

THE CORPORATION OF THE TOWNSHIP OF EAR FALLS

MINUTES of the Special Meeting of Ear Falls Council
Royal Canadian Legion, Ear Falls Branch #238
41 John Street, Ear Falls, ON
July 10th, 2013 @ 6:00 p.m.

1. CALL TO ORDER

Mayor Kevin Kahoot called the Meeting to order at 6:00 p.m.

2. ROLL CALL

Mayor Kevin Kahoot, Councillor Jim Desmarais, Councillor Rob Eady, Councillor Fred Melanson, Councillor Vic Robinson, Clerk Treasurer Administrator Kimberly Ballance, Moderator Jan (Dutchie) Loman, and twenty-two (22) members of the public

3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

None Declared.

4. MATTERS FOR WHICH SPECIAL MEETING WAS CALLED

Mayor Kahoot thanked all the members of the public for attending the Meeting and advised that Council would accept questions from the public throughout the Meeting as well as at the end of Council's presentation.

4.1 2013 Budget – Tax Rates

Mayor Kahoot advised that the 2013 Budget was a difficult one to create due to the drastic decrease in the Sawmill's assessment. The decrease from 7.5 million to 2.9 million resulted in a tax loss of about \$340,000. This is not unique to Ear Falls because a similar situation is occurring in other communities with large mills including the pulp mill in the City of Dryden.

Council reduced the tax levy by about \$63,000 from \$1.93 million to \$1.87 million. The overall taxes were decreased by 5.3%, but there are tax increases in all classes except industrial. The Township's reserve balance is healthy and the reserve levels are increasing. The budgeted year-end balance is about \$1.7 million.

Mayor Kahoot indicated that service reductions are necessary because the Town costs about \$5 million / year to operate, and Council has to make decisions that reflect the tax loss of \$340,000 so that taxpayers are not responsible for picking up this loss.

Mayor Kahoot asked the public if they had any questions.

Lloyd Harford – "How much did the taxes go up for the average

household? Are the taxpayers picking up the bulk of the Sawmill's taxes?"

Mayor Kahoot – “The residential tax increase was 4.4% and service cuts were required to minimize the impact on residents.”

Gerald Kleist – “If the Township's reserve balances are so healthy, and we are experiencing difficult times, when will Council be drawing from reserves?"

Mayor Kahoot – “Council has used some in 2013 for various projects.”

Gerald Kleist – “Will the assessment of the Sawmill increase if it restarted?"

Mayor Kahoot – “The Municipal Property Assessment Corporation (MPAC) is responsible for the assessment but I doubt that it will increase to the same level. Assessments do not increase immediately and it might be a year or two before assessment is added to the Township's assessment roll.”

4.2 Recreation Services

Mayor Kahoot advised that Council cut the Recreation / Community Program Coordinator position due to budget restrictions. This was a difficult decision for Council. Recreation will now operate in a manner similar to many small community's operations. The Recreation Committee is working to operate events including the recent Eagle Days which was quite successful. T-Ball and Baseball have also had good turn-outs, as has volley-ball, court sports and hopefully soccer in the fall. The Committee is very enthusiastic and is striving to ensure that recreation programming continues in Ear Falls.

4.3 Fire Department Services

Mayor Kahoot advised that Council cut the Fire Chief position due to budget restrictions. The volunteer firefighters are well trained and have very strong captains Darryl Desjardins, Don MacDonald, Matt Simon and Karen Climie-Desjardins. They are focused and dedicated to fire prevention and protection. They are working hard to ensure that training and events are maintained within the community. There will be some growing pains with the new operation but these are understandable and will be addressed as we become more comfortable with the new operation.

4.4 Recreation Centre Roof Project

Mayor Kahoot advised that the Recreation Centre project was brought to Council's attention in 2010 due to concerns about the structure of the building. This led to a Ministry of Labour Order for the Township to get a structural review of the building. The Engineer's Report indicated that the building was safe, but that water was causing problems and would continue to damage the foundation of the building.

The major problem with the building at the moment is the roof. The Township received initial pricing of \$366,000 for the supply and installation of a new roof, but we've found a different product at a cost of about \$230,000. This includes the supply and installation of roofing material, repair of roof penetrations and installation of radiant heaters.

Dave MacDonald – “What is the cost to operate the Arena as an average monthly cost?”

Mayor Kahoot – “I will follow up with you after the Meeting.”

Ron Bergman – “How much is the Township's portion for the Roof Project?”

Mayor Kahoot – “Staff are finalizing the figures but will make that information available to the public shortly.”

Mayor Kahoot welcomed Councillor Eady to the microphone.

4.5 Museum Update

Councillor Eady advised that the Museum Working group has been working to build some displays and will be continuing throughout the year on building some additional displays. Ontario Power Generation (OPG) has also committed to building a display. The Township will be applying for a grant to capture the thoughts and memories of the seniors and others in Ear Falls for a record of the history.

Building displays is costly but Council has provided some funds and we've applied for a few grants for this purpose. Hopefully we will be successful.

4.6 Sawmill Update

Councillor Eady advised that EACOM and CEP Local 308 have recently signed an 8-year contract (ending in 2022) that will provide stability to the company for budgeting employment costs. The contract has a 20% increase in wages over the term which is pretty good for potential, future employees.

The Random Composite Index has been falling so it does not appear that there will be an announcement until lumber prices increase. A potential announcement might occur in the Spring of 2014.

Councillor Eady advised that the rumour about the Sawmill being sold is partly true. EACOM has undergone a friendly takeover with Kelso & Company buying the shares.

4.7 Building Permits / Chief Building Official

Councillor Eady advised that the elimination of a number of requirements for building permits is planned to reduce the

administration for this service. The plan would be to eliminate permits for the following:

- Replace existing, same-size doors and windows
- Install siding on small residential buildings
- Build a roofless deck not higher than 0.6 meters (24 inches) above adjacent grade and the walking surface of the deck, and that is not attached to a building
- Build a utility shed or structure without plumbing under 10 square metres (107.6 sq. ft.)
- Re-shingle a roof, provided there is no structural work
- Install eaves troughs, provided that drainage is contained on your property
- Replace or increase insulation, dry-wall or plaster
- Paint or decorate
- Install kitchen or bathroom cupboards without plumbing modifications
- Erect a fence (except for fencing around swimming pools which do require permits)

The Township is required to have a Chief Building Official appointed so will be investigating a contract for the provision of this service.

Becky Bergman – “How much revenue will the Township be losing by not issuing permits for the listing that you just presented?”

Councillor Eady – “The Township won’t be losing any revenue because the cost for these types of permits didn’t finance the cost of providing the service.”

Mike Seguin – “Is the list of exclusions posted on the website?”

Clerk Treasurer Administrator Kimberly Ballance – “It is not yet posted but it will be soon.”

Ed Melanson – “Can we ask any staff member for the list of exclusions?”

Councillor Eady – “At the moment the listing is new, so it would be best to ask Clerk Treasurer Administrator Kimberly Ballance for information on this issue.”

4.8 Water / Sewer Rate Review

Councillor Robinson advised that despite previous increases to Water and Sewer Rates, that the cost of providing the service still exceeds the revenue generated.

Water Treatment and Distribution System

- 2013 Budgeted Revenue = 400,313
- 2013 Budgeted Expenditure = 525,954
- Amount collected through taxes = 125,641

Sewage Treatment and Distribution System

- 2013 Budgeted Revenue = 321,689

- 2013 Budgeted Expenditure = 348,493
- Amount collected through taxes = 26,804

The Provincial Government is requiring movement to full cost accounting of water and sewer systems, which should be funded through user fees. Despite increased water and sewer fees over the past 3 years, there is still a large deficit that is being collected through taxation.

In addition to the deficit, the Federal Government has recently enacted new regulations for sewage treatment. It is anticipated that the Wastewater Systems Effluent Regulations (WSER) will significantly impact the requirements for sewage treatment in Ear Falls. The regulation has begun to impact the municipality already.

Council will be completing a review of water / sewer revenues and expenditures in 2013 and will be modifying fees accordingly.

4.9 Nuclear Waste Management Organization (NWMO) Site Selection Process Update

Councillor Robinson advised that the Township of Ear Falls is currently in Phase 1, Step 3 of the Nuclear Waste Management Organization's Site Selection Process.

The Nuclear Waste Community Committee (NWCC) has been working to inform the community about the project by way of:

- Regular public meetings
- Newsletters
- Placemats in local restaurants
- Website
- Community Events including a very well attended Youth Pizza Party, speakers, community members attendance at the Learn More Visit in Toronto, Canada Day events

The Mayor recently attended a Forum with the Nuclear Waste Management Organization (NWMO), along with the Mayors from the initial eight communities involved in the process. The NWMO provided information on the next step in the process, which will reduce the number of communities involved in the process to 2 communities.

Ed Melanson – “Is the target area for the NWMO Northwestern Ontario?”

Councillor Robinson – “The preferred community is one that is willing with suitable characteristics as defined by the NWMO. There are a number of communities in southern Ontario that have entered the process. Despite the fact that the rock type is different in northwestern and southern Ontario the project appears to be possible in both locations.

The NWCC has been doing a very good job and is working hard to inform the community.

On July 21st, 2013, the NWMO is sponsoring the English River Miners' volunteer work day and will be bringing up the trailer with the transportation container. This event will be at 4:00 p.m. at either the Waterfront or the Arena. This will be a good opportunity to see the display. Notices will be posted when the final location is selected.

4.10 Official Plan / Zoning By-Law Update

Councillor Desmarais held up a copy of the draft Official Plan and Zoning By-Law for the public to see. He advised that these documents dictate the land use within the municipality. A Public Meeting will be held to discuss these on July 17th, 2013 at 5:00 p.m. and all members of the public should attend to see what is happening with the planning for Ear Falls.

The Provincial Government dictates the rules about land use but these are the documents that dictate how all the rules apply in Ear Falls. This is part of the mandatory 5-year review process.

This version of the Official Plan and Zoning By-Law will be the first plan that includes digital maps. It is important to ensure that the public attend to verify that your property is in the right zone, particularly if you are on the boundary of two different zones. The Draft versions of the new Official Plan and Zoning By-Law are available online at www.ear-falls.com.

4.11 Public Library

Councillor Desmaris advised Council has directed that call-in staff use is minimized during periods when full-time staff are away on holidays or off sick. This has resulted in some closures of the library unexpectedly; however the Library Board has done a very good job of arranging for ongoing service within the limited number of hours.

Summer hours are currently in place and are:

- Monday to Wednesday and Friday from 1:00 p.m. to 4:00 p.m.
- Thursday from 6:00 p.m. to 8:00 p.m.

This has reduced service availability, but is enabling the Township to sustain library services despite the Township's challenging financial situation.

Council has to thank the Library Board for their work and Library Coordinator Becky Bergman for the wonderful job they do at the library, and the wide array of services that they offer.

4.12 Day Care – Full Day Junior Kindergarten / Senior Kindergarten

Councillor Melanson advised that the 2013-14 school year will be the first year of Full Day Junior and Senior Kindergarten in Ear Falls which will undoubtedly have an impact on Day Care enrollment. A majority of Day Care funding is provided through fees paid by parents and funding from the Kenora District Services Board (KDSB) however some funds for the Day Care also come from taxation.

KDSB has committed to providing the same level of funding to the Township for the 2014 calendar year. This is meant to assist during the transition to Full Day Junior Kindergarten / Senior Kindergarten. At this time Council will be completing an ongoing review of Day Care enrolment and operations to ensure the services provided are cost effective.

Lloyd Harford – “What is happening with the play structure at the old Day Care?”

Clerk Treasurer Administrator Kimberly Ballance – “It will be relocated to the new Day Care but must be fenced separately from the main play area at the new site due to Ministry requirements. The layout for the play area must be Ministry approved.”

Gerald Kleist – “What are the Day Care hours because it’s my understanding that the hours don’t really accommodate the shift work schedule in Ear Falls?”

Marg Trippier – “A survey was recently completed to see if alternate hours of operation would be used / useful to community members. Only two responses were received.”

Mayor Kahoot – “The Township is willing to accommodate varying hours of operation if there are enough kids that would make it cost efficient.”

Lloyd Harford – “How much does Day Care cost / year? Is it similar to Red Lake?”

Clerk Treasurer Administrator Kimberly Ballance – “Yes.”

4.13 Question and Answer Period

Lloyd Harford – “Did we just buy a new loader backhoe?”

Mayor Kahoot – “Council has authorized a new purchase and it was deemed to be a better option than repairing the old one.”

Ron Bergman – “Has Council done an analysis on the cost of operating the Multiplex? Are we seeing a cost savings?”

Mayor Kahoot – “There are operational savings when compared to the old buildings.”

Mike Seguin – “I’d like to hear more about the new hockey team. How much is this hockey team going to cost the Township?”

Mayor Kahoot – “Come see me after the Meeting for more information because my involvement with the team is unrelated to my role on Council. Council did review a request from the English River Miners hockey team earlier today. The team will rent space and pay

fees for use of the facility.”

Lloyd Harford – “How much earlier will the ice need to go in to accommodate the hockey team?”

Mayor Kahoot – “The Township would be putting ice in about three weeks earlier than in a regular year.”

Pat Dornan – “Wouldn’t it make sense to insulate the Arena walls if you are going to put the ice in earlier?”

Mayor Kahoot – “Council reviewed that option but have decided against it due to the capital costs.”

Mike Seguin – “Do we have an Emergency Plan?”

Mayor Kahoot – “The Township does have a Plan which is available at the Municipal Office.”

Ron Bergman – “Who is appointed as the Township’s CEMC?”

Mayor Kahoot – “I am the CEMC.”

Pat Dornan – “In regard to water rates, how were the rate changes determined because I had a 52% water rate increase in 2010 and 7% each year after that?”

Mayor Kahoot and Councillor Eady – “Council is working to get to full cost recovery on the system.”

Mayor Kahoot – “I’d be happy to review your specific situation.”

Mike Seguin – “Is the water / sewer rate high due to the size of our plants?”

Mayor Kahoot – “That is correct.”

Ed Melanson – “What is going on with the old Ear Falls Contracting properties? I understand that the Township has acquired them. Has a collection agency been sent after the property owners?”

Mayor Kahoot – “The tax collection procedure is quite complicated but Council is doing what we can to collect all unpaid taxes.”

Audrey Hazelwood – “When are you putting a sign on the town office?”

Mayor Kahoot – “Signage has been ordered.”

Curtis Webb – “Why don’t you only levy the water and sewer rates against the users of the system? Right now, I’m not connected to the system, but I have to pay for the service because the rates are not covering the costs for operation.”

Councillor Eady – “Council is reviewing the rates and is moving towards full cost recovery.”

Ed Melanson – “Why don’t you move to using water meters?”

Curtis Webb – “That does not work right away because many people just reduce their water usage so meters are difficult to regulate, at least as first.”

Gerald Kleist – “Does the Province give us funding for Water/Sewer?”

Mayor Kahoot – “We don’t receive operational funding but have received Gas Tax funding for a special project at the Sewage Treatment Plant.”

Ron Bergman – “Did the Township’s Ontario Municipal Partnership Fund funding go down in 2013?”

Mayor Kahoot – “Yes it did decrease.”

Ed Melanson – “How many Ontario Provincial Police officers are assigned to Ear Falls?”

Mayor Kahoot – “There are seven officer positions assigned to Ear Falls.”

Mayor Kahoot thanked everyone for their questions and attendance. Mayor Kahoot thanked Council for their participation in the Town Hall Meeting.

5. ADJOURNMENT

5.1 RESOLUTION NO. 214

Moved by Rob Eady. Seconded by Vic Robinson.

RESOLVED THAT this Special Meeting of Council adjourn at the hour of 7:28 p.m.

Carried.

Mayor

Clerk