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The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, June 14, 2022

A regular meeting of the Finance & Administration Committee was held on Tuesday, June 14, 2022 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Councillor Foster, Chair
Councillor Collier, Vice-Chair
Councillor Ashe
Councillor Drew
Councillor Leahy
Councillor Mulcahy
Councillor Nicholson
Regional Chair Henry
***all members of Committee, with the exception of Chair Foster, participated electronically**

Also
Present: Councillor Smith

Staff
Present: E. Baxter-Trahair, Chief Administrative Officer
D. Beaton, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
J. Austin, Deputy General Manager, Business Services, Durham Region Transit
S. Austin, Director, Strategic Initiatives, Office of the Chief Administrative Officer
J. Demanuele, Acting Commissioner of Works
T. Fraser, Committee Clerk, Corporate Services – Legislative Services
A. Harras, Regional Clerk/Director of Legislative Services
A. Hector-Alexander, Director, Diversity, Equity and Inclusion
W. Holmes, General Manager, DRT
J. Hunt, Regional Solicitor/Director of Legal Services, Corporate Services – Legal
R. Inacio, Systems Support Specialist, Corporate Services - IT
N. Pincombe, Director, Business Planning & Budgets
L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services – Legislative Services

2. Declarations of Interest

There were no declarations of interest made.

Chair Foster announced that the Region of Durham was a recipient of the Municipal Information Systems Association – Excellence in Municipal Systems Award for the myDurham311 Smart Home Device Voice Service. The award recognizes an Ontario municipality and individuals within the municipality, who have successfully undertaken a significant initiative or set a new standard that other municipalities may follow. Chair Foster noted that additional criteria include furthering a municipality's strategic objectives using information technology; demonstrating the improvement in service delivery to clients, citizens or businesses; a high level of collaboration between IT and other municipal departments; innovation (compared to like-sized municipalities), and cost savings/avoidance, efficiencies and scalability for use in other municipalities.

Chair Foster added that the Region is the first municipality to implement Smart Home Device capability for residents to connect to the Region to find out about services and learn about upcoming events. Chair Foster congratulated the myDurham311 team.

3. Adoption of Minutes

Moved by Councillor Collier, Seconded by Councillor Drew,
(51) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, May 10, 2022, be adopted.
CARRIED

4. Statutory Public Meetings

There were no statutory public meetings.

5. Delegations

5.1 Lorraine Sunstrum-Mann, Chief Executive Officer, Grandview Kids re: Update on the Progress of the Building of the New Grandview Kids Headquarters

L. Sunstrum-Mann, Chief Executive Officer, Grandview Kids, withdrew the request to appear before the Committee with respect to an update on the progress of the building of the new Grandview Kids Headquarters.

5.2 Adam Campbell, re: Water Billing Dispute

Adam Campbell, Brooklin resident, appeared before the Committee with respect to a water and sanitary sewer billing dispute.

A. Campbell advised that a notice was received in February 2020 stating that the water meter at their residence could not be read remotely and needed to be replaced. Following that, a representative from the Region's water billing division called to advise of an increase in water usage at A. Campbell's residence and

queried whether there was a water leak. After repeated attempts, A. Campbell was unable to reach the representative by phone.

A. Campbell stated that all subsequent water bills between February 2020 and March 2021 were paid in-full. A. Campbell advised that in April 2021 a higher-than-normal water bill of \$737.43 was received. At that time, A. Campbell contacted the Region and questioned the amount of the bill and was advised that the previous bills were based on estimated water usage, which A. Campbell was not aware of, and the April bill was an accurate reflection of the water used according to the new remote reading device.

A. Campbell did not dispute the amount of the invoice but advised there was dissatisfaction with the customer service received from the Region when dealing with this matter and requested that the April bill be adjusted based on the assertion that the remote reading device should have been repaired earlier, and communication from the Region should have been clearer. A. Campbell added that the Region should indicate more prominently on the bills that there is an issue and that the customer needs to phone-in to provide an accurate reading.

A. Campbell and N. Taylor responded to questions from the Committee members.

N. Taylor advised that with myDurham311, customers can now monitor their own accounts and added that remote meter readers will be phased-in to all customers across the Region over the next three years, eliminating the need to call-in meter readings.

In response to a request from the Committee, N. Taylor advised that a memo will be sent to the Committee on the current water billing process and updates will be provided as the phase-in of remote meter readers occurs. N. Taylor added that the concerns raised by the delegate and Committee members with respect to how customers are notified will be taken into consideration.

Moved by Councillor Collier, Seconded by Councillor Ashe,

(52) That leave be granted to introduce a motion without notice.

MOTION DEFEATED (A 2/3rds VOTE WAS
NOT ATTAINED)

Moved by Councillor Mulcahy, Seconded by Councillor Leahy,

(53) That leave be granted to introduce a motion without notice.

MOTION DEFEATED (A 2/3rds VOTE WAS
NOT ATTAINED)

5.3 Rob Messervey, Vice-Chair, and Patrick Bunting, Fundraising Chair, Healthy Lake Scugog Steering Committee, re: the Lake Scugog Enhancement Project Update and Next Steps

Councillor Drew introduced Rob Messervey, Vice-Chair, and Patrick Bunting, Fundraising Chair, Healthy Lake Scugog Steering Committee, and provided a brief background of the members and explained the importance of the Lake Scugog Enhancement Project (LSEMP) to the Scugog community.

Moved by Regional Chair Henry, Seconded by Councillor Drew,
(54) That the Rules of Procedure be waived in order to provide the delegates with additional time to complete their presentation.
CARRIED on a 2/3rds VOTE

R. Messervey and P. Bunting provided a presentation, highlights of which included:

- Project Genesis
- The Lake Scugog Watershed as Natural Capital
- Lake Scugog is vital to the local economy
- Lake Scugog is Challenged
- The Solution
- Lake Scugog Enhancement Project (LSEP) Benefits
- Protecting Lake Scugog aligns with Durham and Scugog Strategic goals and directions
- LSEP Schedule
- LSEP Funding

R. Messervey and N. Taylor responded to questions from Committee members.

Moved by Councillor Drew, Seconded by Regional Chair Henry,
(55) That leave be granted to introduce a motion without notice.
CARRIED on a 2/3rds VOTE

Moved by Councillor Drew, Seconded by Regional Chair Henry,
(56) That we recommend to Council:

Whereas a delegation consisting of representatives from the Township of Scugog, Kawartha Conservation Authority, and the Scugog Lake Stewards presented a request for \$2 million in support of the Lake Scugog Enhancement Project (LSEP) to the Finance and Administration Committee on January 14, 2020;

And whereas the objective of the LSEP is to significantly reduce the ecological decline of Lake Scugog by removing 15 acres of aquatic vegetation, establishing appropriate navigation depths in the Port Perry Harbour, creating a four-acre wetland to filter critical outlet stormwater and create native plant and wildlife habitat, and construct additional oil and grit separators, along with a 245-foot berm, complete with walking trail and fishing pods;

And whereas the LSEP has raised approximately \$3.59 million in financial support from the community and senior government programs toward the approximately \$5.48 million capital cost of the project, leaving an approximately \$1.89 million funding shortfall;

And whereas additional fundraising events, such as the Scugog Mayor's Gala and the upcoming launch of a community fundraising campaign, are planned to help close the funding gap;

And whereas the LSEP has received letters of support from the Mississaugas of Scugog Island First Nation and community organizations such as the Scugog Chamber of Commerce, Ontario Tech University, Ducks Unlimited Canada, and Ontario Streams, Port Perry BIA;

And whereas the environmental benefits associated with the LSEP align with the Region's strategic plan environmental sustainability objective to protect the environment for the future by demonstrating leadership in sustainability and addressing climate change;

Now therefore be it resolved that the Finance and Administration Committee recommends to Regional Council:

- A) That a contribution of \$1.2 million toward the LSEP be approved, with funding from any available 2021 surplus or any other reserve at the discretion of the Commissioner of Finance, under the condition that the project raises sufficient additional funding from other sources; and
- B) That authorization be granted to the Regional Chief Administrative Officer to enter into a funding agreement with payments over a three-year time frame with milestones satisfactory to the Regional Commissioner of Finance and appropriate recognition of Regional financial support.

CARRIED UNANIMOUSLY ON THE
FOLLOWING RECORDED VOTE:

<u>Yes</u>	<u>No</u>
Councillor Ashe	None
Councillor Collier	
Councillor Drew	
Regional Chair Henry	
Councillor Leahy	
Councillor Mulcahy	
Councillor Nicholson	
Chair Foster	

Members Absent: None

Declarations of Interest: None

6. Presentations

There were no presentations to be heard.

7. Administration

7.1 Correspondence

- A) Correspondence from the Town of Ajax re: Resolution passed at their Council meeting held on February 28, 2022, in support of Bill C-229, the Banning Symbols of Hate Act
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Moved by Councillor Collier, Seconded by Regional Chair Henry,
(57) That we recommend to Council:

That the correspondence from the Town of Ajax, re: Resolution passed at their Council meeting held on February 28, 2022, in support of Bill C-229, the Banning Symbols of Hate Act, be endorsed.

CARRIED

- B) Correspondence from the Town of Ajax re: Resolution passed at their Council meeting held on February 28, 2022, in support of the NCCM Anti-Islamophobia Municipal Recommendations
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Moved by Councillor Collier, Seconded by Councillor Mulcahy,
(58) That we recommend to Council:

That the correspondence from the Town of Ajax, re: Resolution passed at their Council meeting held on February 28, 2022, in support of the NCCM Anti-Islamophobia Municipal Recommendations, be endorsed.

CARRIED

7.2 Reports

- A) Durham Region's Membership in the Coalition of Inclusive Municipalities (2022-A-16)
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Report #2022-A-16 from E. Baxter-Trahair, Chief Administrative Officer, was received.

Moved by Councillor Mulcahy, Seconded by Councillor Leahy,
(59) That we recommend to Council:

- A) That Durham Region become a member of the Canadian Commission for the United Nations Educational, Scientific and Cultural Organization (CCUNESCO)'s Coalition of Inclusive Municipalities;
- B) That the Declaration to Join the Coalition of Inclusive Municipalities, included as Attachment #1 to Report #2022-A-16 of the Chief Administrative Officer, be approved and signed by Regional Chair John Henry at a signing ceremony; and
- C) That in accordance with CCUNESCO's requirements, the Regional Chair be selected as the "elected official focal point" and the Director of the Diversity, Equity and Inclusion Division be selected as the "municipal staff focal point", both to act as reconciliation, diversity, equity, and inclusion advocates.

CARRIED

B) Council Remuneration By-law (2022-A-17)

Report #2022-A-17 from D. Beaton, Commissioner of Corporate Services, was received. D. Beaton responded to questions with respect to the percentage of payments made in lieu of a pension plan; and how life insurance benefits for members of Council compare to those for Regional employees. D. Beaton advised that the amount of life insurance benefits for Council members will be revisited the next time life insurance benefits are negotiated with the Region's provider.

Moved by Councillor Leahy, Seconded by Councillor Drew,
(60) That we recommend to Council:

That By-law 08-2004, as amended, be repealed and replaced with a new by-law to provide for the annual remuneration and benefits for Regional Council generally in the form attached to Report #2022-A-17 of the Commissioner of Corporate Services.

CARRIED

C) Community Member Appointment to the Durham Regional Police Services Board (2022-A-18)

Report #2022-A-18 from D. Beaton, Commissioner of Corporate Services, was received. Comments were made with respect to not imposing term limits and the training and education completed by Board members.

Moved by Councillor Leahy, Seconded by Councillor Drew,
(61) That we recommend to Council:

A) That the proposed Durham Regional Police Services Board Community Member Appointment Recruitment and Selection Policy included as Attachment #1 to Report #2022-A-18 of the Commissioner of Corporate Services, be approved; and

B) That the term of appointment for the current community member on the Durham Regional Police Services Board be extended to no later than the date that a new community member is appointed by Regional Council.

CARRIED LATER IN THE MEETING
(See Following Motion)

Moved by Councillor Collier, Seconded by Councillor Ashe,
(62) That the main motion (61) of Councillors Leahy and Drew be amended by adding a new Section 5.2 to the Durham Regional Police Services Board Community Member Appointment Recruitment and Selection Policy as follows:

"5.2 A community member is eligible for appointment to a maximum of two consecutive terms of Regional Council, up to a maximum of 8 years."

MOTION DEFEATED ON THE FOLLOWING
RECORDED VOTE:

Yes
Councillor Collier

No
Councillor Ashe
Councillor Drew
Regional Chair Henry
Councillor Leahy
Councillor Mulcahy
Councillor Nicholson
Chair Foster

Members Absent: None

Declarations of Interest: None

The main motion (61) of Councillors Leahy and Drew was then put to a vote and CARRIED.

D) Appointment of an Integrity Commissioner for the Region of Durham (2022-A-19)

Report #2022-A-19 from D. Beaton, Commissioner of Corporate Services, was received.

Moved by Councillor Leahy, Seconded by Councillor Drew,
(63) That we recommend to Council:

- A) That By-law 11-2019 be repealed and replaced with a By-law generally in the form included as Attachment #1 to Report #2022-A-19 of the Commissioner of Corporate Services to confirm the appointment of Principles Integrity as the provider of Integrity Commissioner services for the Regional Municipality of Durham; and
- B) The initial term of contract for the Integrity Commissioner shall be for the 2022-2026 term of Regional Council with the option to renew for an additional Council term.

CARRIED

E) Municipal Ombudsman (2022-A-20)

Report #2022-A-20 from D. Beaton, Commissioner of Corporate Services, was received.

Moved by Councillor Mulcahy, Seconded by Councillor Leahy,
(64) That we recommend to Council:

- A) That By-law 32-2016 appointing an Ombudsman for The Regional Municipality of Durham, be repealed, effective November 14, 2022; and
- B) That the Region utilize the services of the Provincial Ombudsman once the current contract for Ombudsman Services has expired as of November 14, 2022.

CARRIED

- F) Transfer of Part III and IX Prosecutions from the Province of Ontario, Ministry of the Attorney General (MAG) to the Regional Municipality of Durham (2022-A-21)

Report #2022-A-21 from D. Beaton, Commissioner of Corporate Services, was received. D. Beaton responded to questions with respect to the cost differential between the current process and the proposed transfer of responsibility for Part II and IX prosecutions to the Region; the annual net cost; and whether the Region receives the revenue from the Part III and IX prosecutions.

Moved by Councillor Mulcahy, Seconded by Councillor Ashe,
(65) That we recommend to Council:

- A) That staff be authorized to negotiate the timing with the Province of Ontario, Ministry of the Attorney General (MAG), for the transfer of responsibility for prosecutions of Part III and Part IX charges to the Regional Municipality of Durham (the Region);
- B) That the full-time staffing complement of the Corporate Services Department – Legal Services, POA Prosecution division be increased by the addition of three (3) Prosecutors and two (2) Prosecution Assistants, at an estimated cost of \$201,500 for 2022 (annualized - \$602,600), commencing September 2022 plus initial one-time set-up costs of approximately \$20,350, to be financed from savings within the Corporate Services – Legal Services 2022 Business Plans and Budgets;
- C) That the Regional Chair and the Regional Clerk be authorized to execute the Interim Transfer Agreement in substantially the form attached as Attachment #1 to Report #2022-A-21 of the Commissioner of Corporate Services and any final Transfer Agreement; and
- D) That the Regional Solicitor be authorized to execute any accompanying Memoranda of Understanding, any required Local Side Agreement(s), or amendments thereto, and any other documentation required to implement the transfer of the prosecution of Part III and Part IX charges from MAG to the Region.

CARRIED

8. Finance

8.1 Correspondence

There were no communications to consider.

8.2 Reports

A) Final Recommendations Regarding the New Regional Transit Development Charge By-law (2022-F-15)

Report #2022-F-15 from N. Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor Mulcahy,
(66) That we recommend to Council:

- A) That pursuant to Section 10(1) of the Development Charges Act, 1997, the Regional Transit Development Charges Background Study dated April 12, 2022 be adopted;
- B) That the adoption of the underlying capital forecast included in the Regional Transit Development Charge Background Study provide indication of Regional Council's intention to ensure that such an increase in need for services will be met as required under paragraph 3 of Section 5(1) of the Development Charges Act, 1997 and Section 3 of Ontario Regulation 82/98;
- C) That the Regional Transit Residential Development Charge by unit type, as indicated in the following table, be imposed on a uniform Region-wide basis, effective July 1, 2022 as follows:

**Recommended Regional Transit Residential Development Charge
Rates Per Dwelling Unit
Effective July 1, 2022**

Service Category	Single / Semi-Detached (\$)	Medium Density Multiple (\$)	Apartments: 2 Bedrooms and Larger (\$)	Apartments: 1 Bedroom and Smaller (\$)
Regional Transit	2,184	1,720	1,221	750

- D) That the Regional Transit Non-Residential Development Charge of \$0.99 per square foot for commercial, industrial, and institutional development, be imposed on a uniform Region-wide basis effective July 1, 2022;
- E) That the Development Charge policies for Regional Transit Development Charges, as contained in the proposed By-law provided in Attachment #1 to Report #2022-F-15 of the Commissioner of Finance, be approved for implementation on July 1, 2022;
- F) That the Local Services Policy for Transit Services, as provided in Attachment #2 to Report #2022-F-15 of the Commissioner of Finance, be adopted effective July 1, 2022;
- G) That, pursuant to Section 12(3) of the Development Charges Act, 1997 that requires Regional Council to determine whether a further public

meeting is necessary when changes are made to a proposed development charges by-law following a public meeting, Regional Council resolve that a further public meeting is not necessary as no changes have been made to the Region's proposed development charges by-law following the public meeting on April 27, 2022;

- H) That the Regional Solicitor be instructed to prepare the requisite Regional Transit Development Charge By-law for presentation to Regional Council and passage;
- I) That the Regional Solicitor be instructed to revise future development agreements and any by-law(s) relating thereto to reflect any changes required to implement the foregoing recommendations and that any such revised by-law(s) be presented to Council for passage;
- J) That the Treasurer be instructed to prepare the requisite Regional Development Charges pamphlet and related materials pursuant to the Development Charges Act, 1997; and
- K) That the Regional Clerk be instructed to follow the notification provisions pursuant to the Development Charges Act, 1997.

CARRIED

B) E-Mission Zero – DRT Fleet Electrification Plan (2022-F-16)

Report #2022-F-16 from N. Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor Mulcahy,
(67) That we recommend to Council:

That Durham Region Transit's Fleet Electrification Plan be received for information and referred to Durham Region Transit's long-term servicing and financing strategy to be presented to Committee and Council in advance of the 2023 Business Plans and Budget.

CARRIED

C) The Issuance of Debentures on Behalf of the City of Pickering, the City of Oshawa, the Municipality of Clarington and The Regional Municipality of Durham (2022-F-17)

Report #2022-F-17 from N. Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor Mulcahy,
(68) That we recommend to Council:

- A) That the Commissioner of Finance be authorized to issue external debentures, in a total principal amount not to exceed \$57,875,000 on behalf of the City of Pickering, the Municipality of Clarington and The Regional Municipality of Durham ("Region") over various terms, as set out below, with such terms not to exceed 20 years and at an average net yield not to

exceed 5.00 per cent relating to the financing requirements as indicated below:

	<u>Amount</u>	<u>Term</u>
City of Pickering	(Not to Exceed)	(Not to Exceed)
Chestnut Hill Developments Recreation Complex Generator Replacement	\$1,200,000	10 Years
Purchase of Land for the Construction of 401 Overpass	\$4,373,000	20 Years
Subtotal City of Pickering	<u>\$5,573,000</u>	
	<u>Amount</u>	<u>Term</u>
Municipality of Clarington	(Not to Exceed)	(Not to Exceed)
Newcastle and Orono Arena Improvements	\$6,402,000	10 Years
South Bowmanville Recreation Centre	\$20,000,000	20 Years
Subtotal Municipality of Clarington	<u>\$26,402,000</u>	
	<u>Amount</u>	<u>Term</u>
Region	(Not to Exceed)	(Not to Exceed)
Courtice Trunk Sanitary Sewer	\$25,900,000	15 Years
Subtotal Region	<u>\$25,900,000</u>	
TOTAL EXTERNAL DEBENTURE REQUIREMENTS	<u>\$57,875,000</u>	

- B) That authorization be given to issue an internal debenture for and on behalf of the City of Oshawa in an amount of \$700,000 on the basis that the City of Oshawa will purchase the Oshawa Debenture using reserve funds of the City of Oshawa as requested by the City;
 - C) That the Commissioner of Finance be authorized to amend the proposed terms and conditions of the external debenture issue as deemed necessary by the Fiscal Agents in order to successfully market the issue to prospective investors on the basis that the Region may purchase all or part of the debentures; and
 - D) That the Region be authorized to issue the external debentures through CDS Clearing and Depository Services Inc.'s "Book Entry Only" system.
- CARRIED**

- D) Additional Community Investment Grant Funding for Grandview Children's Centre (2022-F-18)

Report #2022-F-18 from N. Taylor, Commissioner of Finance, was received.

Moved by Regional Chair Henry, Seconded by Councillor Mulcahy,
(69) That we recommend to Council:

- A) That additional Community Investment Grant funding of \$1.5 million be approved for Grandview Children's Centre, increasing the Region's total Community Investment Grant funding from the previously approved \$5.035 million to \$6.535 million, to account for the significant cost escalations associated with the capital construction of the new Children's Treatment Centre; and

- B) That the Regional Chair and Regional Clerk be authorized to execute the funding agreement.

CARRIED AS AMENDED
(See Following Motion)

Moved by Regional Chair Henry, Seconded by Councillor Foster,

- (70) That the main motion (69) of Regional Chair Henry and Councillor Mulcahy be amended by adding a new Part B) as follows and re-lettering the existing Part B) accordingly:

- “B) That additional Community Investment Grant Funding for the two hospices currently approved under the program be authorized at the discretion of the Commissioner of Finance to account for significant cost escalations associated with the capital construction in accordance with the rules and accountability measures of the program.”

CARRIED

The main motion (69) of Regional Chair Henry and Councillor Mulcahy was then put to a vote and CARRIED AS AMENDED.

9. Advisory Committee Resolutions

There were no advisory committee resolutions to be considered.

10. Confidential Matters

There were no confidential matters to be considered.

11. Other Business

11.1 Regional Boulevards

Councillor Nicholson advised that discussions have been occurring between the City of Oshawa, Durham Region Transit and a private business with respect to who has the legislated authority to enter into agreements for the placement of benches on boulevards along Regional roads. He requested clarification on this matter.

J. Hunt advised that a confidential memo on this matter will be prepared and shared with Council members within the next two weeks.

12. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, September 13, 2022 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

13. Adjournment

Moved by Councillor Leahy, Seconded by Councillor Mulcahy,

(71) That the meeting be adjourned.
CARRIED

The meeting adjourned at 11:13 AM

Respectfully submitted,

A. Foster, Chair

L. Fleury, Legislative Officer