



## Corporate Services Committee Agenda

Thursday, November 1, 2018

9:30 a.m.

Council Chambers

County Administration Centre, Walkerton

### 1. Declaration of Pecuniary Interest

### 2. Action Items

A. County Courthouse Facility - Cayley Street, Walkerton

### 3. Information Items

A. Integrated Energy Performance Program - Financial Update

B. Chesley Bridge Replacement - Municipal Disaster Recovery Assistance Application

C. Federal Gas Tax Fund - AMO's Annual Report

D. Working Capital Reserve - Q3 2018

E. Interfund Allocations - Lean Transformation

F. Summary of Awarded Tenders - Q3 2018

### 4. Act on Recommendations

That in accordance with the Procedure By-law, staff be authorized and directed to give effect to the actions of the Corporate Services Committee in respect of all resolutions passed during the (insert meeting date) meeting.

### 5. Next Meeting

December 6, 2018

### 6. Adjournment



## Committee Report

**To:** Warden Paul Eagleson  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 1, 2018

**Re:** County Courthouse Facility - Cayley Street, Walkerton

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### Recommendation:

**That a copy of the County Courthouse Facility - Cayley Street, Walkerton Report be forwarded to the Municipality of Brockton.**

### Background:

In and around 1865, in order to become an incorporated County, the County leaders at that time made a decision to build the County Administration Centre, known as the County Seat in Walkerton. Additional requirements included a County Jail and Courthouse. Since then a Registry Office was built now known as Service Ontario. The Jail served the residents of Bruce County until it was closed in December 2011, along with other small jails in Ontario. At that time the County made every effort to continue its operations but it was not in the Province's masterplan to operate and maintain the smaller jails.

Recently the County received a communication from the Municipality of Brockton indicating that "despite the significance of this infrastructure, the building has a number of deficiencies in terms of accessibility for the public and security for staff, judges and counsel." In speaking with Municipal Staff I understand this communication was issued as a result of a tour by members of Brockton Council and Staff by the Ontario Provincial Police. The Municipality is responsible for providing the Court Security. The County did not participate in the tour nor have we ever been made aware of any current security or accessibility issues.

County staff work very closely with the Provincial Staff both on and offsite and in 2017 renegotiated 5 year leases for all of the facilities without a single leasehold improvement request.

The County is always interested in continuous improvement and should pursue discussions with the Municipality of Brockton to determine what role they would like to play both financially and as a support for future measures to insure the continued presence in the community.



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**Financial/Staffing/Legal/IT Considerations:**

There are no financial, staffing, legal or ITS considerations associated with this report.

**Interdepartmental Consultation:**

There was no interdepartmental consultation required for this report.

**Link to Strategic Goals and Elements:**

Goal # 6- Explore alternate options to improve efficiency, service

Goal #9 - Coordinate concerted efforts to advance our agenda

**Approved by:**

Kelley Coulter  
Chief Administrative Officer



SENT BY EMAIL

To the Corporation of the County of Bruce c/o Kelly  
Coulter, CAO  
Christine MacDonald, Acting CAO

Attention: Bruce County Council Members

Re: Walkerton Courthouse Building

The Walkerton Courthouse plays a central role in the Municipality of Brockton and the County of Bruce. Despite the significance of this infrastructure, the building has a number of deficiencies in terms of accessibility for the public and security for staff, judges and counsel.

On behalf of Brockton Council we are proposing that the Municipality of Brockton and the County of Bruce initiate joint discussions with the Province of Ontario to request provincial assistance with addressing these deficiencies and initiate a plan for improvements in the near future.

The Municipality of Brockton is committed to supporting any measures aimed at preserving, maintaining, or updating the Walkerton Courthouse building and ensuring its continued presence in our communities.

We look forward to working with you on sustaining this asset in the Community of Brockton.

Sincerely,

Sonya Watson, Chief Administrative Officer  
Municipality of Brockton

c.c. David Inglis, Mayor



## Committee Report

**To:** Warden Paul Eagleson  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 1, 2018

**Re:** Integrated Energy Performance Project Financial Update

### Recommendation:

The Integrated Energy Performance Project Financial Update Report is for information.

### Background:

In 2016 Ecosystem Energy Services Inc. was awarded the Request for Proposal to provide integrated energy performance contracting services to the County of Bruce.

As the project is nearing its completion date of December 2018, and with only a couple of measures left to be installed, we wish to provide a summary of the projects completed along with a financial analysis and an update on the payback period.

You will recall that the four buildings include Brucelea and Gateway Haven Long Term Care Homes, the Museum and Cultural Centre and the Administration Centre. These buildings account for 82% of the County's natural gas consumption and 82% of electricity usage, excluding the Housing units.

### Measure Implementation (Projects)

Administration Centre	Brucelea	Gateway	Museum
<ul style="list-style-type: none"> <li>- Lighting</li> <li>- Heat Pump Replacement</li> <li>- Heat Pump Controls</li> <li>- VFD's</li> <li>- Boiler Replacement</li> <li>- BAS</li> <li>- EV Charger</li> <li>- Low Flush Fixtures</li> </ul>	<ul style="list-style-type: none"> <li>-Chiller Replacement</li> <li>- Lighting</li> <li>- VFD's</li> <li>- Booster Pump</li> <li>- Kitchen Hood Controls</li> <li>- Boiler Replacement</li> <li>- BAS</li> <li>- Control System</li> <li>Recommissioning</li> </ul>	<ul style="list-style-type: none"> <li>- Chiller Replacement</li> <li>- Lighting</li> <li>- VFD's</li> <li>- Booster Pump</li> <li>- Kitchen Hood Controls</li> <li>- Boiler Replacement</li> <li>- BAS</li> <li>- Control System</li> <li>Recommissioning</li> <li>- Kitchen &amp; Laundry</li> <li>A/C</li> </ul>	<ul style="list-style-type: none"> <li>- Lighting</li> <li>- VFD's</li> <li>- BAS</li> <li>-</li> <li>Humidification</li> <li>- Low Flush Fixtures</li> </ul>



### Financial Summary

The following table captures the financial cost of the project, less the approved incentives, utility savings and estimated payback period. The expected payback period was 10 years.

Council's decision to apply the 2017 utility savings from all Departments to the project has reduced the payback period to 8.64 years beginning in 2017. Assuming the savings are equal to or greater than \$362,000 annually, the remaining payback period is 6.64 years. The 2019 utility savings for the four buildings is likely to increase over the 2018 savings when all measures are fully implemented. This will further reduce the payback period.

<b>Measures Implemented (Projects)</b>	
Administration Centre	\$324,213
Brucelea Haven LTC	989,222
Gateway Haven LTC	879,202
Museum & Cultural Centre	204,858
Engineering, Construction Mgmt., Project Mgmt., Admin Fees	918,061
Training, Communication and Awareness Campaign	56,000
Technical Energy Audit	55,800
Non Refundable HST	60,321
<b>Total Cost of Project</b>	<b>\$3,487,677</b>
Less: Approved Incentives	147,507
<b>Total to be Financed</b>	<b>\$3,340,170</b>
Less: 2017 Utility Savings 2017 applied to the project cost	569,971
Less: 2018 Estimated Utility Savings	362,500
<b>Estimated Remaining Debt to be financed from annual savings</b>	<b>\$2,407,699</b>
<b>Estimated Payback based on annual savings of \$362K</b>	<b>6.64 years</b>

### Financial/Staffing/Legal/IT Considerations:

There is no staffing, legal or ITS considerations associated with this report.

### Interdepartmental Consultation:

There was no interdepartmental consultation required for this report.



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**Link to Strategic Goals and Elements:**

Goal # 6- Explore alternate options to improve efficiency, service

Element # B- Develop system for measuring our processes and their successful desired outcome.

Written by: Jennifer Smith - Purchasing Manager

Approved by:

Kelley Coulter  
Chief Administrative Officer



## Committee Report

**To:** Warden Paul Eagleson  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 1, 2018

**Re:** Chesley Bridge Replacement -  
Municipal Disaster Recovery Assistance (MDRA) Application

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### Recommendation:

The Chesley Bridge Replacement - Municipal Disaster Recovery Assistance Application Report is for information.

### Background:

The Municipal Disaster Recovery Assistance program is designed to provide financial assistance to help Ontario municipalities recover from natural disasters. An application was submitted for funding as a result of the sudden and unexpected damage to the Chesley Bridge. Based on the criteria we had expected it to be an eligible project with the unknown factor being the depth of that eligibility given the age of the bridge.

Under the sharing formula the eligible costs for this project needed to exceed \$1.29M for Bruce County to qualify. We have been advised that the Province has calculated the eligible costs at \$858,000 therefore disqualifying us for any funding.

To date we have only received verbal notification but have requested a detailed analysis so that we can understand the calculation that determined the application ineligible.

This is very disappointing, however, we remain optimistic that our application for the 2018 intake of OCIF Top-Up funding will be approved. This intake is to provide approximately \$100 million to help communities address larger critical infrastructure projects. The County of Bruce was eligible to apply for up to \$689,926 and an application was submitted prior to the August 28<sup>th</sup> deadline for that amount.





**Financial/Staffing/Legal/ITS Consideration:**

The 2018 budget was amended to include the full cost of the bridge replacement and was to be modified once the results of the MDRA application were known. No modification will be required at this time. Alternate financing will be recommended after the results of the OCIF Top-Up Application is known and the project costs are finalized at the completion of the project. There is no specific staffing, legal or ITS considerations associated with this report.

**Interdepartmental Consultation:**

The Finance Division of Corporate Services were assisted by Transportation and Environmental Services in the preparation of the submission and supporting documents.

**Link to Strategic Goals and Elements:**

None identified

**Approved by:**

Kelley Coulter  
Chief Administrative Officer



## Committee Report

**To:** Warden Paul Eagleson  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 1, 2018

**Re:** Federal Gas Tax Fund - AMO's Annual Report

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### Recommendation:

The Federal Gas Tax Fund - AMO's Annual Report is for information.

### Background:

Recently a communication was received from Jamie McGarvey, AMO President announcing that AMO's annual report on the federal Gas Tax Fund is now available and that it be shared with Council.

President McGarvey states in the communication that "our communities own and operate much of Ontario's infrastructure; the Fund provides permanent and stable funding to help us build and maintain it. In 2017 alone, we invested \$607 million from the Fund to rebuild roads, install energy-efficient upgrades, and more."

The County of Bruce has invested \$20.4 million in 31 infrastructure and capacity-building projects worth \$31.5 million since the federal Gas Tax Fund was established in 2005.

A copy of the report is available on the AMO website at:

[https://www.amo.on.ca/AMO-PDFs/Gas\\_Tax/AMO\\_Reporting\\_Gas\\_Tax/2017-Annual-Report-Part-I.aspx](https://www.amo.on.ca/AMO-PDFs/Gas_Tax/AMO_Reporting_Gas_Tax/2017-Annual-Report-Part-I.aspx)

### Financial/Staffing/Legal/IT Considerations:

There are no financial, staffing, legal or ITS considerations associated with this report.

### Interdepartmental Consultation:

There was no interdepartmental consultation required for this report.



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Link to Strategic Goals and Elements:  
None Identified

Approved by:

Kelley Coulter  
Chief Administrative Officer



## Committee Report

To: Warden Paul Eagleson  
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.  
Director of Corporate Services

Date: November 1, 2018

Re: Working Capital Reserve - Q3 2018

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### Recommendation:

The Working Capital Reserve Q3 2018 Report is for information.

### Background:

In advance of the 2019 budget process it is important to review the approved initiatives that are currently being financed from the Working Capital Reserve with repayment arrangements.

Approved borrowing includes the following projects:

Approved Working Capital Reserve	\$2,045,820	Years Remaining
Approved Uses and Forecasted balances:		
Purchase of 268 Berford Street (Peninsula Hub)	520,000	13
Gateway Haven Nurse Call System	260,527	10
Administration Centre Park Street Renovations	125,000	9
Transportation - Wiarton Depot	745,602	5
Museum - Last Frontier Project	6,226	1
Current Balance	\$388,464	

Given the current borrowing there is no further room to borrow from the Working Capital Reserve.

### Financial/Staffing/Legal/ITS Consideration:

Other than identified in the report, there are no other staffing, legal or ITS considerations associated with this report.



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**Interdepartmental Consultation:**

Council has approved the borrowing listed in this report and repayments are to be included annually in the Departmental budgets.

**Link to Strategic Goals and Elements:**

None identified

**Approved by:**

A handwritten signature in black ink, appearing to read 'Kelley Coulter', written over a light blue horizontal line.

Kelley Coulter  
Chief Administrative Officer



## Committee Report

**To:** Warden Paul Eagleson  
Members of the Corporate Services Committee

**From:** Bettyanne Cobean, C.M.O.  
Director of Corporate Services

**Date:** November 1, 2018

**Re:** Interfund Allocations - Lean Transformation

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### Recommendation:

The Interfund Allocations - Lean Transformation Report is for information.

### Background:

Prompted by the Accounts Payable Lean Improvement Process, the Finance Division has introduced new methodology in the 2019 budget templates. Procedures have been created to allocate both facility and administration costs in a consistent method that is easier for all, and with clear accountabilities. The Operating Procedures are attached for your information.

Facility costs for the facilities that have shared space are now all included in the non-departmental budget and distributed based on the square footage used. Those facilities include:

- Administration Centre located at 30 Park Street, Walkerton
- Lakeshore Hub located at 1243 MacKenzie Road, Port Elgin
- Peninsula Hub located at 268 Berford Street, Wiarton

Administration costs within the Corporate Services and Human Resources Departments will be distributed based on the Full Time Equivalent (FTE) as approved in the prior year's budget.



For the purpose of this procedure administration costs are considered to be both operating and capital, net budget impact, for the following programs:

- Corporate Services - Finance Division
- Corporate Services - Information Technology Services Division
- Corporate Services - Emergency Management Division
- Human Resources - Administration Program
- Human Resources - Employee Wellness Program

**Financial/Staffing/Legal/ITS Consideration:**

There is no specific staffing, legal or ITS considerations associated with this report.

**Interdepartmental Consultation:**

The Senior Management Team supported introducing the new methodology and have approved the procedures.

**Link to Strategic Goals and Elements:**

Goal # 6- Explore alternate options to improve efficiency, service

Element # B- Develop system for measuring our processes and their successful desired outcome.

**Approved by:**

Kelley Coulter

Chief Administrative Officer



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## Operating Procedure:

### Interdepartmental Facility Cost Allocation

#### SOP- CS-FIN-Facility Costs #01

Department: Corporate Services - Finance Division

Effective Date: January 01, 2019

Revision Date(s):

Review Date: January 1, 2020

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## 1. Purpose

a) To identify the facility rental costs incurred within the Non-Departmental Facility Division budget and allocate them in a consistent manner across the organization. Costs will be distributed to all departments to reflect the true cost of administering the services provided.

## 2. Definitions

Division/Program a grouping of related activities required to achieve service level expectations. Resource allocation decisions are made at the program level within the budget template.

Facility Costs - For the purpose of this procedure facility cost are considered to be both operating and capital net budget impact for the following facilities:

Administration Centre located at 30 Park Street, Walkerton,

Lakeshore Hub located at 1243 MacKenzie Road in Port Elgin:

Peninsula Hub located at 268 Berford Street, Wiarton.

Revisions - refers to budget submissions after Council approval



Square Footage - is supplied and verified for accuracy by each department for the space occupied by the department. This does not include open space or meeting rooms available for bookings.

#### 4. Procedures

- a) Total net budget impact for the facilities referenced above will be distributed to the departments based on square footage.
- b) The facility costs will be calculated based on the budget in process hosted in the Non-Departmental budget template.
- c) The Office of the CAO will not be allocated a share of the Facility Costs.
- d) The Facilities Budget will not be allocated a share of the Administration Costs
- e) The amount to be allocated to each department for Facility Costs will be calculated by Corporate Services Finance Staff. The Non-Departmental Budget will be released two weeks in advance of the budget template release date and is to be submitted two weeks before the deadline to allow Finance staff to calculate the applicable costs associated with each facility. Finance will determine the costs and communicate the cost allocation amount to each department for input into their budget template. Facility Cost allocation must be completed before the Administration Cost Allocation can be calculated.
- f) The Facility Cost Allocation will be recorded in the Expenditure Type Facility Costs in the Budget Template.
- g) Once all budget templates have been submitted to Corporate Services Finance Division, staff will verify the allocation amount for accuracy.
- h) Revisions made to the Facility budget during the budget process will impact other departments. Finance will communicate any revisions to the allocation amount to the departments.
- i) Departments distributing the allocation to divisions or programs within their department will use the same calculation methodology of square footage for consistency.
- j) Based on the approved budget dollars the facility cost allocation will be distributed monthly.
- k) At year end any surplus generated in the facility division will be transferred to the building reserve. In the case of a yearend deficit the amount will remain in the facility division and absorbed into the yearend overall surplus deficit results.



## Operating Procedure:

### Interdepartmental Administration Cost Allocation

#### SOP- CS-FIN-Admin Costs #02

Department: Corporate Services - Finance Division

Effective Date: January 01, 2019

Revision Date(s):

Review Date: January 1, 2020

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## 1. Purpose

To identify the corporate administration costs incurred within divisions of the Corporate Services and the Human Resources budget and distribute in a consistent manner across the organization. Costs will be allocated to all departments to reflect the true cost of administering the services provided.

## 2. Definitions

Administration Costs - For the purpose of this procedure administration cost are considered to be both operating and capital net budget impact for the following programs: Corporate Services - Finance Division, Corporate Services - Information Technology Services Division, Corporate Services - Emergency Management Division, Human Resources - Administration Program, and the Employee Wellness Program. The Health and Safety Program is allocated to the departments through the WSIB Charges already applied to Salaries.

Division/Program grouping of related activities required to achieve service level expectations. Resource allocation decisions are made at the program level within the budget template.

Full Time Equivalent (FTE) - This number is the prior years approved FTE in the approved budget. Changes to the FTE, as a result of current year budget revisions, will be adjusted.

Other Internal Cost - Is an expenditure type in the Budget template where all interdepartmental administration cost will be consolidated for presentation.

Overall Surplus/Overall Deficit - For the purpose of this procedure, is the combined year end surplus/deficit results of the divisions used to calculate the administration cost allocation.

Revisions - Refers to budget submissions after the initial submission for the current budget process.

#### 4. Procedures

- a) Total operating and capital net budget impact for the administration costs defined above will be allocated to each department based on Full Time Equivalency approved in the prior years' budget with adjustments for in year budget revisions.
- b) The administration costs will include the portion of facility rental applicable to the divisions.
- c) The Office of the CAO will not be allocated a share of the Administration Costs.
- d) The amount to be allocated to each department for Administration Costs will be calculated by the Corporate Services Finance Division. Corporate Services and Human Resources Budget templates will be released two weeks in advance of the budget template release date and are to be submitted two weeks prior to the deadline to allow the Finance Division to calculate the Administration Costs and communicate the cost allocation to each department for input into their budget template. This will allow departments to maximize any funding available to offset this cost.
- e) The Administration Cost Allocation will be recorded in the Expenditure Type Other Internal Costs in the Budget Template.
- f) Once all budget templates have been submitted to the Corporate Services Finance Division, staff will verify the allocation amount for accuracy.
- g) Revisions to the Division Budgets included in the Administration Cost will impact all other departments. Finance will communicate any revisions to the allocation amount to all departments.
- h) Departments distributing the allocation to divisions or program levels within their department will apply the same calculation methodology (FTE's) for consistency
- i) Based on the approved budget dollars the budgeted administration cost will be distributed monthly.
- j) At year end any overall surplus generated in the divisions used in the allocation calculation will be transferred to the Tax Stabilization reserve to be brought forward

for the budget year process following yearend and applied to the divisions used to calculate the administrative cost. In the case of a yearend overall deficit the amount will remain in the affected division and absorbed into the yearend overall surplus deficit results.



## Committee Report

To: Warden Paul Eagleson  
Members of the Corporate Services Committee

From: Bettyanne Cobean, C.M.O.  
Director of Corporate Services

Date: November 1, 2018

Re: Summary of Awarded Tenders - Q3 2018

### Recommendation:

The Summary of Awarded Tenders Q3 2018 Report is for information.

### Background:

The Purchasing Policy requires that a "Request for Tender" be issued for goods and services estimated to exceed \$75,000. The following table is a summary of Tenders awarded between July 1 and September 30, 2018 by all Departments.

TENDER NUMBER	DEPT.	DETAILS	AWARDED TO:	PRICE (ex. tax)	BUDGET
RFT BCF-18-01	Transportation & Environmental Services	Albemarle Tract, Lot 24 & 25, Conc. 8 EBR, Parcel 1	Liverance Lumber	\$716 Revenue	\$95,000 Combined Revenue
RFT BCF-18-02	Transportation & Environmental Services	Amabel Tract, Lot: Pt. 35, Conc. D	Liverance Lumber	\$5,730 Revenue	\$95,000 Combined Revenue
RFT BCF-18-03	Transportation & Environmental Services	Lindsay Tract	Liverance Lumber	\$11,856 Revenue	\$95,000 Combined Revenue
RFT BCTES-18-24	Transportation & Environmental Services	Culvert 86-12.7 (Huron County Tendered)	Kurtis Smith	Total: \$352,800 Bruce County Portion 50% \$176,400	Bruce County Portion \$275,000



TENDER NUMBER	DEPT.	DETAILS	AWARDED TO:	PRICE (ex. tax)	BUDGET
RFT BCTES-18-23	Transportation & Environmental Services	The Supply of Winter Sand	Cedarwell Excavating, EC King Contracting, Hunter Haulage, Ron Gibbons	Location specific	\$368,504 2018 Operating Budget
RFT BCTES-18-07	Transportation & Environmental Services	Delivery of Road Salt	Bill Trelford Trucking	\$210,195	\$521,784 2018 Operating Budget

**Financial/Staffing/Legal/IT Considerations:**

There is no staffing, legal or IT considerations associated with this report.

**Interdepartmental Consultation:**

Detailed specifications, scope of work and schedules were developed for each Request for Tender in consultation with all user Departments involved.

**Link to Strategic Goals and Elements:**

Goal # 2 Leverage Technology:

Element C Effective, understandable communication (web based and social media)

Goal # 5 Eliminate our own red tape:

Element E Focus on the internal and the external customer/client needs first

Goal # 6 Explore alternate options to improve efficiency, service:

Element C Look for economy of scale or shared services among our departments and our communities.

Written by: Heather Thomson, Buyer

**Approved by:**

Kelley Coulter  
Chief Administrative Officer