necessary for staff to contact an executive or board member of the organization
- The WRCC must be notified if information about the Contact Person changes or if the Contact Person changes. This will ensure that effective communication is maintained at all times.

LOCATION AND TERM:

Each affiliate will carry on normal operations from a particular location agreed upon by both parties.

- The location of normal operations for the Notre Dame Rowing Club, as agreed to by both parties, is at the North Welland Flatwater Community Centre at the end of Thorold Rd on the Recreational Waterway and the stretch of water from the 406 bridge to the Ontario St Bridge.

Each affiliate will be provided a term, ending at a specified date.

- The term of the Affiliation Policy as it relates to the Notre Dame Rowing Club shall, at all times, mirror any term of the active licensing agreement between the property owner, the City of Welland and the Welland Recreational Canal Corporation; which at this time has no end date. With such a condition in place, in order to establish some form of review and renewal, a ten year affiliation and location of operation period is granted ending December 31st, 2020, with unlimited

options to renew for subsequent ten year periods, afforded the Affiliate provided all criteria set out in the policy or agreed upon by both parties in the future are met by the Affiliate.

Any change of term will come only as a result of a change in the licensing agreement with the City of Welland or failure of the Affiliate to comply with the criteria of the Affiliation Policy or the mutual agreement of both parties.

A change in location of the normal operations of the Affiliate would require a review and the consent of the Welland Recreational Canal Corporation Board of Directors.

TERMINATION OF AFFILIATE STATUS:

Affiliate status may be rescinded and future applications denied if the organization:

- Fails to meet any of its responsibilities as stated in this policy.
- Fails to operate in a financially responsible manner.
- Revokes its constitution.
- Acts in contravention of this policy.
- Abuses the services or privileges provided.
- Violates and provincial or federal legislation or municipal by-law with respect to the activities of the organization.
- Violates any provisions of the Ontario Human Rights Code.

APPROVALS	
GENERAL MANAGER	<i>ERL</i>
CFO	
CAO	<i>ERL</i>

COUNCIL**INFRASTRUCTURE AND DEVELOPMENT SERVICES**03-133/
11-108

REPORT P&B-2019-20
MAY 7, 2019

SUBJECT: COMMUNITY IMPROVEMENT PLAN INCENTIVE APPLICATIONS – QUARTERLY SUMMARY REPORT FOR FIRST QUARTER OF 2019

AUTHOR: CHRISTINE ROSSETTO, B.A. (Hons.)
PLANNING ASSISTANT

APPROVING SUPERVISOR: ROSE DI FELICE, M.PI., M.Sc., MCIP, R.P.P.
MANAGER OF POLICY PLANNING

APPROVING G.M.: ERIK NICKEL, P. ENG.
GENERAL MANAGER,
INFRASTRUCTURE AND DEVELOPMENT SERVICES/CITY
ENGINEER

RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information Report P&B-2019-20 being a quarterly summary Report of approved 2019 Community Improvement Plan Incentive Applications between January 1, 2019 and March 31, 2019.

ORIGIN AND BACKGROUND:

On July 19, 2016, Council delegated, by By-law, Community Improvement Plan (CIP) Incentive Grant Approvals to Staff and adopted procedures for the processing of the Applications subject to the Delegated Authority. This Report deals with the Incentive Applications that were approved in the first quarter of 2019.

COMMENTS AND ANALYSIS:

Two (2) Community Improvement Plan Incentive Applications were approved in the first quarter of 2019. Both Applications were within the Downtown and Health and Wellness Cluster Project Area. There were no Brownfield Incentive Applications approved in the first quarter.

The following table outlines the Grant details for the two (2) Applications approved under the Downtown and Health and Wellness Cluster CIP.

LOCATION, INCENTIVE PROGRAM AND TYPE OF WORK	ESTIMATED PROJECT OR STUDY COST	MAXIMUM ELIGIBLE GRANT	CITY PORTION OF GRANT	REGIONAL PORTION OF GRANT
21 Cross Street Building Improvement Grant Program roof and air unit Façade Improvement Grant Program front facade	\$11,301.00	\$5,650.50	\$2,825.25	\$2,825.25
268 East Main Street Building Improvement Grant Program waterproofing	\$17,400.00	\$8,700.00	\$4,350.00	\$4,350.00
TOTAL	\$28,701.00	\$14,350.50	\$7,175.25	\$7,175.25

As per Council's request, the following information for the first quarter of 2019 is included:

- A total of 23 general and specific inquiries were received regarding the Downtown and Health and Wellness Cluster CIP Incentive Programs;
- A total of 10 pre-Application meetings were held by Staff;
- Both Downtown and Health and Wellness Cluster Incentive Applications submitted were approved; and,
- There were no inquires that resulted in non-eligibility.

FINANCIAL CONSIDERATION:

The City's portion of the Grants for these Approvals, upon completion, will be covered with funds from the Incentives Program Fund.

OTHER DEPARTMENT IMPLICATIONS:

The Finance Division, upon completion of the approved works, will be involved with all financial aspects associated with the issuance of these Grants.

The Building Division will be involved with the issuance of the required Permits.

SUMMARY AND CONCLUSION:

Council delegated CIP Incentive Grant Approvals to Staff. As part of the approval procedures contained within the Delegation By-law, a Report outlining the Incentive Grant

Applications that have been approved is to be prepared for Council's information on a quarterly basis. As noted in this Report, a total of two (2) CIP Incentive Applications were submitted and approved in the first quarter of 2019.

ATTACHMENTS:

None.

21
COUNCIL MEETING
INFRASTRUCTURE AND DEVELOPMENT SERVICES
TRAFFIC DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

19-22

REPORT TRAF-2019-06
MAY 07, 2019

SUBJECT: REGION TRAFFIC SIGNAL MAINTENANCE AGREEMENT

AUTHOR: MUHAMMAD ALI KHAN, M.A.Sc., P. ENG. SUPERVISOR, TRAFFIC, PARKING & BY-LAWS

APPROVING MANAGER: CHRIS ANDERS, P. ENG MANAGER, ENGINEERING SERVICES

APPROVING G.M.: ERIK NICKEL, P. ENG., GENERAL MANAGER, INFRASTRUCTURE AND DEVELOPMENT SERVICES / CITY ENGINEER

RECOMMENDATIONS:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information **REPORT TRAF-2019-06** Region Traffic Signal Maintenance Agreement; and further

That Welland City Council authorize the General Manager, Infrastructure and Development Services/City Engineer to execute the Traffic Signal Maintenance agreement with the Region of Niagara for maintenance and operation of all traffic signals owned by the City of Welland.

ORIGIN AND BACKGROUND:

Niagara Region, on behalf of all area Municipality's, carries out the maintenance and operation of all traffic control signals. The typical scope of working includes, but not limited to, providing all necessary repairs, replacements, locates, inspections, cleaning, and re-lamping. Traffic control signals must be operated and maintained to meet the standards and specifications to ensure uniformity throughout the Region and Province. The Niagara Region has provided this service to the City since the previous agreement expired in May 31, 2005.

COMMENTS AND ANALYSIS:

Currently the Niagara Region maintains twenty one (21) signals/flasher in the City of Welland that are owned by the Municipality. To ensure that signals throughout Niagara Region are standardized and predictable, it is preferable for the Region to maintain all signals in the Region. A copy of Signal Agreement is attached with this report.

FINANCIAL CONSIDERATION:

The agreement with the Regional Municipality of Niagara provides for cost recovery for services and materials rendered. These costs are accounted for in Traffic Services Operating Budget.

There are no staffing implications associated with these agreements. The agreement has provisions for the amended or modification by mutual agreement. It also has a provision for termination of the agreement at any time by serving a minimum of twelve months written notice.

OTHER DEPARTMENT IMPLICATIONS:

Legal Services staff has reviewed the agreement.

SUMMARY AND CONCLUSION:

Region of Niagara currently completes signal maintenance work for the City of Welland in a timely and efficient manner. The purpose of this agreement is to ensure that traffic signals are regularly maintained, in good operating condition. In addition, regular maintenance reduces the potential of traffic signals from operating poorly or breaking down and creating a safety issue for motorists.

ATTACHMENTS:

APPENDIX I – A copy of traffic signal maintenance agreement.

Appendix I

THIS AGREEMENT made in duplicate this _____ day of _____, 2018.

BETWEEN:

THE CORPORATION OF the City of Welland,

Hereinafter referred to as the "MUNICIPALITY"

OF THE FIRST PART

- and -

THE REGIONAL MUNICIPALITY OF NIAGARA

Hereinafter referred to as the "NIAGARA REGION"

OF THE SECOND PART

WHEREAS there are traffic control signals on various municipal roadways within the Region, which are under the jurisdiction of the Municipality as which are listed in Schedule "A";

AND WHEREAS for the purpose of regulating traffic, the Parties of this Agreement desire to permit the Niagara Region, on behalf of and at the cost and expense of the Municipality, to operate and maintain the Traffic Control Signals, Illumination, and Flashers, owned by the Municipality at the locations listed in Schedule "A";

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and covenants herein contained the Parties of this Agreement hereto for themselves and their respective successors and assigns agree as follows:

PART 1

DEFINITION

1. In this Agreement,

"A Flasher" means a single section of a signal head or a similar device which is illuminated by rapid flashes having an amber or red lens operating at an intersection or along a roadway as a supplementary warning device unless otherwise indicated in this Agreement;

"Advanced Traffic Management System (ATMS)" means a combination of traffic control devices connected through a communication network to a centrally located computer and is part of an Intelligent Transportation System (ITS)

"Communications System" means any system which communicates and that transfers data from one location to another or to a centralized location, through various media including, but not limited to, fibre optics, wire, or wireless systems unless otherwise indicated in this Agreement;

"Illumination" means roadway lighting systems designed to provide a specific level and uniformity of illumination on the roadway and systems' circuit passes through the disconnect box or hydro-electric service provider demarcation point for a Traffic Control Signal, including all above ground and below ground plant;

"Modifications" and **"Modify"** means as the context requires, a change to the physical plant, installation or removal of a traffic signs and/or modifications to pavement marking if such change require modification or updating an approved Traffic Signal Legal Approval Drawing

"Parties" means the Municipality and the Region and **"Party"** means either of them;

"Traffic Control Signal" means any power operated traffic control device, whether manually, electrically or mechanically operated, by which traffic is alternately directed to stop and permitted to proceed and refers to the complete installation including signal heads, wiring, controller, poles and other appurtenances;

Traffic Control Signals means the aggregate of all Traffic Control Signal owned by the Municipality;

Traffic Signal Legal Approval Drawing means a scaled drawing accurately representing the layout and design of a signalized intersection, prepared and signed to act as the legal authority to operate a traffic signal.

PART 2

GENERAL

2. The Region, on behalf of the Municipality, shall carry out the maintenance and operation of the Traffic Control Signals, Illumination, and Flashers at the locations set out in Schedule "A" attached hereto, including, but not limited to, providing all necessary repairs, replacements, locates, inspections, cleaning, and re-lamping but excluding any responsibility for the maintenance of any Communications System owned by the Municipality. Traffic Control Signals shall be operated and maintained to meet the standards, specifications and requirements outlined in Schedule "B" of this Agreement and in the document entitled "Design and Operation of Traffic Signals" prepared by the Niagara Region, unless otherwise agreed to in writing. All costs associated with these activities shall be borne directly by the Municipality.

3. The Municipality agrees that new and rebuilt Traffic Control Signals shall conform as close as practicable to the standards and specifications contained in the document entitled "Design and Operation of Traffic Signals" prepared by the Niagara Region. In instances where a new or rebuilt Traffic Control Signal does not conform to the prescribed standards and specifications, the Niagara Region reserves the right to refuse any responsibility associated with maintaining said Traffic Control Signal.
4. The Municipality agrees to permit the Niagara Region to connect to Municipality owned Traffic Control Signals, using the Municipally owned Communications System for operational and maintenance purposes. Except in cases of emergency, changes in signal timing plans or ATMS programming changes must be mutually agreed to by both parties prior to implementation.
5. When the Municipality desires to have a Traffic Signal added to the Advanced Traffic Management System, the Municipality shall request the Niagara Region to install and maintain various communications equipment and/or devices required for that connection. All costs for this Municipality owned equipment related to the design, purchase, installation and maintenance shall be borne by the Municipality.
6. At the written request of either Party, a copy of the most recent Traffic Signal Legal Approval Drawings for locations listed in Schedule "A", shall be provided by the other Party at the cost of the requester.
7. The Municipality has the right to inspect all equipment that the Region maintains on behalf of the Municipality. The Municipality shall request in writing any Modifications to their equipment that they believe are necessary for the Municipality's operational benefit, provided said Modifications conform to the standards and specifications contained in the document entitled "Design and Operation of Traffic Signals" prepared by the Niagara Region.
8. The Niagara Region shall not carry out Modifications to any signalized intersection owned by the Municipality unless prior approval has been obtained from the Municipality. The Niagara Region reserves the right to Modify signal timings in cases of emergency. The Niagara Region shall notify the Municipality of any such Modifications promptly and return the signal timing to the original setting as agreed to by both parties.
9. Notwithstanding the termination of this Agreement, the Niagara Region shall ensure that it maintains and keeps all maintenance and timing records created as a result of the operation and maintenance of the Municipality's Traffic Control Signals for a period of not less than seven (7) years from when the maintenance and timing records are created. One copy of these records shall be provided to the Municipality at any time following termination upon request.
10. The Niagara Region agrees to maintain the web site containing signal timings for all municipal traffic signals. Information will be updated within five working days of changes being implemented.

11. The Niagara Region shall invoice the Municipality every thirty (30) days, or as incurred, for all costs and expenses incurred by the Niagara Region which are authorized by and within the context of this Agreement and deemed to be regular operation, and maintenance. The Municipality shall pay all invoices within 30 days of receipt. All costs associated with labour and equipment shall be invoiced as per the actual costs incurred by the Niagara Region. All costs associated with materials shall be invoiced as the actual cost incurred by the Niagara Region through their normal purchasing practices.
12. The Municipality shall reimburse the Niagara Region for any additional costs that may be incurred to conduct Traffic Engineering Services as requested by the Municipality as outlined in Schedule C of this agreement. All costs will be invoiced separately as the actual cost incurred by the Niagara Region.
13. All electrical power costs associated with the operation and functioning of all Traffic Control Signals and Illumination or specialized computer traffic control systems shall be the responsibility of the Municipality. The Municipality shall make payment for all electrical power services directly to the hydro-electric service provider.
14. In the event that a signalized intersection or other traffic control device is transferred from one road authority to another, Schedule "A" of this Agreement shall be amended to reflect this change.
15. The Niagara Region shall indemnify and save harmless the Municipality from and against any claim, action, course of action or liability for loss, damage, accident or injury including death, in any manner arising due to, out of, from or in connection with the negligent completion of the maintenance and operation (or negligent failure to complete the maintenance and operation) to be performed by the Niagara Region or its agents pursuant to this Agreement. The Municipality remains responsible and liable for all other risks related to its ownership and operation of the Traffic Control Signals in question and shall indemnify and save harmless the Niagara Region from and against any claim, action, course of action or liability for loss, damage, accident or injury including death, in any manner arising due to, out of, from or in connection with the ownership and operations of its Traffic Control Signals.
16. This Agreement may be amended or modified only by mutual agreement executed in writing by each of the Parties.
17. Either party may terminate this agreement at anytime by serving a minimum of twelve (12) months written notice of its intent to do so on the other party.

- 18. The obligations of the Parties in this agreement with respect to claims, actions, causes of action or liabilities which arose under this agreement prior to the termination date shall not expire upon termination of this agreement.

THIS AGREEMENT shall ensure to the benefit of and be binding on the successors and assigns of each Party hereto.

IN WITNESS WHEREOF the Parties have executed this Agreement by the signature of their proper signing officers below.

THE CORPORATION OF THE CITY OF WELLAND

By: _____

Name: _____

Title: _____

Date: _____

I have authority to bind the Corporation.

THE REGIONAL MUNICIPALITY OF NIAGARA

By: _____

Name: Ron Tripp _____

Title: Commissioner of Public Works _____

Date: _____

I have authority to bind the Corporation.

SCHEDULE "A"

**LIST OF MUNICIPALLY OWNED TRAFFIC SIGNALS AND FLASHERS
TO BE MAINTAINED BY THE REGION**SIGNALS

- 1) Canalbank Road at Ontario Road
- 2) Colborne Street at Forks Road
- 3) Clare Avenue at Thorold Road
- 4) Crowland Avenue at Hagar Street
- 5) Crowland Avenue at Lincoln Street
- 6) Dain Avenue/Plymouth Road at Ontario Road
- 7) Denistoun Street at Lincoln Street
- 8) First Avenue at Thorold Road
- 9) First Avenue at Woodgate Drive
- 10) Fitch Street at Willson Road
- 11) Hellems Street at Lincoln Street
- 12) King Street at Lincoln Street
- 13) King Street at Ontario Road
- 14) King Street at Regent Street
- 15) King Street at Third Street
- 16) Lincoln Street at Schofield
- 17) Lincoln Street at Welland Canal Trail
- 18) Lincoln Street at Wavell Ct
- 19) Ontario Road at Southworth Street
- 20) Ontario Road at Wright Street
- 21) Primeway Drive at Plaza Entrance

SCHEDULE "B"

TRAFFIC SIGNAL ROUTINE MAINTENANCE

Traffic signal "Routine Maintenance" is completed on Traffic Signals, related Roadway Lighting, and Warning Flashers on an annual or semi-annual basis as noted below and consists of the following:

Traffic Controller Cabinet Maintenance (Semi-annually)

1. Replace Malfunction Management Unit (MMU) with tested and certified unit.
2. Lubricate Traffic Control Cabinet (TCC) hinges and locking mechanism.
3. Inspect the electrical connections and grounding in TCC.
4. Verify proper vehicle/pedestrian detection and signal cabinet operation.
5. Ensure correct operation of thermostat, heater and fan.
6. Install baffle plate and/or replace filter as required.

Traffic Signal/Roadway Lighting/Flasher Inspection (Annually)


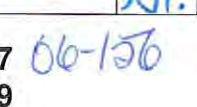
1. Test all pedestrian push buttons for proper operation.
2. Inspect condition and operation of traffic signal vehicle detection loops.
3. Locate and inspect all Junction Boxes for damage or tripping hazards.
4. Inspect for proper seating of all traffic signal arms.
5. Inspect all traffic poles and pole bases for damage and secure pole hatches.
6. Verify proper signal alignment and visibility.
7. Ensure signal backboards and brackets are in good condition.
8. Check electrical connections and grounding in traffic poles.
9. Inspect Power Distribution Panel (PDP)
10. Energize and verify all roadway lighting associated with signal plant (where installed).
11. Change incandescent bulbs in pedestrian signals and clean lenses (where not LED).
12. Remove posters, unauthorized signs, and graffiti from traffic signal plant.
13. Replace damaged, worn, or missing decals.
14. Perform Stray Voltage Test (SVT) on traffic poles and TCC.
15. Clean, inspect, and verify proper operation of video vehicle detection systems when installed.
16. Clean, inspect, and verify proper operation of Uninterruptable Power Supply (UPS) system (where installed).
17. Inspect and verify proper operation of Accessible Pedestrian System (APS) (where installed).

SCHEDULE "C"

ADDED VALUE ITEMS TO THE MUNICIPAL MAINTENANCE AGREEMENT

1. Complete traffic signal warrant analysis for new signal installations and provide guidance and recommendations for functional layout and operational parameters.
2. Complete traffic signal designs, produce legal signal drawings and recommend for signature and legal approval by signing authority on LAM behalf.
3. Audit legal traffic signal design drawings
4. Prepare necessary RFQ documents and drawings necessary for tender documents for new and revised traffic signal installations.
5. Meet with municipal staff and their consultant for municipal projects which affect operation or modification of existing traffic signals or construction of new signal installations.
6. Complete signal timing and capacity analysis calculations.
7. Complete coordination and network optimization calculations, and system programming for signal networks and corridors.
8. Perform advance green warrant analysis.
9. Calculate and implement temporary timing and programming changes for detour routes, planned road closures or events, and unplanned emergency road closures affecting traffic signal operation.
10. Investigate and respond to inquiries and requests regarding traffic signal operation.
11. Maintain and update web site containing signal timing information for all signals owned by the municipality.
12. Provide signal timing information to outside agencies upon request from consultants, developers, lawyers etc.
13. Recommend improvements and modifications at signalized intersections including phasing, timing changes, signing and pavement marking layouts to improve level of service and operation.
14. Update and modify legal signal drawings as required.
15. Appear as expert witness on city's behalf providing information on traffic signal operation.

COUNCIL MEETING
INFRASTRUCTURE AND DEVELOPMENT SERVICES
TRAFFIC DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

REPORT TRAF-2019-07 06-156
MAY 7, 2019

SUBJECT: UPDATE TO EXOTIC ANIMAL BY-LAW 7540

AUTHOR: MUHAMMAD ALI KHAN, M.A.Sc., P. ENG.
SUPERVISOR, TRAFFIC, PARKING & BY-LAWS

APPROVING MANAGER: CHRIS ANDERS, P. ENG
MANAGER, ENGINEERING SERVICES

APPROVING G.M.: ERIK NICKEL, P. ENG.,
GENERAL MANAGER, INFRASTRUCTURE AND
DEVELOPMENT SERVICES / CITY ENGINEER

RECOMMENDATIONS:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information **REPORT TRAF-2019-07** Update to Exotic Animal By-law; and further

THAT Welland City Council approves the amendments and directs the City Clerk to amend Exotic Animal By-law 7540, as amended as follows:

DELETE Section 3 (1)

ADD the following to Section 3

- (1) Except as hereinafter provided, no person shall keep any kind of exotic and non-domesticated animal that is, or may be, injurious to human health, on private property, for sale, for exhibition, as a pet or for any other purpose, is hereby prohibited in the City of Welland.

DELETE Section 5

ADD the following:

Section 5 – ISSUE OF AND COMPLIANCE WITH NOTICE

- 5 (1) An Animal Control Officer may issue to the proper person a notice of removal with respect to any prohibited animal found on the premises or at large, setting out the time and date by which such animals shall be removed from the premises.

- 5 (2) Every such person shall comply with such notice within the stated time.

DELETE "Section 7(1)" from the note at the bottom of the short form wording schedule and REPLACE with "Section 7"

ORIGIN AND BACKGROUND:

At the December 18, 2018 meeting of Council, amendments were made to the City of Welland Exotic Animal By-law. Part of those amendments were short form wording. Short form wording allows the investigating Officer to issue a ticket when a violation occurs.

COMMENTS AND ANALYSIS:

All short form wording approved by Council must be sent to the Ministry of the Attorney General for final approval. As a result of the review from the Attorney General, the proposed amendments contained within this report are the required changes to have our short form wording approved.

Comments from the Ministry of the Attorney General:

Items 1 and 2: Section 3.1 is not ideally worded. In order to create an offence, the by-law must impose a duty (*every person shall*) or a prohibition (*no person shall*) on a person or group of persons. However, it is emphatic enough that I can approve the following short form wordings:

Keep prohibited animal on private property
Keep prohibited animal for sale, for exhibition or as a pet

Item 3: Section 5 does not create any offences. That section only says that the officer can issue a notice; there is no explicit obligation to comply. It needs to be amended to say **“and every person shall comply with such a notice.”**

Item 4: Re the penalty citation: there is no section 7.1. There is only **section 7**.

FINANCIAL CONSIDERATION:

There are no financial implications related to this report.

OTHER DEPARTMENT IMPLICATIONS:

Legal Services and the Clerks Department would be required to update the By-laws with the changes noted in this report.

SUMMARY AND CONCLUSION:

Proposed updates are required as per the Ministry of the Attorney General. They ensure our by-law is enforceable and will be successful if challenged before the courts.

ATTACHMENTS:

None.

COUNCIL MEETING
INFRASTRUCTURE AND DEVELOPMENT SERVICES
TRAFFIC DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

18-22

REPORT TRAF-2019-08
MAY 7, 2019

SUBJECT: RESIDENTIAL RODENT CONTROL REBATE PROGRAM

**AUTHOR: MUHAMMAD ALI KHAN, M.A.Sc., P. ENG.
SUPERVISOR, TRAFFIC, PARKING & BY-LAWS**

**APPROVING MANAGER: CHRIS ANDERS, P. ENG
MANAGER, ENGINEERING SERVICES**

**APPROVING G.M.: ERIK NICKEL, P. ENG.,
GENERAL MANAGER, INFRASTRUCTURE AND DEVELOPMENT SERVICES / CITY ENGINEER**

RECOMMENDATIONS:

THAT THE COUNCIL OF THE CITY OF WELLAND receives for information **REPORT TRAF-2019-08** Residential Rodent Control Rebate Program; and further

That Welland City Council approve the Residential Rodent Control Rebate Program, as proposed in this report, with a maximum eligible rebate for the services of a licensed pest control expert of \$200.00 per residential property per calendar year.

ORIGIN AND BACKGROUND:

At the August 28, 2018 meeting of Council, the following motion was passed:

WHEREAS residents continue to struggle with dealing with rats; and

WHEREAS the only winning formula is a collective and persistent one; and

WHEREAS the city bears a responsibility in getting residents and neighbours working together, vigilantly, in order to affect change.

NOW THEREFORE BE IT RESOLVED THAT THE COUNCIL OF THE CITY OF WELLAND requests that staff propose an action plan that includes problem identification, education, neighbourhood outreach, resident tool kits and a framework for financial rebates; and further

THAT financial and staff resources be accounted for as part of the action plan proposal.

COMMENTS AND ANALYSIS:

Current Rodent Control Efforts

Effective rodent control requires a coordinated effort. Currently, City of Welland Staff work with homeowners and Niagara Region Public Health to educate residents and identify properties where rodents have nested. Owners need to be diligent in maintaining their properties to ensure that they are free of all refuse and potential food sources in addition to ensuring there are no rodent/ rat habitats or burrows on their property. Private property owners should also be making an effort through baiting of their own properties to try to eliminate any rodent/ rat infestations. Should the resident need assistance to control rodents/ rats on their property, they are encouraged to call a licensed pest control expert to confirm the presence of rodents/ rats and implement recommended actions to eliminate the rodents from their property and surrounding properties.

The City of Welland will provide education and outreach to residents to enhance awareness and knowledge in the identification, prevention and control of rodent infestation. This educational information will be delivered through hydro bills that will advise homeowners to monitor their property for possible evidence of rodents, improve sanitation and eliminate nesting sites, prevent rodents from entering their home and eliminate food sources. This information will be posted on the City's website and social media with the appropriate municipal contact information for complaints, advice, and rebate program details.

Proposed Rodent Control Rebate Program

Ridding private property of rats and rodents can be costly and frustrating for homeowners. Welland City Council has approved the funds to assist homeowners with the costs of hiring a licensed pest control company. Staff recommends implementing a similar program to the City of St Catharines and the City of Niagara Falls. Some of the details of the proposed program are as follows:

- The program is meant to assist in the cost of the extermination of the rodent problem per property for one time per year at a maximum amount of \$200;
- The rebate would apply to 50% of the cost of services provided by a licensed Canadian pest control contractor only;
- The rebate will not cover pest control products purchased by the property owner at retail outlets for their own application;
- The contractor will be required to complete a form detailing services and recommendations

Proposed Program Administration:

- The By-law Enforcement officer receives a rodent complaint and it will be logged;
- By-law Enforcement Officers inspects the site and validates the existence of the rodents;
- If there is a property standards concern, the Officer will inform the home owner on what they need to do to comply. Any clean yards issues must be first taken care of before property owner is eligible for the rebate.
- After the property owner has taken care of any applicable clean yards concerns the complainant can apply for a one time per year Residential Rodent Control program to assist in the cost of extermination;
- In order to receive the rebate, the homeowner must submit the original paid invoice for the services provided by a licensed Canadian pest control contractor.

FINANCIAL CONSIDERATION:

\$25,000.00 was approved during the 2019 Operating Budget deliberations to fund a residential rodent control program in 2019.

OTHER DEPARTMENT IMPLICATIONS:

Depending on the level of participation, the Rodent Rebate Program may have a significant impact on the By-law Enforcement Division and may reduce our current level of service.

Finance Department would be required to mail out educational material/ rodent rebate program information via tax/ water bills.

SUMMARY AND CONCLUSION:

Rodents are a part of any urban area and it is not possible to eliminate them. As mentioned in the report, City staff will continue to work with the residents and other stakeholders to monitor the rodent issue and follow-up on complaints. The proposed Residential Rodent Control Rebate Program will aid residential property owners in 2019 with some financial aid to manage the rodent population.

ATTACHMENTS:

Appendix I – Residential Rodent Rebate/ Tips Flyer

APPENDIX 1



RESIDENTIAL Rodent Control REBATE PROGRAM



Have rodents living
in your yard?

Need financial assistance
with rodent control?



For more information and to book
an inspection, call 905-735-1700
Ext. 2259 or 2113 or 2250
Potential rebate up to \$200 per property



RESIDENTIAL Rodent Control IDEAS AND TIPS

**There are steps you can take
to prevent rodents on your property**

ELIMINATE FOOD AND WATER SOURCES

- Secure garbage and compost (*both indoor and outdoor*) in plastic or metal receptacles with tight fitting lids.
- Never place fatty or oily food waste, eggs or milk products in the composter
- Remove pet food right after feeding and clean waste from pet enclosures.
- Eliminate water sources such as, but limited to, leaky faucets, bird baths and all standing water.
- Keep areas around bird feeders and birdbaths clean. Remove bird feeders during a rodent infestation.
- Keep your yard free from all refuse.

ELIMINATE HIDING AND LIVING PLACES

- Cut tall grass and weeds back from the home's foundation and throughout the property.
- Remove clutter from around the home, garage and inside the shed.
- Lift wood piles approximately 30cm (*12 inches*) off the ground and away from the home.

PROTECT BUILDINGS

- Repair cracks in the home's foundation.
- Eliminate entry points (*some rodents can squeeze through cracks as small as a dime*).
- Use metal weather stripping under exterior doors.
- Cover drain pipes, dryer, fresh air and attic vents with fine metal screening

COUNCIL
INFRASTRUCTURE AND DEVELOPMENT SERVICES
ENGINEERING DIVISION

APPROVALS	
GENERAL MANAGER	
CFO	
CAO	

17-53
REPORT ENG-2019-17
May 7, 2019

**SUBJECT: EDGAR/ELGIN SEWER SEPARATION (PHASE 2)
 CHURCH STREET, FELL STREET, HIGHLAND GARDENS,
 SHOTWELL STREET, ELGIN STREET AND MERRITT STREET**

**AUTHOR: MATTHEW MAIN, A.Sc.T., E.I.T.
 ENGINEERING DESIGN SUPERVISOR**

**APPROVING G.M.: ERIK NICKEL, P. ENG., GENERAL MANAGER,
 INFRASTRUCTURE AND DEVELOPMENT SERVICES /
 CITY ENGINEER**

RECOMMENDATIONS:

THAT THE COUNCIL OF THE CITY OF WELLAND approves and accepts the tender of Provincial Construction Ltd. as detailed in Report ENG-2019-17 for the Edgar/Elgin Sewer Separation (Phase 2) Church Street, Fell Street, Highland Gardens, Shotwell Street, Elgin Street and Merritt Street; and further

THAT Welland City Council approves the extension of GHD Limited contract as per RFP17-04 to provide contract administration and construction inspection for the Edgar/Elgin Sewer Separation (Phase 2) in the amount of \$181,500.00 plus applicable taxes; and further

THAT Welland City Council directs the City Clerk to prepare all necessary and appropriate by-laws to enter into contract with Provincial Construction Ltd. and GHD Limited to execute the construction.

ORIGIN AND BACKGROUND:

The Edgar/Elgin area is one of the older areas of the City and the infrastructure is in need of replacement. Both reports ENG-2014-32 and ENG-2015-28 provided staff with the direction to apply for Small Communities Funding (SCF). The City was successful in obtaining the (SCF) for this project. This is twelve million dollars in funding over five years. The SCF funding will cover a maximum of sixty-six percent of the project costs. The City is responsible for the remaining funding. The project will be completed over several phases with completion in December 2021.

COMMENTS AND ANALYSIS:

The Edgar / Elgin Area is a large drainage catchment (approximately 40 hectares) bounded generally by the Welland River to the south, Chippawa Park to the west, Thorold Road to the north, and Aqueduct Street to the east. Within this area, there are pockets of existing combined

sewers requiring separation (by way of new construction of storm and/or sanitary sewers). Additionally, this area is primarily serviced by cast-iron watermains, which have reached the end of their life. Replacement will ensure high standards of water quality are met and reduce the frequency of service interruptions due to watermain breaks. The overall value of this project is estimated to be \$12,000,000 at this time, and will be completed in phases by 2021.

Phase one of this project is currently under construction and is expected to be completed in the summer of 2019.

Sewer separation in the Edgar / Elgin area will help move the City closer to city-wide sewer separation. Continuing with sewer separation will result in significant improvements to water quality of the Welland River, reduce the risk of basement flooding, and reduce storm water flows from entering the wastewater treatment plant for unnecessary treatment.

Phase 2 of the project will consist of the reconstruction of the following streets:

Street	From / To
Fell Street	Merritt Street to Church Street
Elgin Street	Shotwell Street to Niagara Street
Shotwell Street	Fitch Street to Church Street
Merritt Street	Fell Street to Niagara Street
Highland Gardens	East Limit to West Limit
Church Street	West Limit to Niagara Street

The tender for the works was released on Monday, March 4, 2019 and was publicly advertised and listed with the Niagara and Toronto Construction Associations, and as well, posted with a major Canadian tendering website for three (3) weeks.

There were nine (9) plan takers and five (5) tenders were received on closing day, Tuesday, March 25, 2019. Submissions have been reviewed for accuracy, have been found to be in compliance with City of Welland tender requirements and the provisions of the current Purchasing Policy.

The summary of all the tenders received, excluding taxes, is as shown in the following table:

Contractor Name and Address	Tender Price (excluding taxes)
Provincial Construction Ltd. 4382 Montrose Road Niagara Falls, ON L2H 2K2	\$5,294,626.79
NexTerra Substructures 7226 Rexinger Road Niagara Falls, ON L2E 6S6	\$5,303,412.10
O'Hara Trucking & Excavating 71 Berryman Avenue St Catharines, ON L2R OA2	\$5,482,114.70
Peters Excavating Inc. 3 Cross Street Welland, ON L3B 5X6	\$5,516,636.00
Alfred Beam Excavating Ltd. 1219 Sunset Drive Fort Erie, ON L2A 5M4	\$6,527,435.00

Provincial Construction Ltd. of Niagara Falls, Ontario, the low tenderer, is an established company in southern Ontario, serving the Niagara Region, and has completed similar work for the City in the past. Staff has discussed the expectations of the contract with Provincial Construction Ltd and is confident they will perform in accordance to our specifications and standards, and therefore, recommends that the firm be awarded the contract.

Construction is scheduled to start June 2019, and be completed by spring 2020.

FINANCIAL CONSIDERATION:

The tender price from the low bidder plus 1.76% for the City's HST share results in an ultimate project value of approximately \$5,387,812.22.

Due to the scope, size, and projected staff availability for the project GHD Limited's contract will be extended to provide contract administration and construction inspection in the amount of \$181,500.00 plus applicable taxes. This is an extension of RFP17-04 approved in Report ENG-2017-18.

A breakdown of the funding structure for this project is shown in the following table:

Total Approved Funding Breakdown:

2017 Capital Budget	Amount
Small Communities Fund Infrastructure Replacements Roads, Sidewalk, Storm, Sanitary, Watermain (10-320-F22, 10-316-F12, 10-327-F07, 10-330-F73, 10-910-F78)	\$4,170,000.00
2018 Capital Budget	
Edgar/Elgin Area Roads, Sidewalk, Storm, Sanitary, Watermain (10-320-G57, 10-316-G10, 10-327-G55, 10-330-G83, 10-910-G90)	\$3,700,622.00
2019 Capital Budget	
Edgar/Elgin Sewer Separation (SCF) (PH3) Roadways, Sidewalk, Storm, Sanitary, Watermain (10-320-19201, 10-316-19201, 10-327-19201, 10-327-19201, 10-910-19201)	\$4,170,000.00
Total Project Funding	\$12,040,622.00

The total funding requirements to date including design for all phases and construction of phase 1 and phase 2 is approximately \$8,220,000.00. The remaining \$3,820,000.00 of project funding will be used to complete phase 3.

The remaining project funding will determine the scope of phase 3 construction. Staff will review the remaining streets and determine which infrastructure should be replaced. Any streets that are not completed will be included in a future capital project.

SUPPORT OF ASSET MANAGEMENT PLAN:

The 2016 Addendum to the City of Welland Comprehensive Asset Management Plan identifies that "infrastructure expenditure needs are in excess of the available revenue. The analysis indicates that the funding gap is approximately \$20 million per year" (page 22).

To mitigate this funding shortfall, this report also suggests a number of mitigation strategies (page 21).

1. Actively seeking out and applying for grants;

Road reconstruction, watermain replacement and sewer separation in the Edgar Elgin area are identified as high priorities in the City's Asset Management Plan. Execution of this project aligns with these priorities.

OTHER DEPARTMENT IMPLICATIONS:

Contract administration for tendering, agreement, and contract payments have been and will be kept in compliance with the agreed practices of the Finance, Clerks and Legal departments.

SUMMARY AND CONCLUSION:

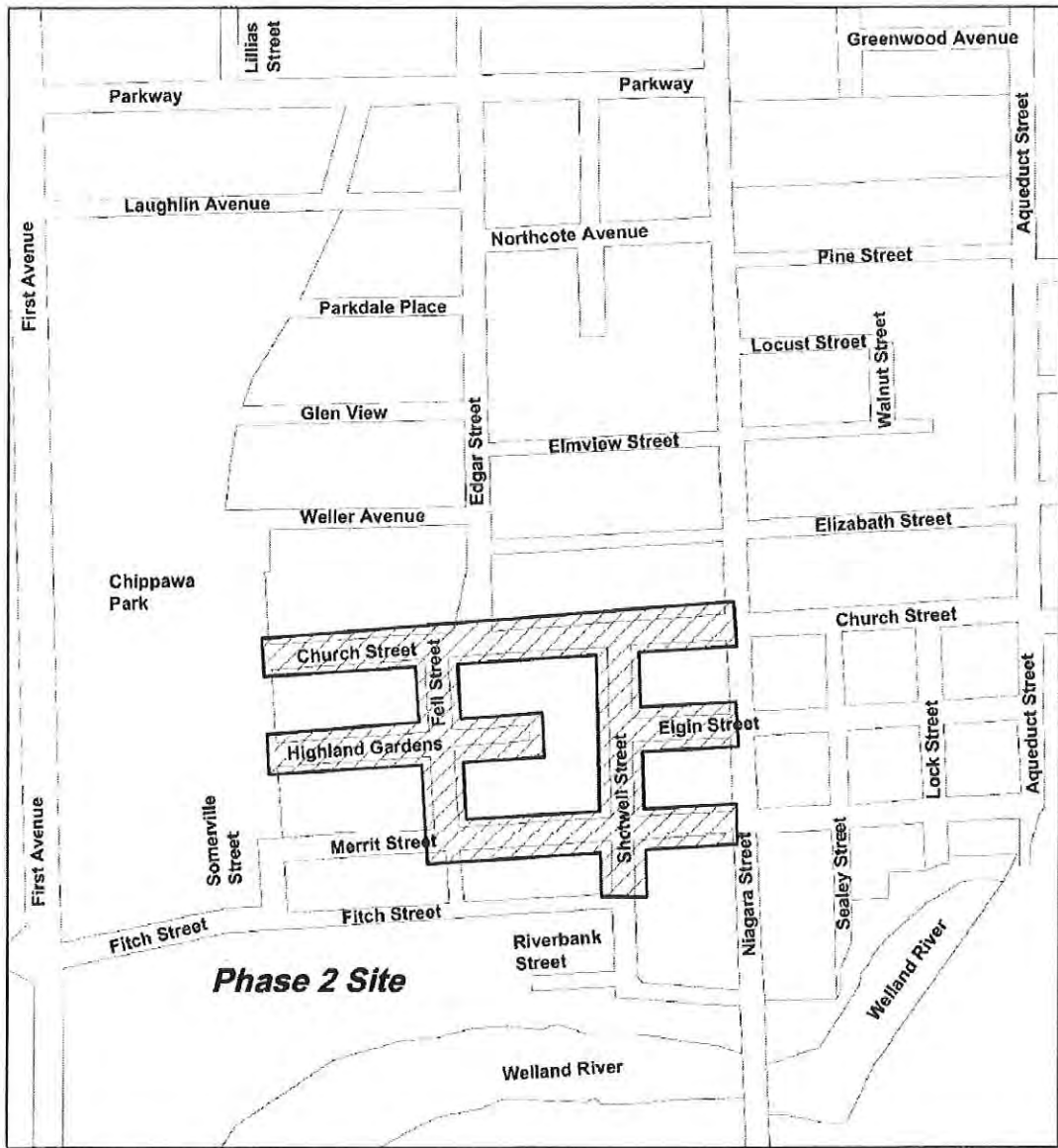
The Edgar/Elgin project will replace aging infrastructure in a large area of the City. This will improve water quality and pressure, improve stormwater runoff to the river and upgrade the roads to an urban cross-section. This project has received significant funding through the SCF program. Construction will be completed over the next several years, with completion in December 2021.

Staff recommends the awarding of a contract to Provincial Construction Ltd. for construction and GHD Limited for the contract administration and construction inspection for The Edgar/Elgin Sewer Separation (Phase 2) - Church Street, Fell Street, Highland Gardens, Shotwell Street, Elgin Street and Merritt Street.

ATTACHMENTS:

Appendix I – Location Plan

Appendix I
LOCATION PLAN



19-3

REPORT CLK-2019-11

The following organization has applied for Lottery Licensing and is presented to City Council for approval.

NAME**ADDRESS**

Niagara Safety Village

100 Niagara College Boulevard
Welland, Ontario
L3C 7L3

Respectfully submitted by Tara Stephens, City Clerk



RECOMMENDATION:

THAT THE COUNCIL OF THE CITY OF WELLAND approves the application for lottery licensing for Niagara Safety Village.

Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

April 29, 2019

CL 9-2019, April 25, 2019
 PEDC 4-2019, April 17, 2019
 PDS 17-2019, April 17, 2019

LOCAL AREA MUNICIPALITIES**SENT ELECTRONICALLY**Niagara Housing Statement: Affordable Housing Data

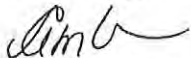
PDS 17-2019

Regional Council, at its meeting held on April 25, 2019, passed the following recommendation of its Planning and Economic Development Committee:

That Report PDS 17-2019, dated April 17, 2019, respecting Niagara Housing Statement: Affordable Housing Data, **BE RECEIVED** for information and **BE CIRCULATED** to the Local Area Municipalities.

A copy of PDS 17-2019 is enclosed for your reference.

Yours truly,



Ann-Marie Norio

Regional Clerk

:jg

CLK-C 2019-097

cc: A. Tikky	Planner, Planning and Development Services
N. Oakes	Executive Assistant to the Commissioner, Planning and Development Services
R. Mostacci	Commissioner, Planning and Development Services

Subject: Niagara Housing Statement: Affordable Housing Data

Report to: Planning and Economic Development Committee

Report date: Wednesday, April 17, 2019

Recommendations

1. That Report PDS 17-2019 **BE RECEIVED** for information; and
2. That a copy of Report PDS 17-2019 **BE CIRCULATED** to the Local Area Municipalities.

Key Facts

- The purpose of this report is to inform Council of the development of a Niagara Housing Statement database to inform the concurrent studies being undertaken by the Planning and Development Services Department and the Community Services Department. Specifically, the comprehensive review of the Niagara Region's Housing and Homelessness Action Plan and the preparation of a regional housing strategy to inform the policies of the Regional Official Plan.
- An inter-departmental Steering Committee was formed in 2018 to align the concurrent efforts across the Corporation to address issues of housing supply and affordability. The Steering Committee determined that there is a need for a single source of housing-related data that clearly delineates housing need within Niagara Region.
- The Canadian Centre for Economic Analysis (CANCEA) was awarded the project and has prepared a comprehensive database that includes key housing metrics, and detailed demographic and housing trends for Niagara by region and municipality.
- A series of one-on-one consultation meetings was held in March 2019 between local municipal planning staff, Regional staff, and the CANCEA Project Team to discuss the database and emerging trends. Feedback received during these sessions was overwhelmingly supportive of the project deliverables, and indicated an urgent need for this data to be shared in order to inform municipal-level housing studies and related initiatives.
- Following this Committee meeting, Regional staff will distribute the database to local municipal staff, and organise a one-day working session to review the data, identify local and regional trends and identify scenarios that will inform the preparation and implementation of local and regional housing policy.

Financial Considerations

The Niagara Housing Statement project was funded through the 2018 Council Approved Operating Budget with contributions from the Planning and Development Services Department, and the Community Services Department. There are no direct financial implications arising from this report.

Analysis

Background

New Regional Official Plan and Housing and Homelessness Action Plan

Section 26 of the *Planning Act* requires municipalities to undertake regular reviews of their Official Plans in order to align and conform to Provincial planning policy and legislation, including the policies of the Provincial Policy Statement (2014), the Growth Plan for the Greater Golden Horseshoe (2017), the Greenbelt Plan (2017), and the Niagara Escarpment Plan (2017).

Through approval of Report PDS 40-2016, Regional Council endorsed the preparation of a new Regional Official Plan in accordance with the *Planning Act*. Subsequently, Report PDS 41-2017 outlined eight (8) background studies necessary for the development of the new Regional Official Plan. In conformity with Section 2.2.6 of the Provincial Growth Plan (2017), this list of studies includes the preparation of a regional housing strategy, that must, among other things: identify a diverse range and mix of housing options and densities to meet the needs of current and future residents; establish targets for affordable ownership and rental housing; identify land use planning and financial planning tools to support these measures; and align with the Niagara Region 10-Year Housing and Homelessness Action Plan (HHAP) as required under the *Housing Services Act*.

The Niagara Region 10-Year HHAP was developed in consultation with local community members, service providers, local area municipalities, and other stakeholders as per the requirements of the *Housing Services Act*. Action plans play a critical function in setting out how Service Managers, such as the Regional Municipality of Niagara, are to address housing and homelessness locally, including: housing affordability, the co-ordination of homelessness and related support services, and the prevention of homelessness and chronic homelessness. The Plan was approved by Niagara Regional Council in 2013, and came into effect on January 1, 2014.

The *Housing Services Act* stipulates that Service Managers must review their plans at least once every five (5) years to reflect changes in policy and/or shifts in local priorities, as well as to ensure consistency with the Policy Statement: Service Manager Housing

and Homelessness Plans (2016). The review process is an opportunity to consider if any substantial changes have taken place in the local context since its initial creation, particularly in relation to local demographic and economic changes.

This is formally reflected in the Policy Statement: Service Manager Housing and Homelessness Plans (2016), which requires Service Managers to complete an assessment of current and future housing needs. The assessment must be used to inform objectives, targets, and achievements within the updated HHAP, including goals related to the provision of a mix and range of housing by non-profit housing corporations, non-profit cooperatives, and the private sector in order to meet the needs of the local community. The action plan must also reflect a coordinated approach with Ontario's land use planning framework, including the Provincial Policy Statement (2014) and the Provincial Growth Plan for the Greater Golden Horseshoe (2017).

Preparation of the Niagara Housing Statement Database

In 2018, staff members from Niagara Regional Housing, Planning and Development Services, Community Services, and ERMS Departments formed an inter-departmental Steering Committee to coordinate concurrent housing studies, as well as to align efforts being undertaken across the Corporation to address housing supply and affordability within the Niagara Region.

The Steering Committee identified that there was no existing source of data either within or outside the organization that could provide an accurate assessment of the current and future demand for ownership, rental, and affordable housing within the Niagara Region. As such, in recognition of the mutual need for this information, the Planning and Development Services Department and the Community Services Departments prepared a joint Request for Proposal (RFP) for the development of a comprehensive database that would inform the policies of the Niagara Region Housing and Homelessness Action Plan and the Regional Official Plan.

In December 2018 the project was awarded to the Canadian Centre for Economic Analysis (CANCEA), an analytics and data organization with over 15 years experience in the provision of demographic, household, employment, land-use and economic analyses for various municipal and provincial government bodies. The database prepared by CANCEA includes detailed demographic and housing trends, both based on historical data, as well as data projections in conformity with those developed for Niagara 2041 Growth Strategy. The database also includes geographical mapping of income levels, demographic and housing characteristics at the sub-municipal levels, key housing need metrics at the municipal level, and analyses of key sub-groups, including older adults, low-income earners, immigrant and homeless populations, and aboriginal identity.

Local Municipal Consultation

Following a presentation by CANCEA to the inter-departmental Steering Committee on March 25, 2019, a series of one-on-one consultation meetings were held on March 26, 2019 and March 27, 2019 between local planning staff from all twelve (12) area municipalities, staff from Planning and Development Services, Community Services, and Niagara Regional Housing, and the CANCEA Project Team

As part of these consultation sessions, each municipality was provided with data specific to their community, as well as a high-level overview of the housing data collected. The contents and capabilities of the prepared database were presented by the Project Team, followed by a facilitated discussion regarding the results of the preliminary data analysis and its potential implications on municipal housing initiatives.

Feedback from local municipal staff was positive, with few corrections or gaps in the data identified. Several local municipalities indicated that they were in the process of undertaking similar types of housing analyses to address the specific needs of their communities, and that receipt of the prepared database would be critical to determining their scope and direction.

Process and Next Steps

Given the overall response to the database and the urgent nature of select municipal studies, Regional staff have determined that it is imperative that the results of the data analysis be presented to the Committee at this time, so that the Niagara Housing Statement database can be shared with local municipalities to work with.

Following the circulation of the dataset, Regional staff will be working with CANCEA's Project Team to arrange and host a training session for local municipal staff. Regional staff also intend to use this session as a means to facilitate further discussion regarding the specific housing needs of local area municipalities, and to develop specific scenarios for a risk and opportunities analysis that can inform the policies and regional targets within the Niagara Region HHAP and the new Regional Official Plan.

Alternatives Reviewed

The inter-departmental Steering Committee discussed various means of utilizing existing data sources to form the basis of the Region's housing policies and objectives. However, due to the incomplete and disjointed nature of the information available, it would compromise the effectiveness of any recommended tools or metrics. The comprehensive database prepared by CANCEA is necessary for staff to develop evidence-based policies that more accurately reflects the Region's housing needs, as well as to provide consistency between Regional and local municipal housing studies and strategies.

Relationship to Council Strategic Priorities

The new Regional Official Plan will assist in implementing Council's Strategic Priority of Labour-Ready Workforce.

Other Pertinent Reports

N/A

Prepared by:

Alexandria Tikky
Planner
Planning and Development Services

Recommended by:

Rino Mostacci
Commissioner
Planning and Development Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was reviewed by Doug Giles, MCIP, RPP, Director, Community and Long-Range Planning.

Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

April 29, 2019

CL 9-2019, April 25, 2019

CSC 4-2019, April 17, 2019

CSD 16-2019, April 17, 2019

LOCAL AREA MUNICIPALITIES**SENT ELECTRONICALLY**2019 Property Tax Policy, Ratios and Rates

CSD 16-2019

Regional Council, at its meeting held on April 25, 2019, passed the following recommendation of its Corporate Services Committee:

That Report CSD 16-2019, dated April 17, 2019, respecting 2019 Property Tax Policy, Ratios and Rates, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That Regional Council **APPROVE** the following tax ratios and sub-class reductions for the 2019 taxation year:

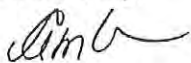
<u>Property Classification</u>	<u>Tax Ratio</u>	<u>Sub-Class Reduction</u>
Residential	1.000000	
New Multi-Residential	1.000000	
Multi-Residential	1.970000	
Commercial	1.734900	
Commercial – Excess Land	1.734900	30%
Commercial – Vacant Land	1.734900	30%
Industrial	2.630000	
Industrial – Excess Land	2.630000	30%
Industrial – Vacant Land	2.630000	30%
Pipeline	1.702100	
Farmland	0.250000	
Managed Forest	0.250000	
Farmland Awaiting Development 1	1.000000	25%
Farmland Awaiting Development 2	Class Ratio	
Landfill Sites	2.940261	

19-4

2. That by having no properties eligible for capping in the industrial class, Regional Council **OPT OUT** of the capping program for the industrial tax class for the 2019 and subsequent taxation years;
3. That the 2019 tax capping program for the commercial class reflecting the following criteria **BE APPROVED**:
 - a) An annual cap **BE SET** at the greater of:
 - i. An amount representing an increase of 10% of the previous year's annualized tax, or
 - ii. An amount representing an increase of 10% of the previous year's Current Value Assessment (CVA) tax;
 - b) That, following the application of the capping program, all increasing properties within \$500 threshold and decreasing properties within \$50 threshold of the CVA taxes **BE MOVED** directly to CVA taxation;
 - c) Properties at CVA tax in 2018 **BE EXCLUDED** from the capping program; and
 - d) Properties that would cross over CVA tax in 2019 **BE EXCLUDED** from the capping program;
4. That the phase-out of the capping program over four years for the Commercial property class with 2019 being year three of the four years **BE ADOPTED**;
5. That the 2019 capping program **BE FUNDED** by claw back from within respective classes pursuant to section 330 of the *Municipal Act*;
6. That the Region **BE DIRECTED** to act as a banker, under section 330(6) of the *Municipal Act* for the 2019 municipal tax adjustments;
7. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration and **CIRCULATED** to the Councils of the local area municipalities for information; and
8. That this report **BE CIRCULATED** to the Councils of the local area municipalities for information.

A copy of CSD 16-2019 is enclosed for your reference.

Yours truly,



Ann-Marie Norio
Regional Clerk

:mt

CLK-C 2019-098

cc: R. Fleming Senior Tax & Revenue Analyst, Enterprise Resource Management Services
M Montague Executive Assistant, Enterprise Resource Management Services
T. Harrison Commissioner/Treasurer, Enterprise Resource Management Services

Subject: 2019 Property Tax Policy, Ratios and Rates

Report to: Corporate Services Committee

Report date: Wednesday, April 17, 2019

Recommendations

1. That Regional Council **APPROVE** the following tax ratios and sub-class reductions for the 2019 taxation year:

Property Classification	Tax Ratio	Sub-Class Reduction
Residential	1.000000	
New Multi-Residential	1.000000	
Multi-Residential	1.970000	
Commercial	1.734900	
Commercial – Excess Land	1.734900	30%
Commercial – Vacant Land	1.734900	30%
Industrial	2.630000	
Industrial – Excess Land	2.630000	30%
Industrial – Vacant Land	2.630000	30%
Pipeline	1.702100	
Farmland	0.250000	
Managed Forest	0.250000	
Farmland Awaiting Development 1	1.000000	25%
Farmland Awaiting Development 2	Class Ratio	
Landfill Sites	2.940261	

2. That by having no properties eligible for capping in the industrial class, Regional Council **OPT OUT** of the capping program for the industrial tax class for the 2019 and subsequent taxation years.
3. That the 2019 tax capping program for the commercial class reflecting the following criteria **BE APPROVED**:
- a. An annual cap **BE SET** at the greater of:
 - i. An amount representing an increase of 10% of the previous year's annualized tax, or
 - ii. An amount representing an increase of 10% of the previous year's Current Value Assessment (CVA) tax.
 - b. That, following the application of the capping program, all increasing properties within \$500 threshold and decreasing properties within \$50 threshold of the CVA taxes **BE MOVED** directly to CVA taxation.
 - c. Properties at CVA tax in 2018 **BE EXCLUDED** from the capping program.
 - d. Properties that would cross over CVA tax in 2019 **BE EXCLUDED** from the capping program.

4. That the phase-out of the capping program over four years for the Commercial property class with 2019 being year three of the four years **BE ADOPTED**.
5. That the option to limit capping protection only to reassessment-related changes prior to 2019 **BE ADOPTED**.
6. That the 2019 capping program **BE FUNDED** by claw back from within respective classes pursuant to section 330 of the Municipal Act.
7. That the Region **BE DIRECTED** to act as a banker, under section 330(6) of the Municipal Act for the 2019 municipal tax adjustments.
8. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration and **CIRCULATED** to the Councils of the local area municipalities for information.
9. That this report **BE APPROVED** and **CIRCULATED** to the Councils of the local area municipalities for information.

Key Facts

- The purpose of this report is to set the 2019 tax policy which sets the tax ratio and tax capping program details. Tax policy accounts for property assessment changes and impacts the actual taxes paid by property owners. These tax policy changes may shift the distribution of taxes between property classes.
- The recommended tax policy for 2019 is status quo based on the tax policy decision adopted for the 2018 taxation year and is being recommended by Regional staff and Area Treasurers.
- 2019 is the third year of the four year reassessment phase-in period ending 2020.
- In order for the local area municipalities to complete final tax billings in June, Regional bylaws should be established no later than April.
- The Region approved a levy increase of 3.83%. Local area municipal increases are projected to range from 0% to 9.28%.
- Under the status quo tax policy the residential class in aggregate will see an increase of 3.55% over 2018 as a result of a negative reassessment shift of 0.28% (see table 1).
- The reassessment impacts, proposed tax policy and approved Regional tax levy will result in an increase of approximately \$51 (3.5%) to the typical residential property with a CVA of \$267,711 in 2019 for an annual Regional property tax of \$1,516.
- As of the date of this report, the Province has not released the 2019 education tax rates.

- The Region continues strategies to exit the capping program. The commercial class is projected to have 0 capped properties and 0 clawed back properties for 2019 (eligible to exit 2020). The multi-residential tax class was exited fully in 2017 and the industrial class will be exited fully in 2019.

Financial Considerations

There are no direct costs to the Region as a result of setting 2019 tax policy. There are taxpayer impacts as a result of tax shifts between property classes due to re-assessment phase-in, assessment growth and tax ratio decisions. Detailed analysis of assessment growth, reassessment and phase-in changes and tax ratios is included in the Tax Policy Study attached as Appendix 1.

The recommendations related to capping protection for the commercial property class are funded through a clawing back of tax reductions within the same class. The recommendations will have implications to those existing property owners whose properties are capped and those whose properties are subject to claw back. However, for 2019 it is projected that there will not be any capped properties.

As will be discussed under the Other Policy Consideration section of this report, Council approved the phase-out of the commercial/industrial vacant unit rebate program starting in 2019 through CSD 3-2019. Included as part of the 2019 levy supported operating budget, was a budgeted reduction of approximately \$300,000 for the vacant unit program. Also as part of Report CSD 3-2019, Council approved the phase-out of the vacant/excess land subclass discount which does not have an impact on tax policy until 2022.

Analysis

The Municipal Act provides the Region with the responsibility to establish tax policy to raise levy requirements. These tax policy decisions are reviewed and discussed with local Area Treasurers. Regional staff met with the local Area Treasurers and discussed options for the 2019 tax policy and all Area Treasurers strongly support the recommendation in this report.

Due to the 2016 reassessment, assessment growth and provincial legislation, tax shifts will occur across all property classes. These factors are outside the control of Niagara Regional Council and the budget process. The only opportunity to affect these is through the thorough analysis of options available for ratios and resulting impacts. Staff with the use of a third party consultant undertook analysis of a number of options to arrive at the recommendations presented in this report.

The Region has several tax related performance metrics that are being measured and are reported in Appendix 2. These metrics as well as BMA relative tax burden metrics

were considered in the evaluation of tax policy options identified in this report. Policy decisions proposed have been made with the following considerations in mind:

- Residential taxpayer - The residential class is responsible for 73% of the overall tax levy. Under the status quo tax policy the residential class in aggregate will see an increase of 3.55% over 2018 as a result of a negative reassessment shift of 0.28% (see table 1). This decrease in the residential class' proportionate share of taxes will continue for the balance of the reassessment cycle (2020). In previous years, the Region utilized the negative shift away from the residential class to provide relief to multi-residential and commercial tax classes through reduced tax ratios. As identified in the most recent BMA study, the weighted average residential property taxes payable as a percentage of household income is above the BMA study average (i.e., Niagara 4.9% [5.2% weighted average] versus BMA average 4.8%). The negative shift from the reassessment will assist with narrowing the gap between Niagara and the BMA average.

As can also be seen in Appendix 2 to this report, all three categories of residential developments have average property taxes per unit above the BMA survey average for 2018. The residential categories included in the BMA study are detached bungalow, two-storey homes and senior executive homes.

- Job creation/growth – per Table 2, Industrial properties pay 3.24% of Regional taxes. Due to significant reassessment and appeal reductions in the property class in the recent past, the Industrial class represents 3.24% in taxation which is down from 3.61% in 2016 and remains below or at the BMA relative tax burden averages provided in Appendix 2.
- Commercial properties pay the second largest share (after residential) of Regional taxes at 18.38%. Appendix 2 illustrates that Niagara taxation of shopping centres and hotels are moderately above the BMA average while office buildings and motels are below. It should be noted that significant hotel appeals outstanding may reduce the overall tax burden for this property type if the appeals are successful (\$907 million in CVA). The current assessment practice for hotels is the net rental income approach. A higher potential income per night from a higher concentration of hotels in Niagara Falls tourist areas (51 out of 80 hotels) helps explain the higher Niagara hotel taxes relative to neighbouring municipalities. For the 2018 taxation year Council approved a reduction in the commercial tax ratio from 1.7586 to 1.7349. Under the status quo tax policy for 2019, this reduction in the tax ratio will be retained.

Basis for Policy Recommendations

1. Assessment Growth

The overall real assessment growth that occurred in 2019 was 1.65% (as included in the approved 2019 operating budget), equivalent to \$5,705,152 in tax dollars. Table 1 summarizes the overall assessment growth that occurred in 2018 as well as the impacts affecting each of the tax classes based on maintaining the status quo tax ratios for 2019.

Table 1 – 2019 Tax Levy Impacts by Property Class (Status Quo Policy)

Property Class	2018 Levy	Impacts			2019 Levy	Avg % Increase
		Growth	Phase-In	Levy		
Residential	\$ 250,722,218	\$ 5,647,400	\$ (726,422)	\$ 9,626,725	\$ 265,269,921	3.55%
New Multi-Residential	766,871	13,926	5,500	29,609	\$ 815,906	4.58%
Multi-Residential	14,913,471	(366,364)	(66,918)	545,286	\$ 15,025,475	3.21%
Farm	2,832,219	(30,642)	198,501	112,985	\$ 3,113,063	11.00%
Management Forest	16,253	1,952	770	715	\$ 19,690	9.14%
Commercial	63,691,226	439,228	666,478	2,440,106	\$ 67,237,038	4.88%
Industrial	11,497,293	(14,706)	(48,010)	430,586	\$ 11,865,163	3.33%
Pipelines	2,250,941	14,358	(28,998)	84,212	\$ 2,320,513	2.45%
Landfill	57,780	-	(1,034)	2,137	\$ 58,883	1.91%
Total	\$ 346,748,272	\$ 5,705,152	\$ (133)	\$ 13,272,361	\$ 365,725,652	3.83%
% Increase		1.65%	0%	3.83%	5.47%	

2. Re-Assessment Phase-In and Tax Shifts

Reassessments of all properties is mandated by the Province every four years across Ontario to ensure that current value assessments (CVA) relied upon for property tax purposes are reflective of current market conditions. The 2017 taxation year represented the first phase-in year of the current four year reassessment cycle based on the January 1, 2016 valuation date. This reassessment cycle applies to the taxation years 2017 to 2020. Any assessment related decreases are implemented in the first year of the four year cycle with any increases being phased-in equally over the four years. As a result of decreases coming into effect in the 2017 tax year, the tax shifts across property classes are most significant in year one of the phase-in period which is what occurred with the Industrial property class reduction in 2017. These factors are as a result of MPAC assessment and outside of the control of Niagara Regional Council and the budget process

As mentioned above, this decrease in the residential class' proportionate share of taxes will continue for the balance of the reassessment cycle (2020) as seen in Table 2. This redistribution will shift taxes to commercial and farm properties. The 2019 amounts in Table 2 are based on the proposed status quo rates from 2018. The table represents a starting point for the ratio analysis. This will assist with the residential tax payer affordability.

Table 2 – Multi-Year Tax Distribution by Tax Class

Realty Tax Class	2018 Year End (As Revised)	Share	2019 Levy (As Returned)	Share
Taxable				
Residential	\$ 256,369,618	72.74%	\$ 265,269,922	72.53%
Farm	2,801,577	0.79%	3,113,064	0.85%
Managed Forest	18,205	0.01%	19,689	0.01%
New Multi-Residential	780,797	0.22%	815,906	0.22%
Multi-Residential	14,547,107	4.13%	15,025,476	4.11%
Commercial	64,130,454	18.20%	67,237,038	18.38%
Industrial	11,482,587	3.26%	11,865,164	3.24%
Landfill	57,780	0.02%	58,884	0.02%
Pipeline	2,265,299	0.64%	2,320,512	0.63%
Total Taxable	\$ 352,453,424	100%	\$ 365,725,655	100%

3. Education Rates

At this time, the Province has not released the 2019 education tax rates. It is anticipated that the rates will be established with the Provincial budget in April. In previous years, the Province has maintained a revenue neutral approach for the residential property class meaning that the residential class typically will see a reduction in the education tax rate from year to year. We expect the same for 2019. The education tax “room” that is created as a result of the revenue neutral education approach assists in offsetting municipal tax increases. Table 3 summarizes the historical education tax rates for all property classes.

Table 3 – Historic Education Tax Rates

Realty Tax Class	Education Rates			
	2015	2016	2017	2018
Residential	0.00195000	0.00188000	0.00179000	0.0017000
Farm	0.00048750	0.00047000	0.00044750	0.0004250
Managed Forest	0.00048750	0.00047000	0.00044750	0.0004250
Multi-Residential	0.00195000	0.00188000	0.00179000	0.0017000
New Multi-Residential	0.00195000	0.00188000	0.00179000	0.0017000
Commercial	0.01190000	0.01180000	0.01140000	0.0109000
Landfill	N/A	N/A	0.01822671	0.0178518
Industrial	0.01530000	0.01500000	0.01390000	0.0134000
New Industrial	0.01190000	0.01180000	0.01140000	0.0109000
Pipeline	0.01190000	0.01180000	0.01140000	0.0109000

4. Waste Management Rates

Waste management tax rates are also set based on the Regional tax ratios. The waste management requisition by municipality was already approved through report CSD 7-2019; however the by-law setting for the waste management rates for the 2019 requisitions will be brought forward with the general tax levy by-law as the rates are based on each municipality's assessment and are dependent on the tax ratios (with the exception of Niagara-on-the-Lake). Overall, the waste management levy requirements increased by \$725,976 from \$34,602,337 in 2018 to \$35,328,313 in 2019, an increase of 2.1% before assessment growth. As discussed as part of CSD 7-2019 2019 Budget-Waste Management Services Operating Budget and Requisition, assessment growth in aggregate for the Region is 1.65% for 2018, resulting in the net requisition changes by local area municipality ranging from a decrease of 1.24% to an increase of 1.94% (total net requisition after growth of 0.45%). Therefore the combined waste management levy and general levy increase will result in a residential tax class increase of less than the Regional levy impact noted above.

Tax Policy Considerations

A number of scenarios were reviewed for the 2019 tax policy. All scenarios considered utilizing the negative tax shift away from the residential class to benefit other tax classes (i.e., commercial, multi-residential).

Despite the additional scenarios considered, staff are recommending a status quo scenario for 2019 for the reasons outlined in the Residential Taxpayer Affordability section. Specifically, keeping the negative shift with the residential class will mitigate the residential Regional tax levy increase to 3.55% from 3.83%. Further to this, the BMA study has shown that all residential categories are above the BMA study average. This position has been supported by the Treasurers of the local area municipalities as they are also projecting levy increase ranging from 0 to 9.28%.

Further to this, in previous years, the Region has utilized the negative tax shift away from the residential class to benefit commercial and multi-residential property owners. In addition, the Region also created a New Multi-Residential tax class in 2003 which carries the same ratio as residential properties which provides greater relief to newly constructed multi-residential buildings. See appendix 4 for historical Regional tax ratios.

Consideration was given to reduce the commercial tax burden as the hotel category is above BMA average (as discussed above). However as there are also a number of incentive programs that are available to this segment (including Tax Increment Grants, Development Charge exemptions/grants) this was not recommended. No consideration was given to adjusting the industrial ratio as the industrial tax class allocation is decreasing as noted in Table 2 as well as the fact that the Region is at or below the BMA average for this segment.

2019 Property Tax Levy Impacts

Table 4 shows the Regional tax increases for status quo tax policy. As per Appendix 1, reassessment impacts increased the overall Region taxable assessment by an average of 4.05% for all tax classes. Properties that are reassessed with increases greater than the average will see tax increases greater than the Region's budget increase of 3.83% and conversely properties reassessed less than the 4.05% average will see increases (or decreases) of less than 3.83%.

Table 4 – Regional Tax Increases for Status Quo Tax Policy

Taxation Class	2018 Final		2019	2019 - Status Quo		
	Avg CVA*	Regional Taxes	Avg CVA	Regional Taxes	\$ Increase	% Increase
Residential	258,361	1,465	267,711	1,516	51	3.5%
Multi-Res.	2,449,215	27,361	2,533,468	28,262	901	3.3%
Commercial	735,600	7,237	772,380	7,588	351	4.8%
Industrial	708,763	10,571	735,909	10,960	389	3.7%
Farmland	326,484	463	363,311	514	51	11.1%

Municipal Impacts

As part of the 2019 tax policy review, the background documentation and scenario analysis was distributed to and discussed with the local Area Treasurers. Appendix 1 shows the municipal tax levy impacts of status quo tax policy recommendations in addition to an alternative scenario to be discussed further in the alternatives section. Under this option the relative tax impact on the residential class will be lower than the 2019 general levy increase as a result of the shift away from the residential class due to reassessment impacts.

While the tax shift away from the residential class for the Region as a whole is -0.28% it ranges from -1.55% to 1.73% for each area municipality based on localized assessment trends and is summarized below in Table 5 (Region portion only).

Table 5 – Regional Tax Levy Shifts (2018 Revised to 2019 Notional)

Area Municipality	Assessment Impacts by Tax Class	
	Residential	Total (Includes All Tax Classes)
Fort Erie	-1.55%	-1.58%
Grimsby	1.73%	2.05%
Lincoln	0.75%	0.72%
Niagara Falls	0.07%	0.22%
Niagara-on-the-Lake	0.13%	0.77%
Pelham	-0.86%	-0.73%
Port Colborne	-1.24%	-0.98%
St. Catharines	-0.79%	-0.26%
Thorold	-1.03%	-0.88%
Wainfleet	0.04%	0.53%
Welland	-1.06%	-0.94%
West Lincoln	0.98%	1.13%
Region Average	-0.28%	0.00%

- Six Municipalities (Fort Erie, Port Colborne, Welland, Lincoln, Pelham and St. Catharines) see a tax shift away from the residential class above the Region average of 0.28% under the status quo scenario due to the residential reassessment increase being below the average increase for other municipalities.
- The remaining six municipalities will still see a positive tax shift on the residential class under a status quo scenario ranging from 0.04% to 1.73%.
- Overall (when considering all tax classes) Fort Erie tax payers will incur a reduced share of the Region levy for 2019 in comparison to 2018 under the status quo scenario (-1.58%) with Grimsby tax payers incurring an increased share (2.05%). Any municipality, class or other group of properties subject to a rate of phase-in change around 4.05% would likely carry a similar share of the Regional levy in 2019 as in 2018. Representative property groupings (class, municipality, ward, etc.) experiencing higher rates of change will attract a greater share of the overall levy; and vice-versa for those increasing at rates below the aggregate.

Other Policy Consideration

- Optional Sub-class to Facilitate Reduced Tax Rates for Small-Scale Value-Added Industrial & Commercial Activities on Farms.

The Province announced a new optional subclass for commercial and industrial improvements on farm properties. If a municipality adopts this new optional tax

class, the first \$50,000 of commercial and industrial assessment attached to a farm property will be taxed at 25% of the rate that otherwise would have applied for that specific property. The purpose of this new policy is to support small-scale agri-food enterprises with not more than \$1,000,000 in CVA. MPAC has recently processed and identified all properties eligible for this reduction across Ontario. In total, 250 eligible properties have been identified across the Province with 45 being within the Region. The Province has legislated that eligible properties must receive the benefit on the education portion of property taxes. Upper-tier municipalities have the option of adopting the subclasses which would provide the same reduction of 75% for both area municipal and Regional taxes.

Of the 45 properties identified, the majority are located in NOTL and Lincoln and have been identified by MPAC as wineries. The maximum benefit that these properties could experience is approximately \$500 on education taxes and approximately \$675 to \$1,000 on Region/LAM taxes combined (if adopted).

Staff is not recommending the subclass be adopted which is supported by the Area Treasurers. Existing Provincial legislation has already set the maximum farm property tax ratio at 0.25, meaning that farm properties already benefit from a reduced tax rate when compared to the residential rate. Also, with over 6,000 farm properties located in Niagara, only a select portion have been identified as eligible for the new subclass, meaning if the policy was adopted by the Region, only a small fraction of properties would receive any benefit. Further to this and as outlined on pages 47 and 48 of Appendix 1, additional farm property analysis shows that the combined impact for a typical farm property (when including house/secondary assessments) results in only a 2.78% tax related shift which is less than the 7.40% when only considering the actual farm portion of the typical property. Meaning that the reassessment related impacts on Farm properties may be less overall.

- Changes in discounts to commercial and industrial classes for excess and vacant land.

In 2017, the Province enacted legislation to allow municipalities increased flexibility to create a vacant and excess land reduction program that would better meet the needs of individual municipalities. During early 2019, Regional Council reviewed and approved report CSD 3-2019 which recommended the elimination of this discount over a 4 year phase-out starting 2021. As per the Council approved phase-out schedule, there are no impacts for 2019 for the commercial/industrial subclass property discounts. As part of report CSD 3-2019, Council also approved the phase-out of the vacant unit tax rebate for commercial and industrial properties. This revision to the vacant unit program does not have an impact on the annual tax policy process.

The revisions for both programs have been submitted to Ontario's Minister of Finance in early 2019. Regional staff have been advised by the Province that the program revisions will be presented to the Minister in April 2019 and become legislation in June 2019.

Tax Capping Program

Business tax capping was introduced by the Province in 1998 to ensure the impact of CVA reform was manageable for taxpayers in the Multi-Residential, Commercial and Industrial property classes. The system was originally intended to last just 3 years, with increases on these classes limited to 10% in 1998, 15% in 1999 and 20% in 2000 (referred to as 10-5-5). In 2005 there were over 4,000 properties impacted by capping (1,111 capped, 3,212 subject to claw back) in the amount of \$9,398,541. Appendix 3 shows the number of capped properties by class since 2005. For 2019, there are no capped properties projected. The Region opted out of the capping program for multi-residential properties in 2017 and is eligible for opting out the industrial tax class in 2019. It is being recommended that the necessary steps be completed to fully opt out the industrial tax class from the capping program. While there are no commercial properties projected to be effected by capping in 2019, this class cannot be opted out of until the 2020 taxation year.

Despite there being no projected properties to capped in 2019, staff are recommending that the CVA tax threshold for clawed back properties be maintained at \$50 for 2019 for the commercial property class in the event that a property does become eligible. The claw back threshold was reduced in 2018 from the 2017 level of \$500. The reduced claw back threshold eliminated the potential for a higher contribution being borne by very few properties.

Alternatives Reviewed

As identified above, staff explored numerous options. Given the strong emphasis on affordable housing an alternative analyzed was utilizing half of the negative residential tax shift (0.14% of 0.28%) to reduce the tax ratio of the Multi-Residential tax class from 1.97 (status-quo) to 1.902. As per section 131 of the Residential Tenancy Act, tenants are entitled to an automatic rent reduction when landlord's property taxes have been reduced by more than 2.49% from one year to the next. This alternative is **NOT RECOMMENDED**. Based on current levy requirements for the Region and the anticipated levy requirements for the area municipalities, it is not anticipated that a significant number of properties (if any) would be eligible for the mandatory rent reduction as outlined in the Act, meaning that there would be no legislated requirement for the landlords to pass any of the property tax savings as a result of a ratio reduction to the tenant.

Further to this, Regional Council approved a multi-residential tax class ratio reduction for 2018 which also utilized the negative residential shift from 2018.

Important to note as well, is that the New-multi-residential tax class has a legislated tax ratio of 1 (same as residential tax class). The intent behind the new class as legislated in 2017 (adopted by Region in 2003) is to assist in rental affordability of newly constructed multi-residential properties.

Relationship to Council Strategic Priorities

This tax policy was developed with Residential affordability in mind.

Other Pertinent Reports

- CSD 7-2019 - 2019 Budget-Waste Management Services Operating Budget and Requisition
- CSD 3-2019 - Vacancy Program Revisions Submission to Ministry of Finance

Prepared by:

Rob Fleming, MBA
Senior Tax & Revenue Analyst
Enterprise Resource Management
Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Enterprise Resource Management
Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation with Margaret Murphy, Associate Director, Budget Planning & Strategy and reviewed by Helen Chamberlain, Director, Financial Management & Planning /Deputy Treasurer.

Appendices

Appendix 1	2019 Tax Policy Study
Appendix 2	Performance Measures
Appendix 3	Number of Properties Impacted by Capping
Appendix 4	History of Regional Tax Ratios

Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

April 29, 2019

CL 9-2019, April 25, 2019**CSC 4-2019, April 17, 2019****CSD 29-2019, April 17, 2019****LOCAL AREA MUNICIPALITIES****SENT ELECTRONICALLY**Bill 142 – Construction Lien Amendment Act, 2017

CSD 29-2019

Regional Council, at its meeting held on April 25, 2019, passed the following recommendation of its Corporate Services Committee:

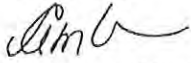
1. That Regional Council **ENDORSE** the recommendations made by the Association of Municipalities Ontario (AMO) to the Ministry of the Attorney General to consider the following additional changes to the recently amended *Construction Act*:
 - Owners should be provided more than 14 days to publish a notice of non-payment to ensure that due diligence is completed before payment of a proper invoice is required (e.g. 21 business days);
 - The time period between December 24th to January 2nd of each calendar year should be excluded from the calculation of time with respect to Prompt Payment and Adjudication;
 - The date for implementing the Prompt Payment and Adjudication regimes should be postponed from October 1, 2019 to one year following the establishment of the Authorized Nominating Authority (ANA); and
 - That the Ministry create and communicate practice guides, interpretation bulletins, and webinars in alignment with Recommendations 97 & 98 of the Expert Panel's Report to educate owners, contractors, and subcontractors of the new regimes;
2. That the Regional Chair **BE DIRECTED** to send a letter to the Ministry of the Attorney General to consider the recommendations made by AMO respecting the changes to the *Construction Act*; and

19-73

3. That Report CSD 29-2019 **BE CIRCULATED** to the local area municipalities.

A copy of CSD 29-2019 is enclosed for your reference.

Yours truly,



Ann-Marie Norio

Regional Clerk

:mt

CLK-C 2019-099

cc: K. Simpson Project Manager, Enterprise Resource Management Services
M Montague Executive Assistant, Enterprise Resource Management Services
T. Harrison Commissioner/Treasurer, Enterprise Resource Management Services

Subject: Bill 142 – Construction Lien Amendment Act, 2017

Report to: Corporate Services Committee

Report date: Wednesday, April 17, 2019

Recommendations

1. That Regional Council **ENDORSE** the recommendations made by the Association of Municipalities Ontario (AMO) to the Ministry of the Attorney General to consider the following additional changes to the recently amended *Construction Act*:
 - Owners should be provided more than 14 days to publish a notice of non-payment to ensure that due diligence is completed before payment of a proper invoice is required (e.g. 21 business days);
 - The time period between December 24th to January 2nd of each calendar year should be excluded from the calculation of time with respect to Prompt Payment and Adjudication;
 - The date for implementing the Prompt Payment and Adjudication regimes should be postponed from October 1, 2019 to one year following the establishment of the Authorized Nominating Authority (ANA); and
 - That the Ministry create and communicate practice guides, interpretation bulletins, and webinars in alignment with Recommendations 97 & 98 of the Expert Panel's Report to educate owners, contractors, and subcontractors of the new regimes;
2. That the Regional Chair **BE DIRECTED** to send a letter to the Ministry of the Attorney General to consider the recommendations made by AMO respecting the changes to the Construction Act; and
3. That Report CSD 29-2019 **BE CIRCULATED** to the local area municipalities.

Key Facts

- The purpose of this report is to inform Council regarding municipal governments' concerns with recent amendments to the *Construction Act* as a result of Bill 142, and recommend that Niagara Region join municipal organizations in support of the four changes outlined by the AMO.
- Of significant concern is that the necessary processes are not in place with the province, preventing municipal governments from planning appropriately for the October 2019 implementation.

-
- The Association of Municipal Managers, Clerks and Treasurers of Ontario (AMCTO), Municipal Finance Officers of Ontario (MFOA), and other municipal organizations are supportive of the changes outlined by the AMO.

Financial Considerations

There will be a financial impact for the Region to implement and comply with Bill 142; however, the magnitude of the impact cannot be fully understood until the legislation has been in place for some time.

As a result of Bill 142 amendments to the *Act*, there will be cost implications associated with updating contract language, adapting existing processes, and resources required to address prompt payment, mandatory adjudication, risk mitigation, and general compliance with the amended statute. Budgetary and accounting pressures are a factor as mandated payments related to adjudicated disputes will become due mid-project with short timelines for payment.

Staff will be required to develop processes and procedures to respond to new payment and claims pressures under compressed timelines. Additional ongoing legal and contract administration support will also be required to address an expected increase in contract disputes arising from the mandatory adjudication process. Additionally, depending on the yet to be determined regulations, mandatory surety bonds on public projects may also increase project costs, and potentially reduce the competitive pool of available bidders for certain types of work.

Overall, these potential factors introduce significant corporate financial risk to the organization.

Analysis

Bill 142 made numerous amendments to the *Construction Lien Act* (now titled the *Construction Act*), which affect the Region, its professional consultants, general contractors, subcontractors, and contract administrators. These include:

- Modernization of the construction lien and holdback rules and timelines
- Modernization of claims procedures
- Introduction of a prompt payment regime for all construction projects
- Implementation of adjudication as a new process to speed up dispute resolution

The purpose of the amendments was to ensure promptness and security of payment for suppliers of construction materials and services, and to ensure disputes are resolved efficiently to facilitate cash flows between contractors and subcontractors. The amendments are being implemented in three phases and can be categorized as follows:

(1) Minor housekeeping changes which went into effect December 12, 2017; (2) changes with respect to lien modernization, holdback payment, and surety bonding effective July 1, 2018; and (3) changes with respect to prompt payment and adjudication effective October 1, 2019.

Prompt Payment

Effective October 1, 2019, new legislation with respect to a "Prompt Payment" scheme will be implemented which will have an impact on the Region and the construction industry as a whole.

The *Act* will require that an owner (i.e. the Region) pay according to a "proper invoice" no later than 28 days after receiving said invoice from the contractor. Should an owner dispute the invoice, or a portion thereof, notice of non-payment must be given no later than 14 days after the invoice receipt date. If only a portion of the invoice is disputed, the owner is still required to pay any undisputed portions of the invoice within the 28 day time frame.

Staff are currently working to rewrite contracts and to define what constitutes a "proper invoice" in its contract language. System and process changes related to document management are also required to accommodate these changes. Considerations are also being made in the event the Region loses adjudications of disputes, as interest will accrue on any amounts that are not paid within the legislated time.

In addition, while the Legislative changes related to prompt payment outlined herein come into effect post contract award, the Region's Procurement department recognizes the need for a proactive and upfront commitment of resources to ensure that all associated templates (RFT, RFP, etc.) and contract documentation are updated to reflect the changes related to prompt payment, mandatory adjudication, risk mitigation, and general compliance with the amended statute. To ensure ongoing adherence to the overarching objectives of fairness and transparency, these changes will be incorporated and effectively communicated to the bidding community from the onset of each procurement process that is undertaken.

Adjudication

Also effective October 1, 2019, the Bill 142 amendments will come into force with respect to interim adjudication for construction disputes.

The Minister of the Attorney General is responsible for designating an entity to act as Authorized Nominating Authority (ANA) for the purposes of developing and overseeing programs for training adjudicators; qualifying adjudicators; establishing and maintaining a registry of adjudicators; and appointing adjudicators.

The party to a contract will have the right to refer disputes to adjudication, although adjudications are mandatory if payment is withheld. These disputes could relate to valuation of services or materials; payments under the contract, including change orders; disputes subject to Notices of Non-Payment; amounts retained as set-off; payments of holdback; non-payments of holdback; or any other matter to which the parties to the adjudication agree.

The adjudication procedures are set out in the *Act*, and will include a written notice of adjudication; selecting an approved adjudicator; exchange of documents to be relied upon at the adjudication; powers of the adjudicator; on-site inspection of work projects; and retaining of experts to assist the adjudicator. Strict timelines have been put in place (once adjudication is initiated, parties will have four days to agree to an adjudicator or the Authorized Nominating Authority must appoint one within five days; the initiating party then has five days to provide materials in support of its position; and a decision must be rendered by the adjudicator within 30 days of adjudication).

Liens

Liens are no longer attached to municipal property effective October 1, 2019. Under the current legislation, liens are not attached to crown property or municipal highways; however, if someone wishes to lien other properties such as a community centre, they can register the lien on title. With Bill 142, municipal properties are treated the same as crown lands. All liens are to be served by giving it to the Clerk; they are not to be placed on title. Staff will be required to develop processes and procedures to respond to new liens procedures under compressed timelines.

Staff at the Region have initiated a readiness assessment to identify the gaps and to develop a subsequent work plan to be compliant with Bill 142. Council's endorsement for these recommendations made by AMO and the associated risks as articulated in their letter will help ensure the Region's success in complying with the Bill while staff continue the work to be ready for October 1 or any other date the province may establish as a result of AMO recommendations and their endorsement by the Council.

Alternatives Reviewed

N/A

Relationship to Council Strategic Priorities

N/A

Other Pertinent Reports

N/A

Prepared by:

Kirbi Simpson
Project Manager
Enterprise Resource Management
Services

Recommended by:

Todd Harrison, CPA, CMA
Commissioner/Treasurer
Enterprise Resource Management
Services

Submitted by:

Ron Tripp, P.Eng.
Acting Chief Administrative Officer

This report was prepared in consultation and reviewed by Helen Chamberlain, Director Financial Management & Planning, Erin Amirault, Associate Director Finance Operations & Systems, Bart Menage, Director Procurement & Strategic Acquisitions, and Donna Gibbs, Director Legal & Court Services

Appendices

Appendix 1 AMO Submission to the Standing Committee on the Legislative Assembly

Appendix 2 AMO Letter to Attorney General



Bill 142, An Act to Amend the Construction Lien Act, 2017

Submission to the Standing Committee on the Legislative Assembly

November 1, 2017

AMO, on behalf of our municipal members, advocates for well-considered provincial legislation that enables municipal governments to function for the benefit of our communities and the public interest. Conversely, we work to mitigate unintended consequences of proposed legislation and regulations, identify gaps that need to be addressed, and provide advice to the Province to determine the best implementation.

Bill 142, *An Act to Amend the Construction Lien Act* (2017), is a piece of legislation that exemplifies the positive outcomes of what happens when a proper and thorough consultation takes place. As you know, the construction industry, owners (including municipal governments), contractors, and subcontractors have long argued for reforms to the *Construction Lien Act*, and AMO is encouraged that Bill 142 includes significant improvements to modernize an Act that is over 30 years old.

The Process

AMO appreciates the government for conducting the Expert Panel review of the *Construction Lien Act*, and the commitment and leadership shown by Attorney General Naqvi to get Bill 142 to this stage.

Our written comments will not come as a surprise to the Ministry of the Attorney General or others, as AMO has been actively consulted and involved throughout the four-year process.

Last week, the Attorney General circulated a list of some proposed government motions that have allowed us to narrow the focus on our remarks on Bill 142. We appreciate the Ministry's attempt to strike a balance between all stakeholders, and recognize that some of our concerns may be addressed in these motions. However, it is still important for AMO to highlight issues raised by our members that should be considered by the Committee.

Please note that our general remarks support other municipal governments' individual technical submissions which combined reflect countless hours working through how Bill 142 would affect the operations in their municipalities, and in some cases, have prepared draft alternative language that we hope the Committee will consider.

Areas of Support for Bill 142

AMO has been working closely with the Attorney General's office to identify gaps and unintended consequences of Bill 142. The Ministry is proposing several government motions that would, if passed, address some of AMO's concerns:

- including a transition provision to provide for consistency until the new law comes into effect;
- exempting architects, engineers, and consulting professionals from requiring surety bonds for public projects;

- clarifying that interest for late payments is from the date the invoice was due and payable; and,
- that adjudication may not revive expired liens.

We recommend that the Committee adopt these changes during clause-by-clause consideration.

In addition to these amendments, AMO submits that consideration also be given to our outstanding issues.

Recommended Areas for Refinement

1. Payment should not be made without first receiving a municipal owner's express approval or certification that work was properly completed.

AMO believes in prompt payment and is supportive of a regime that requires payments be made promptly for work that is completed to a standard that an owner has deemed to have been met. We believe that modernizing prompt payment rules is important and that people who have completed work properly should be paid on time.

AMO agrees completely with the Toronto Transit Commission's comments regarding certification, that "requiring payment to be made from the date of a proper invoice instead of certification or owner's approval means there may not be enough time to properly scrutinize an invoice and risks payment for improper or incomplete work. In the US, 20 states allow the trigger event to be either set out in the contract or is expressly certification/approval."¹

We note in the proposed government amendments, Alternative Financing and Procurement (AFP) projects would be allowed "certification of payment prior to the submission of an invoice for AFP projects."² AMO wonders why these same exceptions cannot apply also to municipal projects, given that it provides significant protection to one type of project over another.

Although the government is proposing a motion that provides an owner with the ability to conduct "testing and commissioning" of a project, it does not account for every scenario and this motion, if applied, would only add an additional cost. Without including a certification trigger, the link of prompt payment with a mandatory adjudication regime, means that an owner is not only required to make a payment in 28 days, but adjudication is automatically invoked if not.

This does not give nearly enough time for a municipal government, large or small, to verify that the work has been completed to specifications and to enter into discussions with contractors for any discrepancies that may be identified, which is industry practice.

¹ Toronto Transit Commission. Written Submission on *Bill 142: Construction Lien Act Amendment Act, 2017*, October 25, 2017, pg. 3.

² Email from the Attorney General's Office. "Update on Bill 142: Construction Lien Amendment Act." Received Monday, October 23, 2017.

All municipal governments have a duty to the taxpayer to be diligent in how projects are managed, and to ensure that taxpayer money is only paid for work that is properly performed and meets all of the specifications under the contract. To have the trigger for payment be the receipt of the proper invoice and not certification or other forms of owner's approval lacks the checks and balances necessary to process those payments. It will undoubtedly result in paying for contracts that are not properly completed and increase costs of litigation to resolve those disputes through adjudication.

Therefore, AMO is requesting that the trigger for payment for public projects be testing, commissioning and certification, or alternatively extend the timelines in the prompt payment regime to ensure that public funds are managed properly, and the safety of our projects are maintained for our residents.

2. Before proceeding to combine the lien rights and mandatory adjudication regimes - making Ontario the first jurisdiction in the world to do so - AMO would like the problematic time lags and other practical considerations addressed.

AMO is very concerned about implementing both regimes at the same time. Even if a matter is not resolved to the satisfaction of a contractor or subcontractor, they may bring a lien action during construction. By contrast, an owner does not have any ability to bring an action until the end of the project.

Bill 142 would make Ontario the first jurisdiction in the world to have both regimes (UK has adjudication but no lien rights). Under the prompt payment regime, owners and contractors would not have the same ability to settle a dispute because the timelines are so strict. To make matters more challenging, the government is proposing a motion that the subcontractor would be required to invoke adjudication if the contractor does not pay. These scenarios only drive up project costs and risk delaying construction projects.

We continue to be told that this legislation intends to catch problematic actors, not large owners like municipal governments. As responsible owners, we should be given flexibility to resolve disputes with contractors at far less cost, before being pulled into adjudication.

AMO also submits that the time lags between the "payment date" and the "non-payment notice" for progress payments ought to be extended to 28 days (s. 6.3 (2)), and the "payment date" and the "non-payment notice" for holdback payments should be extended to 60 days (s.27.1). This would better align the payment deadlines, and decrease the risk that contractors would be paid for work that was not properly completed.

Another example is that the extremely short timelines, proposed for adjudication, could result in the owner being taken by surprise in a trial if the contractor has spent time preparing a detailed claim without the owner's knowledge, and then initiates adjudication, with the owner having very little time to prepare a proper response.

These are just some examples that the Committee should address around the prompt payment and adjudication regimes. AMO recommends that the Province explore the implications of enacting both sections, and that stakeholders have the ability to comment on regulations before they are enacted. We have come too far in this process, and with significant alignment amongst stakeholder groups, why not work together to get it right the first time?

3. It is important that municipal governments receive training support and resources to ensure the legislation is properly implemented at the local level, and that they, as owners, are operating in compliance with the law.

AMO encourages the Ministry to find ways to help train municipal staff across Ontario on what has changed should this legislation pass. The size and capacity of municipal governments is equally broad as the value of projects they deliver. For example, about 43% of municipalities have less than six full-time administrative staff to cover statutory duties including a clerk, treasurer, general reception, and perhaps a chief administrator.³ It is highly unlikely that there will be a lawyer on staff.

Conversely, of the 34 Ontario municipalities that have a population over 100,000, their project management and legal staffing budgets will also have to significantly increase because of this legislation, as they, as an example, are the ones doing transit expansion projects.

Regardless of size, Bill 142 will require every municipality to redraft all of their construction contracts, develop new project management procedures, and change processes to ensure faster payment. This will require hiring more legal and project management resources (especially if the timelines do not change), and adding more administrative burden on every municipal clerk who will need to ensure compliance with this legislation, as well as the over 200 other provincial statutes that municipal governments are required to follow.

Given this context, AMO requests that the legislation be delayed in coming into force by one or two years, and echoes the recommendation by the City of Toronto that “there be a Ministry website for construction in Ontario for the publication of all notices under the Act and to provide additional information on individual projects”.

This would be helpful to all parties in the construction pyramid and erase the administrative and cost burden of publications required under the Act. If each project in the Province was assigned a ‘Project Identifier’ number, this would further assist the parties in locating all of the information about a project in one place, on one website.”⁴

³ Ministry of Municipal Affairs, 2016 Financial Information Return, Schedule 80. <https://efis.fma.csc.gov.on.ca/fir/>

⁴ City of Toronto, Oral Remarks on *Bill 142: Construction Lien Act Amendment Act, 2017*, October 25, 2017

Conclusion

AMO believes that Bill 142 has in some ways truly struck a balance between the competing asks of all stakeholders, and should be considered an achievement for industry and owner groups.

That said, we hope that the Committee will carefully consider our remarks and those of our member municipalities. These remarks are intended to ensure the modernization of the *Construction Lien Act* will be as successful as possible by avoiding unintended consequences and mitigating against the potentially costly and burdensome impacts of this legislation.

Sent via email: caroline.mulroney@pc.ola.org

March 7, 2019

The Honourable Caroline Mulroney
Attorney General
McMurtry-Scott Building, 11th Floor
720 Bay Street
Toronto, Ontario M7A 2S9

Dear Attorney General Mulroney:

I would like to outline the ongoing concerns that municipal governments have with the *Construction Act, 2017*, and to reiterate my request to meet with you on this item. Without legislative amendments and support from the Ministry for implementation, we do not believe that the prompt payment and mandatory adjudication regimes will work effectively by the time the legislation is to come into force.

AMO, and our members, have always supported the principle of prompt payment, as evidenced by various municipal governments that already have policies in place that protect workers and suppliers. That is why we have played an active role in modernizing the *Construction Lien Act* since the work on prompt payment began.

While the *Construction Act* has been modernized in many respects, we recognize that the most significant pieces of legislation come into force on October 1, 2019. With that date fast approaching, AMO is asking the Ministry to consider four amendments:

1. Owners should be provided more than 14 days to publish a notice of non-payment to ensure that due diligence is done before payment of a proper invoice is required (e.g. 21 business days);
2. The time period between December 24th to January 2nd of each calendar year should be excluded from the calculation of time with respect to Prompt Payment and Adjudication, similar to the recently proposed federal legislation;
3. The date for implementing the Prompt Payment and Adjudication regimes should be postponed from October 1, 2019, to 1-year post-establishment of the Authorized Nominating Authority (ANA); and
4. That the Ministry create and communicate practice guides, interpretation bulletins, and webinars in alignment with Recommendations 97 & 98 of the Expert Panel's Report to educate owners, contractors, and subcontractors on the new regimes.

The proposed 28-day timeline for owners to pay contractors on the receipt of a "proper invoice" does not provide enough time for municipal staff to inspect and certify whether the work has been completed properly. Municipal governments require the ability to certify work before payment is remitted to protect our property taxpayer dollars. This Act essentially prohibits certification before payment, which is problematic and should be reconsidered. Otherwise, the Act leaves municipal taxpayers vulnerable to increasing construction project costs as well as legal fees.

Further, most municipal governments are closed for the holidays or maintain a much reduced staffing level during December 24th to January 2nd. It is important that municipalities are not forced into impossible timelines when those imposed by the legislation are already so tight.

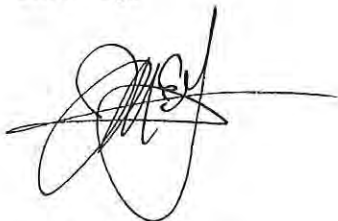
Many details about the Authorized Naming Authority (ANA) are still to be determined. We recognize that the proposed regulations have provided some clarity, and that Expressions of Interest for ANA members were released in January 2019. In order to have the ANA working by October 1st, the Province must develop a certification regime for the adjudicators, ensure that there are sufficient adjudicators to meet demand, and ensure they have all been certified. Only once these details are in place can owners, contractors and subcontractors be educated on how this mechanism will work in practice.

This Act, in its current form, makes Ontario the first jurisdiction in the world to have prompt payment and adjudication regimes run simultaneously. We all need to get it right, and owners are willing to do their part to get ready. To achieve this we strongly encourage the Ministry to create practice guides, interpretative bulletins, and webinars to communicate how to prepare for these regimes prior to coming into force.

One consideration the Ministry should explore is creating a centralized web database hosted for all construction in the province for notices and additional project information. A website commissioned by the Province could have cost-recovery fees and be more affordable than the current proposed vehicle.

I appreciate your thoughtful consideration of these issues, and look forward to meeting to discuss how we can make the *Construction Act* a success for all of Ontario. The Ministry can reach out to AMO staff to clarify any details needed.

Sincerely,



Jamie McGarvey
AMO President
Mayor, Town of Parry Sound

cc: The Honourable Steve Clark, Minister of Municipal Affairs and Housing

Carmela Radice

To: Cheryl Pieroway
Cc: Tara Stephens
Subject: Starr Valentino /Founder

From: Starr Valentino
Sent: Friday, April 5, 2019 9:33 AM
To: mayor <mayor@welland.ca>
Subject: Starr Valentino /Founder

Hello Mayor my name is Starr Valentino founder of "Do Something Good For Your Neighbor Day". I am reaching out to you in effort to request for a Proclamation on behalf of "Do Something Good For Your Neighbor Day" on May 16, 2019. This is a recognized Nation wide official Awareness Day in hundreds of cities, towns and villages all across the United States including cities in Canada. It's a Day that millions of people come together and spread Neighborly Love and Acts of Kindness throughout all it's neighborhoods. I am extremely excited because this is it's 10th year anniversary on May 16, 2019. I would be honored to have your city be apart of this nation wide grass root movement joining cities together for one common effort; spread acts of kindness throughout all it's neighborhoods. Currently, "Do Something Good For Your Neighbor Day" is on the National Calendar Day listing; Google "National Do Something Good For Your Neighbor Day-May 16" for more information. I can be contact at _____ for any questions or concerns. Thank you for your time and I hope to hear from you soon.

Sent from Yahoo Mail on Android

19-6



May 1, 2019

To Mayor Campion and Council:

The Ontario Museums Association has declared May is Museum month across Ontario.

May I respectfully request that the Mayor and city Council proclaim May as Museum month during the next Council meeting.

We are encouraging residents to visit the Museum, bring a friend and experience a great place to learn about our community and its development.

There is always something unique to see at YOUR Welland Museum!

Thank you for your time and consideration.

Best regards

PM

Penny Morningstar

*General Manager-Curator
Welland Museum*

19-6