



Location:	Council Chamber, Tom Davies Square
Commencement:	4:06 PM
Adjournment:	7:37 PM

## Minutes

**For the 19<sup>th</sup> Finance Committee Meeting held  
Thursday, November 24, 2011**

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### Chair

#### **COUNCILLOR TERRY KETT, IN THE CHAIR**

### Present

Councillors Cimino; Barbeau; Berthiaume; Dutrisac (D6:34pm); Dupuis; Rivest; Kilgour, Belli; Caldarelli (D7:20pm); Landry-Altman; Mayor Matichuk (A4:39pm)

### City Officials

Greg Clausen, Acting Chief Administrative Officer; Real Carré, Acting General Manager of Community Development; Ian Wood, Acting General Manager of Growth & Development; Lorella Hayes, Chief Financial Officer/Treasurer; Nick Benkovich, Director of Water/Wastewater Services; Eliza Bennett, Manager of Corporate Communications & French Language Services; Ed Stankiewicz, Manager of Financial Planning & Policy; Paddy Buchanan, Manager of Accounting; Barbara Dubois, Senior Budget Analyst; Dion Dumontelle, Co-ordinator of Accounting; Apryl Lukezic, Co-ordinator of Capital; Paul Javor, Operations Engineer, Water/Wastewater Services; Bard Johns, Facilities Engineer, Water/Wastewater Services; Akli Ben-Anteur, Project Engineer, Water/Wastewater Services; Alastair Cook, Compliance Supervisor, Water/Wastewater Services; Wendi Mannerow, Water/Wastewater Engineer; Cheryl Beam, Supervisor, Water/ Wastewater Services; Gary Comin, Supervisor, Water/ Wastewater Services; Rosalind Thibeault, Administrative Assistant to the Director of Water/Wastewater Services; Gail Spencer, Co-ordinator of Shelters & Homelessness; Christine Hogarth, Chief of Staff, Mayor's Office; Brigitte Sobush, Deputy City Clerk; Jason Nelson, Clerks Services Co-ordinator; Franca Bortolussi, Council Secretary

### News Media

CBC Radio; EastLink News; Northern Life; Sudbury Star

### Declarations of Pecuniary Interest

None declared.

## Presentations

- 1 . Report dated November 17, 2011 from the Chief Financial Officer/Treasurer and the General Manager of Infrastructure Services regarding 2012 Water and Wastewater Overview (Operating & Capital Budget) was distributed to Committee Members at the meeting.

Greg Clausen, General Manager of Infrastructure Services; Nick Benkovich, Director of Water/Wastewater Services and Lorella Hayes, Chief Financial Officer/Treasurer made an electronic presentation regarding the proposed 2012 Water/Wastewater Budget.

The General Manager of Infrastructure Services presented an infrastructure map and listed the number of facilities and lift stations throughout the City. He outlined the Capital Budget, accomplishments and challenges of Water/Wastewater Services. He also outlined capital upgrades and renewals to the water distribution system, wastewater collection system and rehabilitation program.

The Director of Water/Wastewater Services provided highlights of the system maintenance activities of 2011. He outlined performance measures and 2008 to 2010 comparisons to the OMBI Performance Measures. He stated that this service is funded solely by user fees and consumption has declined across Ontario leading to budget challenges. He indicated the 1.5% Base Budget increase is below inflation. He explained their detailed budget review, Business Improvement Study, operational optimization, source control, inflow and infiltration reduction, non-revenue water reduction and bulk water dispensing sites. He outlined the proposed 2012 Operational Budget allocations and water/wastewater rate history since 2002. He concluded with the proposed enhancement options.

#### Recess

At 5:30 p.m. Council recessed.

#### Reconvene

At 6:03 p.m. Council reconvened.

The Chief Financial Officer/Treasurer explained in detail the sources of revenue, fixed versus variable costs and consumption declines. She outlined the 2012 Base Budget rates and increases. She advised of the conclusions from the 2010 Rate Study Review. She explained the fixed monthly meter charges, the existing policy for fixed meter rates and equivalency ratios relative to two other benchmarks. She presented two options: staff recommendation or status quo. She advised of the impact of the recommendation on typical residences and on high volume customers. She outlined the budget enhancements and the options for residential increases. She concluded with the next steps being direction from the Committee regarding Monthly Fixed Service Charges and voting on enhancement options on December 5, 2011 and approval of the Water/Wastewater By-law by Council on December 14, 2011.

The Committee reviewed the following cost centres contained in the 2012 Operating Budget as they relate to Water/Wastewater Services:

Water/Wastewater Summary (Pages 192 to 195)  
Water/Wastewater Administration (Pages 196 to 197)  
Water Services Summary (Pages 198 to 199)  
Water Revenues (Pages 200 to 201)  
Water Debt & Contribution to Capital (Pages 202 to 203)  
Water Treatment (Pages 204 to 205)  
Water Engineering Costs (Page 206)  
Water System Repair & Maintenance (Pages 207 to 209)  
Wastewater Services Summary (Pages 210 to 211)  
Wastewater Revenues (Pages 212 to 213)  
Wastewater Debt & Contribution to Capital (Page 214)  
Wastewater Treatment (Pages 215 to 216)  
Wastewater Engineering (Page 217)  
Wastewater System Repair & Maintenance (Pages 218 to 219)

## **Managers' Reports**

- 2 . Report dated November 17, 2011 from the Chief Financial Officer/Treasurer regarding Realignment of Meter Equivalency Ratios was distributed to Committee Members at the meeting.
- 3 . Report dated November 16, 2011 was received from the Chief Financial Officer/Treasurer regarding 2011 Operating Budget Variance Report – September.

The following motion was presented:

2011-33 Cimino/Landry-Altmann: THAT the Finance Committee accepted the September 30, 2011 Variance Report dated November 16, 2011 from the Chief Financial Officer/Treasurer outlining the projected year end position.

**CARRIED**

## **Correspondence for Information Only**

- 4 . Report dated November 15, 2011 was received from the General Manager of Community Development regarding Fluoridation of the City of Sudbury's Public Water System for information only.

## **Parking Lot Review**

#### Parking Lot

The Committee reviewed the November 24, 2011 Parking Lot and voted on the items. ([see attached](#))

#### **Parking Lot Items – During Budget**

##### Parking Lot 1 - Private Septic Tanks

Councillor Barbeau requested a presentation regarding pump out fees for private septic tanks.

##### Parking Lot 2 - Chart of Increases

Councillor Kilgour requested a report providing a historical chart of combined water and wastewater percentage increases with property tax increases to reflect total household burden.

##### Parking Lot 3 - Rebate Review

Councillors Barbeau and Cimino requested a review of the seniors' property tax rebate and water/wastewater rebate.

#### **Parking Lot Items – Subsequent to Budget**

##### Parking Lot 1 - Tampering Charges

Councillor Barbeau requested a report regarding the possibility of legally laying tampering charges and penalties.

##### Parking Lot 2 - Position Relocation

Councillor Barbeau requested the CAO review the possibility of reallocating two positions to support Water/Wastewater Services.

##### Parking Lot 3 - Benefits of Technology Changes

Councillor Kilgour and Mayor Matichuk requested a report on options for greater benefits/returns given the increased technological changes available, i.e. new metering technology, consolidation of water plants, rationalization of wastewater/surface water treatment, energy and efficiency.

#### Adjournment

2011-34 Cimino/Landry-Altmann: THAT this meeting does now adjourn. Time: 7:37 p.m.

**CARRIED**

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Councillor Terry Kett, Chair

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Brigitte Sobush, Deputy City Clerk