

MISSISSIPPI VALLEY CONSERVATION AUTHORITY

BOARD OF DIRECTORS VIDEO-CONFERENCE

Mississippi Valley Conservation Centre
Carleton Place

MINUTES

September 16, 2020

MEMBERS PARTICIPATING:

J. Mason, Chair
G. Gower, Vice-Chair;
J. Atkinson;
F. Campbell;
E. El-Chantiry;
T. Fritz;
B. Holmes;
J. Karau;
W. King;
P. Kehoe;
C. Lowry;
P. Sweetnam;
K. Thompson.

MEMBERS UNAVAILABLE:

E. Burke;
R. Darling;
J. Inglis;
G. McEvoy.

STAFF PRESENT:

S. McIntyre, General Manager;
A. Millar, Treasurer;
M. Craig, Manager, Planning and Regulations;
J. Cunderlik, Director, Water Resource Engineering;
R. Fergusson; Operations Supervisor;
C. Truman, Administrative Assistant;
E. Levi, Recording-Secretary.

J. Mason called the teleconference to order at 1:03 p.m.

B09/16/20-1

MOVED BY: P. Sweetnam

SECONDED BY: J. Atkinson

Resolved, That the Agenda for the September 16, 2020 Board of Directors Meeting be adopted.

“CARRIED”

1. Approval of Minutes – Board of Directors Meetings

B09/16/20-2

MOVED BY: J. Karau

SECONDED BY: F. Campbell

Resolved, That the Minutes of the Mississippi Valley Board of Directors meeting held on June 17, 2020 be received and approved as printed.

“CARRIED”

B09/16/20-3

MOVED BY: T. Fritz

SECONDED BY: B. Holmes

Resolved, That the Minutes of the Mississippi Valley Board of Directors meeting held on August 28, 2020 be received and approved as printed.

“CARRIED

2. Business Arising - WECI Letter to Province & Municipalities

S. McIntyre provided an update with regard to the WECI funding letters sent out for support. Acknowledgment was received from MPPs Goldie Ghamari and Steve Hart. She advised that Mayor Ron Higgins (North Frontenac) has been following up with Mr. Yakabuski’s office and trying to get other wardens from Frontenac, Lanark and Lennox and Addington counties to show support. She noted that given the political nature, it’s important that messages of support are conveyed by our members.

She advised that all member municipalities have sent letters of support, with the exception of Lanark Highlands. She is hoping they revisit the issue when she speaks to their council this fall.

G. Gower advised that the City of Ottawa’s council passed a motion instructing the Mayor to write a letter of support to the Minister.

3. Budget Control Report

A. Millar reviewed Staff Report 3071/20, attached. She noted revenues and expenditures were on target up to August 31, 2020.

She noted that if there is a deficit at year end, as projected, the operating reserves will be used to offset it.

4. Job Evaluation & Salary Review

A. Millar gave a presentation in regard to Staff Report 3072/20, attached. She advised that when the 2020 budget was developed it was anticipated the much of the information prepared in 2006 would be available. However, during preparation of the Requests for Quotation (RFQ) it became evident that a significant amount of work was not on file and the RFQ would need to address gaps in information, likely at a greater cost than budgeted. Three quotes were solicited and two firms responded, both well above the \$10,000 budget. Based upon a value for money evaluation of the submissions, the preferred firm is Cornerstones Management Solutions Limited. The Cornerstone quote came in at \$24,850 plus HST, which was below the other competitor’s price.

T. Fritz noted that \$15,000 is significantly more than budgeted and the authority has other pressures. She asked if there were other options.

S. McIntyre advised that since Cornerstones completed the 2006 work they have some of the missing materials on file, and is hopeful the total project value would be \$18,000 and not \$24,000.

In response to a question, S. McIntyre advised that eight positions to undergo market evaluation are from across the organization.

J. Karau asked whether the objective was to strive for market rates or relative competition. S. McIntyre responded that many positions are more on par with municipal staff positions, not other CAs. She noted the Authority is looking for Ottawa-Lanark and CA-based comparisons. As for affordability, if major gaps are identified, then the Authority will have the ability to adjust over time.

W. King stated he was uncomfortable with this expenditure. He noted that things are unstable and it wasn't clear where the CA will be in a year. He suggested the evaluation be completed in-house.

E. El-Chantiry commented that this work should be done, but that it is premature to make the call until there is a better understanding. He noted it shouldn't be passed off just because it's expensive nor approved without more information.

J. Mason suggested approving the lower sum of \$18,000 based on Ms. McIntyre's conversations with Cornerstone.

B09/16/20-4

MOVED BY: P. Sweetnam

SECONDED BY: T. Fritz

Resolved, That the Board of Directors increase the Operating Budget by \$8,000 plus HST, and approve use of the Operating Reserve to address the gap between budgeted and bid prices received for the Job Evaluation and Salary Review project.

“CARRIED”

8. 10-Year Capital Needs Assessment

S. McIntyre presented Staff Report 3072/20, attached. The Board approved MVCA's first 10-year Capital Plan in 2018. At that time, staff recognized that the 10-year Capital Plan did not address all capital assets, that underlying assumptions would need to be revisited and updated over time. The purpose of the current Needs Assessment is to set out the full range of capital pressures facing MVCA to allow for priority setting, updating of the 10-year Capital Plan, and to inform development of the 2021-2023 Interim Financial Plan.

S. McIntyre advised that most cost estimates in the Needs Assessment are considered Class D, meaning actual costs could be higher or lower by as much as $\pm 50\%$. Projects to occur between 2021-2023 are generally Class C estimates, meaning actual costs could vary by up to $\pm 25-40\%$. In both cases, they provide order of magnitude estimates for the purpose of financial planning.

E. El-Chantiry commented on the importance of this report for the Authority to know what their assets are and the maintenance needs. He questioned whether there were repercussions stemming from identifying gaps and knowing we can't address them right away. S. McIntyre noted when it comes to fiduciary responsibilities, things have to be identified and then prioritized. If we don't identify, then the authority would be negligent. The Authority can address its fiduciary duty through regular assessment of needs and priority setting.

J. Mason noted that a large number of costs are related to water control structures. The Board needs to be presented with recommendations but also with options, given the financial constraints. There is a mandate to fulfill and there may be insufficient funds to do it. J. Cunderlik advised that the long-term planning process will require a sequence of studies and the Authority will be considering all options and solutions.

B09/16/20-5

MOVED BY: E. El-Chantiry

SECONDED BY: B. Holmes

Resolved, That the Board of Directors direct staff to:

- a) apply criteria to support priority setting within and amongst the asset categories;**
- b) recommend updates to the 10-year Capital Plan for tabling with the 2021 Budget; and**
- c) integrate capital plan recommendations into the Draft 2021-2023 Interim Financial Plan.**

“CARRIED”

6. **Interim Financial Plan: Background Report**

S. McIntyre reviewed Staff Report 3074/20 and the supporting Background Report, attached. She advised the report outlines trends and other matters placing pressure on the financial resources of MVCA. Additionally, documentation of operating and capital budget pressures will enable strategic discussions to occur regarding corporate priorities to support development of the 2021 Budget and an Interim Financial Plan for the period 2021-2023.

S. McIntyre noted that discussions will also help to inform development of the Corporate Strategic Plan, and a Transition Plan as required by Bill 108.

J. Karau acknowledged the challenge of realizing an ideal service model isn't realistic with budget pressures and politics and indicated his support of staff's recommendation.

P. Sweetnam agreed with setting priorities. He recommended working strongly with partner CAs to make sure fees amply cover the services provided by the Authority. He also noted that the Province should be compensating us for delegated services and member municipalities should urge the province for increased WECA funding.

F. Campbell asked if a municipality has already been used for a debenture, does that same municipality have to be used for future debenture? A. Millar advised there was no restriction on which municipality is used as it depends on each municipality and what debt borrowing capacity they have remaining.

B09/16/20-6

MOVED BY: J. Karau

SECONDED BY: F. Campbell

Resolved, That the Board of Directors direct staff to:

- a) Prioritize and quantify 2021-2023 operating and capital pressures.**

- b) **Identify a revenue and financing approach to address priority needs; and**
- c) **Draft an Interim Financial Plan 2021-2023 that sets out the above for consideration by the Board.**

“CARRIED”

7. Palmerston Beach Land Transfer

S. McIntyre gave a presentation of Staff Report 3075/20. She reviewed background and outlined property ownership between MVCA and adjacent land owners. She reminded the Board that an extension was approved to the Option to Purchase deadline to December 31, 2020. She advised that title issues have now been clarified and adjacent landowners are prepared to execute the documents needed to provide full and clear title to MVCA to the land that is to be transferred to the Township.

S. McIntyre outlined that the next step is for North Frontenac to complete a property survey and the Board needs to pass a resolution declaring the property as surplus and submit a request to the Minister for approval to sell. There is also a requirement to notify the public of the intent to sell. She clarified that the resolution is of the *intent* to sell so we can give our notice to public. If passed, the Chair and GM would sign documents and initiate the notification and approval process.

There was a lengthy discussion as to whether the property should be listed on the open market. S. McIntyre advised that the agreement entails no substantial monetary exchange for transfer of ownership to the Township.

K. Thompson noted that given the budget pressures of the authority, the funds from an open sale would be beneficial.

W. King expressed concern about transferring the property without an appraisal. He noted it would help to know the value of what the authority is giving away and perhaps be a negotiation tool in terms of a quid pro quo.

P. Sweetnam advised that the Township has been a good partner and has managed this property for MVCA for years. He commented that while placing the property on the open market may make more money, it could ruin the working relationship may not be worth it.

J. Karau echoed Mr. Sweetnam’s comments about dissolution of a good working relationship.

The Board directed staff to proceed with an appraisal of the property.

B09/16/20-7

MOVED BY: P. Sweetnam

SECONDED BY: T. Fritz

Resolved, That the Board direct the Chair and General Manager to apply to the province and execute the documents necessary to resolve land title issues at Palmerston Beach and transfer the property to North Frontenac Township.

“CARRIED”

8. Carp River Conservation Area Licence of Occupancy

S. McIntyre reviewed Staff Report 3076/20. She noted discussions with the City are now nearing completion. The Licence of Occupation remains substantially the same as the version reviewed by the Board in 2018, except that it now more clearly defines roles and responsibilities between the City and MVCA, particularly as it relates to operations and maintenance of the site, which will remain the responsibility of the City of Ottawa.

J. Mason noted that the area is not paid for by the levy, but from donations obtained through fundraising efforts.

9. Electronic Meetings

S. McIntyre reviewed Staff Report 3077/20, attached. She advised that the province has in the meantime confirmed that CAs may continue electronic meetings without being in a declared state of emergency. She advised the Board should consider whether this is a practice it wishes to continue and, if so, under what conditions.

10. 2021-2025 Strategic Plan

S. McIntyre presented Staff Report 3078/20, attached, regarding the strategic plan. She noted it was supposed to proceed last year, but was delayed due to the spring flood event and uncertainties created by Bill 108.

J. Mason noted that the previous Plan covered the period 2015-2018 and that the Authority is going to be navigating profound changes moving forward. She noted having an outside source support this work will provide unbiased information and facilitate creation of a good action plan.

B09/16/20-8

MOVED BY: K. Thompson

SECONDED BY: B. Holmes

Resolved, That the Board approve allocation of up to \$15,000 plus HST from the Operating Reserves for consulting services to lead MVCA through a strategic planning process.

“CARRIED”

11. Council Fall Presentations

S. McIntyre advised she had made two presentations to member municipal councils regarding the Watershed Plan and WECI funding support. She will notify each member prior to her attendance at their council meeting.

ADJOURNMENT

The meeting was adjourned at 3:07 p.m.

B09/16/20-9

MOVED BY: J. Atkinson

SECONDED BY: C. Lowry

Resolved, That the Board of Directors meeting be adjourned.

“CARRIED”

“E. Levi, Recording Secretary

J. Mason, Chair”