

**AGENDA FOR THE COUNCIL MEETING OF
THE CORPORATION OF THE TOWNSHIP OF RED ROCK
FOR THE 937th REGULAR MEETING OF SEPTEMBER 7th, 2021 AT 7:00 P.M.**

1. Preliminary Matters:
 - Item 1.1: Call to Order
 - Item 1.2: Amendments to/Acceptance of Agenda RES
 - Item 1.3: Request/Receive Disclosures of Interest

2. Presentations or Deputations
 - Item 2.1 Silvio Di Gregorio of Bruno's Contracting
 - Item 2.2 Red Rock Fish & Game Club – Lake Trout Stocking

3. Minutes of Previous Council Meeting(s)
 - Item 3.1: Minutes of the August 16th, 2021 Regular Council Meeting RES
 - Item 3.2: Minutes of the September 1st, 2021 Special Council Meeting RES

4. Correspondence
 - Item 4.1: Township of Alberton – Drought Impact RES
 - Item 4.2: Letter from Elaine Belisle

5. Reports from Committees, Boards or Agencies
 - Item 5.1: Minutes of the July 27, 2021 Environmental Committee Meeting RES

6. Reports from Administration
 - Item 6.1: Report on Administrative Activity RES
 - Item 6.2: Report on 2021 Fee Schedule
 - Item 6.3: Report regarding OCWA Financial Plan RES
 - Item 6.4: Report on Recreation Centre Re-Opening

7. By-laws

8. New Business

9. Unfinished Business
 - Item 9.1: Signature Financial Services RES
 - Item 9.2: Sale of Municipal Property RES
 - Item 9.3: Quarterly Utility Billing RES
 - Item 9.4: Closed Session Trial Run RES

10. Closed Session
 - Item 10.1: Resolution to enter Closed Session, as authorized by the Municipal Act, 2001: Such paragraphs as set out in the minutes, for the purpose of approval of the Closed Session minutes of the meeting held on August 16th, 2021 (Item 10.2); and Paragraph 239(2)(b) (personal matters about an identifiable individual), regarding Item 10.3 RES
 - Item 10.2: Minutes of the Closed Session portion of the Regular Council Meeting held August 16th, 2021
 - Item 10.3: Report on Personnel Update
 - Item 10.4: Resolution to Rise from Closed Session and Report in Open Session

11. Report from Closed Session

12. Confirming By-law #2021-1250

RES

13. Adjourn

RES

Whitney Odahl

From: Mark Figliomeni - CAO/Clerk Township of Red Rock <cao@shawbiz.ca>
Sent: September 1, 2021 3:01 PM
To: 'Cam Todesco'
Cc: 'Whitney Odahl'
Subject: RE: Lake trout re-stocking

Thank you Cam .

Mark Figliomeni
CAO/Clerk
Township of Red Rock
42 Salls St., P.O. Box 447
Red Rock, ON. P0T 2P0
cao@shawbiz.ca
Bus: (807) 886-2245
Cell: (807) 823-0264



From: Cam Todesco [<mailto:camtodesco@hotmail.com>]
Sent: September 1, 2021 1:38 PM
To: Kal Pristanski <cao@shawbiz.ca>
Cc: shirleychico jean <shirleychico@hotmail.com>; Monty Kerr <kamamonty@icloud.com>
Subject: Lake trout re-stocking

Good Morning Mark:

Red Rock Fish and Game Association for at least the past two years has been engaged with MNR to re-stock lake trout in Nipigon Bay. The past Council forwarded supporting letters to this proposed project. In the past 12 months, the effort to get some movement on this project, the Red Rock Club has expanded it's footprint to include the support of Red Rock Indian Band, Flying Post Band, Township of Nipigon and several other organisations into a loose Association to represent the ambitions of this region. In collaboration with Wendy Landry of Shuniah, who is influential with regional matters as well as with Enbridge etc., contact was made with Adam Bilosky, Policy Division of Ministry of Natural Resources. That contact appeared very hopeful at the time and then seemed to simply wither on the vine. The Association of interest groups in this matter have held off in hope of some word from the Ministry. None.

This matter needs to be kick started again at our Council level to remind the MNR of this regional objective.

As mentioned many times before, MNR had stocked lake trout in the Nipigon Bay some 30 years ago and the program was very successful. The fishing for kids, families local guides, and many out of town visitors was according to locals " fantastic " . Because of the great fishing here, Red Rock, and Nipigon Bay area was the desired fishing destination. Over the last ten years, the fishing potential has diminished and needs the boost that MNR should have been monitoring and providing

The forestry industry has had major reconfigurations in the past quarter century. Our region has been working at redefining itself. Among provincial, federal, regional and municipal governments the preferred direction is the Tourism economy. Various reports from related organisations, as well as governments support this activity for the area economy. The most recent Limestone report, commissioned by Red Rock encourages this future direction.

Our request is that Red Rock Council extend a letter of support to the Red Rock Fish and Game Club and the Association to pursue the MNR in this re-stocking of lake trout in Nipigon Bay. This should be a follow up to the previous letter of support issued several years ago.

Trust that you can create an influential message of support. Thanks Mark.

**Cam Todesco
Councillor**

THE CORPORATION OF THE TOWNSHIP OF RED ROCK

935th REGULAR MEETING OF COUNCIL

AUGUST 16th, 2021

Present: Mayor: D. Robinson
Councillors: G. Muir
C. Todesco
M. McDonald

Chief Administrative Officer: M. Figliomeni
Director of Operations: B. Westerman
Community Development
Officer:

ONE: PRELIMINARY MATTERS

1.1 Call to Order

Mayor Robinson called the meeting to order at 7:00 p.m.

1.2 Acceptance of the Agenda

Resolution #1

Moved by: Councillor Todesco
Seconded by: Councillor McDonald

BE IT RESOLVED THAT the Agenda be approved as circulated.

CARRIED

1.3 Disclosures of Interest

In response to Mayor Robinson's request, no members disclosed interests in matters before council this evening.

TWO: PRESENTATIONS OR DEPUTATIONS

No presentations or deputations had been scheduled for this meeting.

THREE: MINUTES OF PREVIOUS COUNCIL MEETINGS

Items 3.1 and 10.2 were dealt with in a single resolution. No errors or omissions in any of the minutes were raised.

- 3.1 Minutes of the July 19th, 2021 Regular meeting of Council (Open Session)
10.2 Minutes of the July 19th, 2021 Regular meeting of Council (Closed Session)

Resolution #2

Moved by: Councillor McDonald
Seconded by: Councillor Todesco

BE IT RESOLVED THAT Council approves the Open and Closed Session minutes for the July 19, 2021 Council Meeting.

CARRIED

FOUR: CORRESPONDENCE

4.1 Resolutions from other Municipalities for Approval/Consideration

Councillor Muir voiced interest in a resolution from the Town of Albertson regarding the drought impact on the Rainy River District and Northwestern Ontario area. The resolution will be brought back to the next meeting for further review.

4.2 Red Rock Historical Society Newsletter

Council had no questions regarding this correspondence.

4.3 Letter from Kathy Chappell

Council discussed the letter written in regards to the Recreation Centre rental rates. Council instructed Administration to bring a report back to Council at the next meeting with new rates to be discussed.

FIVE: REPORTS FROM COMMITTEES, BOARDS OR AGENCIES

5.1 Minutes of the July 6, 2021 Committee of Adjustment Meeting

Council posed no questions to Administration on this matter.

Resolution #4

Moved by: Councillor McDonald
Seconded by: Councillor Muir

BE IT RESOLVED THAT the minutes of the meeting of the Committee of Adjustment held on July 6, 2021, be received.

CARRIED

5.2 Minutes of the June 17, 2021 Thunder Bay Social Services Administration Board Meeting

Council posed no questions to Administration on this matter.

Resolution #5

Moved by: Councillor Muir
Seconded by: Councillor Todesco

BE IT RESOLVED THAT the minutes of the meeting of Thunder Bay District Social Services Administration Board held on June 17, 2021, be received.

CARRIED

SIX: REPORTS FROM ADMINISTRATION

6.1 Report from Director of Operations

Mr. Westerman responded to questions from members of Council, including the maintenance of Trout Bridge and the Freightliner Garbage Truck. Administration was instructed to bring costing options and possible funding sources on the bridge maintenance back to Council.

Resolution #3

Moved by: Councillor McDonald
Seconded by: Councillor Todesco

BE IT RESOLVED THAT the report from Director of Operations be received.

CARRIED

6.2 Report on Administrative Activity

Mr. Figliomeni responded to questions from members of Council, including the Municipal and Federal Gas Tax audits.

Resolution #6

Moved by: Councillor McDonald
Seconded by: Councillor Todesco

BE IT RESOLVED THAT the report from Administration be received.

CARRIED

6.3 Report on Non-Union Wage Increase

Mr. Figliomeni submitted the report for Council's information and approval. Council moved to be removed from the increase, but approved a 1.5% wage increase to all other applicable employees.

Resolution #7

Moved by: Councillor Todesco
Seconded by: Councillor Muir

BE IT RESOLVED THAT Council approves a 1.5% wage increase for all applicable non-union employees retro-active to January 1, 2021, but withhold pay increase to members of Council for 2021 year.

CARRIED

6.4 Report on Limestone Partners Inc.

Mr. Figliomeni submitted the report for Council's information and approval. Mr. Figliomeni explained that there had been turnover within the company and that the contract was not financially beneficial to the Township at this time. The CAO stated that he does not have any plans on advertising for an EDO at this time, as the Interim CDO is taking on a large part of that roll.

Resolution #8

Moved by: Councillor McDonald
Seconded by: Councillor Muir

BE IT RESOLVED THAT Council approves the termination of the contract between the Corporation of the Township of Red Rock and Limestone Partners Inc. effective July 31, 2021.

CARRIED

6.5 Report on Signature Financial Services

Mr. Figliomeni submitted the report for Council's information and approval. Mr. Figliomeni explained that there was trouble with communication and reporting, and that he has a temporary solution to the Treasurer position in place. Councillor Muir and Councillor Todesco voiced that they were in disagreement with the report and did not support the resolution. The resolution did not pass and will be brought back to the next meeting.

6.6 Report on Sale of Municipal Property

Mr. Figliomeni submitted the report for Council's information. A map of the properties was attached to the report. Council directed Administration to move forward in negotiating a sale of the properties.

6.7 Report on Bowling Alley & Restaurant Agreements

Mr. Figliomeni submitted the report for Council's information. Council directed Administration to advertise for a Bowling Lane Operator and renew the contract for the Recreation Centre Snack Bar.

6.8 Report on Closed Session Agenda Position

Mr. Figliomeni submitted the report for Council's information. Council agreed to move the Closed Session portion of the meeting to 6:30pm on a trial basis. A resolution for this change will be brought back at the next meeting.

6.9 Report on Water & Sewer Quarterly Billing

Mr. Figliomeni submitted the report for Council's information. Council agreed to the change from monthly utility billings to quarterly utility billings. A resolution for this change will be brought back at the next meeting.

6.10 Report regarding Environmental Committee Requests

Mr. Figliomeni submitted the report for Council's information. Councillor Muir inquired about the timeline for the wrapping of the trees at the Marina. Mr. Figliomeni explained that they are monitoring the trees, but are not recommending the tree wrapping at this moment.

6.11 Report on Councillor Agenda Requests

Mr. Figliomeni submitted the report for Council's information. Councillor Muir questioned the Property Standards process within the Township. He mentioned that community members feel uncomfortable writing letters about their neighbour's yards. Mr. Figliomeni explained that Property Standards have always been handled on a complaint basis. Council directed Administration to review the procedures of Property Standards.

Council discussed having an internal education session sometime in the fall to discuss the Sage Report and a future town hall meeting.

Council discussed the possibility of resuming the regular meeting schedule during the summer months. As the summer month meetings have concluded, Administration will bring the topic back to Council next June for reconsideration.

Council asked for an update on the new subdivision set to take place on the other side of Trout Creek. Mr. Figliomeni stated that a survey of the property has been completed and the project that was previously presented to Council cannot be constructed as the elevated land that was needed in order to even out the project site is not owned by the Municipality. Mr. Figliomeni mentioned that Bruno's contracting is willing to move forward with Council's direction. Council requested a meeting with Sylvio Di Gregorio at the next meeting.

SEVEN: BY-LAWS

7.1 Number 2021-1244 Deeming By-Law

By-law 2021-1244 as presented for Council's consideration. The Management Consultant recommended this by-law in reference to a property within the Township that is located on 3 lots.

Resolution #9

Moved by: Councillor Todesco

Seconded by: Councillor Muir

BE IT RESOLVED THAT By-law number 2021-1244, to deem certain lots in Subdivision Plan M183 not to be lots on a registered plan of subdivision for the purposes of subsection 50(3) of the Planning Act, be passed.

CARRIED

7.2 Number 2021-1245 Budget By-Law

By-law 2021-1245 as presented for Council's consideration, to amend by-law 2021-1237 to adopt the 2021 budget.

Resolution #10

Moved by: Councillor Muir

Seconded by: Councillor McDonald

BE IT RESOLVED THAT By-law number 2021-1245, amending by-law 2021-1237 to adopt the 2021 budget, be passed.

CARRIED

7.3 Number 2021-1246 Tax Rates By-Law

By-law 2021-1246 as presented for Council's consideration, to amend by-law 2021-1241 to set and levy the 2021 tax rates.

Resolution #11

Moved by: Councillor Muir

Seconded by: Councillor Todesco

BE IT RESOLVED THAT By-law number 2021-1246, amending by-law 2021-1241 to set and levy the 2021 tax rates, be passed.

CARRIED

7.4 Number 2021-1247 Acting Treasurer/Tax Collector By-Laws

By-law 2021-1247 as presented for Council's consideration, to appoint an acting Treasurer.

Resolution #12

Moved by: Councillor McDonald

Seconded by: Councillor Muir

BE IT RESOLVED THAT By-law number 2021-1247, to appoint Mark Figliomeni as Acting Treasurer and Tax Collector, be passed.

CARRIED

EIGHT: NEW BUSINESS

No items of new business were raised by members of Council.

NINE: UNFINISHED BUSINESS

No items of unfinished business were discussed.

TEN: CLOSED SESSION

10.1 Resolution to Close the Meeting

Resolution #13

Moved by: Councillor Todesco
Seconded by: Councillor McDonald

BE IT RESOLVED THAT Council go into Closed Session at 9:04pm under the authorities as printed in the Agenda.

CARRIED

Council entered closed session. During the Closed Session meeting, the following procedural resolution was passed:

Resolution #14

Moved by: Councillor McDonald
Seconded by: Councillor Muir

BE IT RESOLVED THAT, the time being 9:59 p.m., Council rise from closed session and report in open session.

CARRIED

The open session re-convened at 10:01 p.m.

ELEVEN: REPORT FROM CLOSED SESSION

Item 10.2, the Closed Session minutes of the Regular Council meeting held on July 19th, 2021, had been dealt with earlier in the meeting (Resolution #2).

TWELVE: CONFIRMING BY-LAW

Resolution #15

Moved by: Councillor Muir
Seconded by: Councillor McDonald

BE IT RESOLVED THAT By-law 2021-1248, to confirm the proceedings of this evening's meeting, be passed as circulated.

CARRIED

THIRTEEN: ADJOURNMENT

There being no further business to conduct, Mayor Robinson declared the meeting adjourned at 10:02 p.m.

Mayor

Chief Administrative Officer/Clerk

THE CORPORATION OF THE TOWNSHIP OF RED ROCK

936th SPECIAL MEETING OF COUNCIL

SEPTEMBER 1st, 2021

Present: Mayor: D. Robinson
Councillors: S. Park
C. Todesco
M. McDonald
Chief Administrative Officer: M. Figliomeni
Community Development
Officer: A. Davis

ONE: PRELIMINARY MATTERS

1.1 Call to Order

Mayor Robinson called the meeting to order at 4:00 p.m.

1.2 Acceptance of the Agenda

Resolution #1
Moved by: Councillor McDonald
Seconded by: Councillor Todesco

BE IT RESOLVED THAT the Agenda for this Special Meeting be approved as circulated.
CARRIED

1.3 Disclosures of Interest

In response to Mayor Robinson's request, no members disclosed interests in matters before council this evening.

TWO: PRESENTATIONS OR DEPUTATIONS

No presentations or deputations had been scheduled for this meeting.

THREE: MINUTES OF PREVIOUS COUNCIL MEETINGS

No minutes were presented for approval at this meeting.

FOUR: CORRESPONDENCE

No correspondence was presented at this meeting.

FIVE: REPORTS FROM COMMITTEES, BOARDS OR AGENCIES

No reports of committees were presented at this meeting.

SIX: REPORTS FROM ADMINISTRATION

6.1 Report from Community Development Officer

Ms. Davis was joined electronically by John Lorenowich from JML Engineering to present an update on the Brompton/Newton/Frost/Stadler Water Infrastructure Project. Ms. Davis informed Council that the water relining portion of the project that was set to take place this fall is being pushed back to the Spring of 2022. The change in timeline for the relining would give the Township an estimated cost savings of \$30,000. The award of the tender for this portion of the project is being deferred for negotiations to take place between a Bidder and JML (on behalf of the Township), and will occur within the 60 day irrevocable period.

SEVEN: BY-LAWS

No By-laws were presented at this meeting.

EIGHT: NEW BUSINESS

No items of new business were raised by members of Council.

NINE: UNFINISHED BUSINESS

No items of unfinished business were raised by members of Council.

TEN: CLOSED SESSION

Council did not go into Closed Session.

ELEVEN: REPORT FROM CLOSED SESSION

None.

TWELVE: CONFIRMING BY-LAW

Resolution #2

Moved by: Councillor Park

Seconded by: Councillor Todesco

BE IT RESOLVED THAT By-law 2021-1249, to confirm the proceedings of this Special Meeting, be passed as circulated.

CARRIED

THIRTEEN: ADJOURNMENT

There being no further business to conduct, Mayor Robinson declared the meeting adjourned at 4:16 p.m.

Mayor

Chief Administrative Officer/Clerk



SIoux LOOKOUT

Hub of the North

Corporate Services Department/Office of the Municipal Clerk

**The Corporation of the
Municipality of Sioux Lookout**
25 Fifth Avenue, P.O. Box 158
Sioux Lookout, Ontario • P8T 1A4
Telephone: (807) 737-2700
Facsimile: (807) 737-3436
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COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF SIOUX LOOKOUT

Meeting Date: July 21, 2021
Resolution No.: CL 171-2021
Moved by: C. Lago
Seconded: J. Timpson

Sioux Lookout Council Supports Alberton Council Resolution Seeking Action to Address Drought Impact in District and Area

WHEREAS, 2021 weather conditions in the Rainy River District have included late hard frosts and drought, which conditions are exacerbated by higher than normal numbers of grasshoppers and grass-eating insects, all of which impact growing season and yield; and

WHEREAS, due to the current drought conditions in the District, animal fodder is drying up and withering, or is being eaten away, to the extent that the volume of fodder available to livestock consumption is down to 25% of normal annual quantities; and

WHEREAS, due to the 2021 impacts, area farmers are faced with having to sell off 50% or more of their breeding livestock; and

WHEREAS, both Canadian and U.S. drought mapping, copies of which are attached hereto as posted in June, 2021 by Agriculture and Agri-Food Canada and by the National Oceanic and Atmospheric Administration, clearly show the Rainy River District and the surrounding area of Northwestern Ontario to be at the same levels of drought as areas in Southern Ontario; and

WHEREAS, the Provincial Emergency Operations Centre has recognized regions and counties in Southern Ontario as being impacted by drought but indicates no impact for any part of Northwestern Ontario;

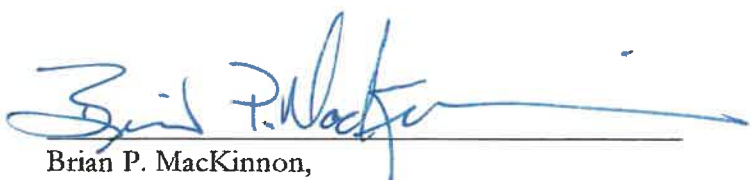
NOW THEREFORE the Council of The Corporation of the Municipality of Sioux Lookout supports the Township of Alberton calls to the Province of Ontario and the Ministry of Agriculture, Food and Rural Affairs to forthwith:

- 1) Designate the Rainy River District as an area impacted by drought; and
- 2) Declare and agriculture state of emergency within it; and
- 3) Implement recovery assistance program support for the agricultural sector;

AND FURTHER THAT a copy of this resolution be forwarded to the Honourable Doug Ford Premier of Ontario; to the Honourable Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs; to MPP Greg Rickford; to MP Eric Melillo; and to all municipalities in Northwestern Ontario

Carried

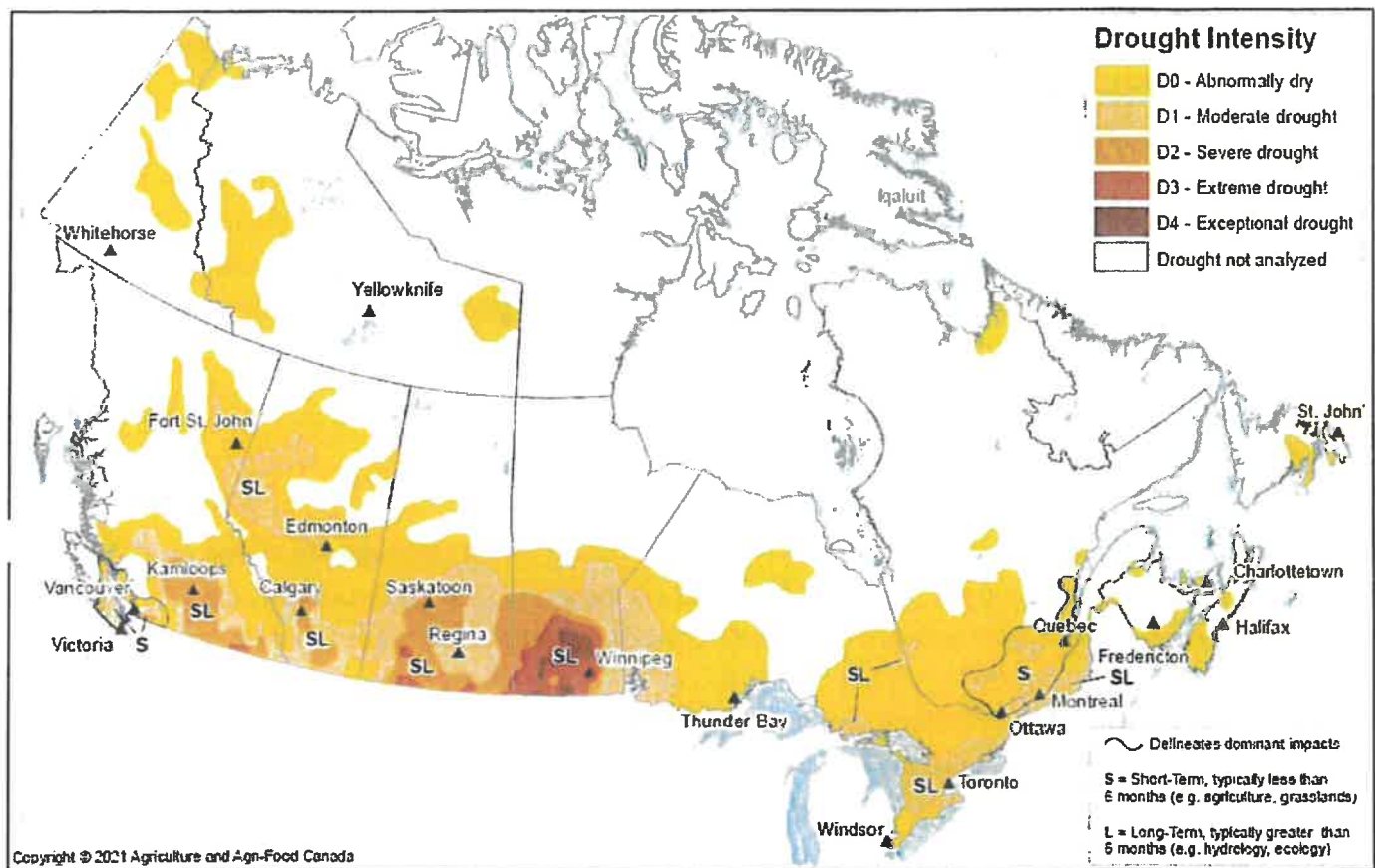
Certified a Good and True Copy



Brian P. MacKinnon,
Manager of Corporate Services/Municipal Clerk
Municipality of Sioux Lookout
July 22, 2021

Canadian Drought Monitor

Conditions as of June 30, 2021



Drought conditions across much of the agricultural landscape of Canada worsened in June. Although moderate precipitation amounts were recorded in numerous locations, dry spring conditions, elevated temperatures and strong winds depleted excess soil moisture.

Below-normal precipitation and record-breaking high temperatures plagued Interior British Columbia, which exacerbated previous dry and drought conditions in the Pacific region. The Prairie provinces saw a similar worsening of drought conditions with below-normal precipitation for the month, with moisture evaporating quickly, causing stress to crops and reducing availability and quality of livestock water supplies. Drought in Central Canada remained relatively unchanged, apart from increasing drought severity in northwestern



The city of Brandon in southeastern Manitoba, and Dauphin in the east central region as well as Winnipeg in the southeast, were all rated to be in their driest 5 years on record based on precipitation from September 1, 2020 to June 30, 2021. Agricultural conditions continued to degrade with variable crop conditions reported across the province. The Interlake region, received well below-normal precipitation in both the long-term and short-term, which has resulted in the addition of Exceptional Drought (D4); this area received approximately 50 percent of normal precipitation since April. Livestock producers in the region reported very little surface soil moisture where dugouts and pastures have run dry. Another pocket of D4 conditions developed in the western region of the province caused by exceptionally low precipitation in both the short- and long-term. The southeast corner of the province saw the expansion of D1 conditions east toward the Manitoba/Ontario border, based on well below-normal precipitation and record low streamflow levels. Extreme Drought (D3) conditions expanded east from the central region of the province to now encompass Winnipeg, where precipitation amounts accounted for only half of what is typically seen during the month of June as well as significant dryness consistent in the last 9 months.

Central Region (ON, QC)

There were minimal changes to drought conditions in Central Canada through the month of June. Multiple precipitation systems flowed through Ontario and Quebec throughout the month, relieving Moderate Drought (D1) conditions in many parts of the south-eastern region.

in the northwest region of Ontario, lower than normal precipitation contributed to the expansion of both Abnormally Dry (D0) and Moderate Drought (D1) conditions eastward from the Manitoba/Ontario border to the area surrounding Thunder Bay. Northeastern Ontario received 25 to 50 percent of precipitation over the past 30 days and recorded well below-normal streamflow, which resulted in the expansion of Abnormally Dry (D0) conditions. Significant precipitation across southern Ontario alleviated Severe Drought (D2) conditions in the Essex/Chatham Kent region, along the U.S./Ontario border. Although agricultural conditions appeared to be adequate, record low water levels were recorded for Lake Ontario, where levels have not been this low since 1966. An expansion of Moderate Drought (D1) conditions along the northern Ontario/Quebec border occurred due to low precipitation values over the past 90 days, where the area had barely recovered from dry conditions during the 2020 growing season. In Quebec, minimal changes were made to Moderate Drought (D1). Conditions were alleviated along the St. Lawrence region, west of Quebec City, reflecting near- to above-normal precipitation received over the past 90 days.

MARKET FLASH

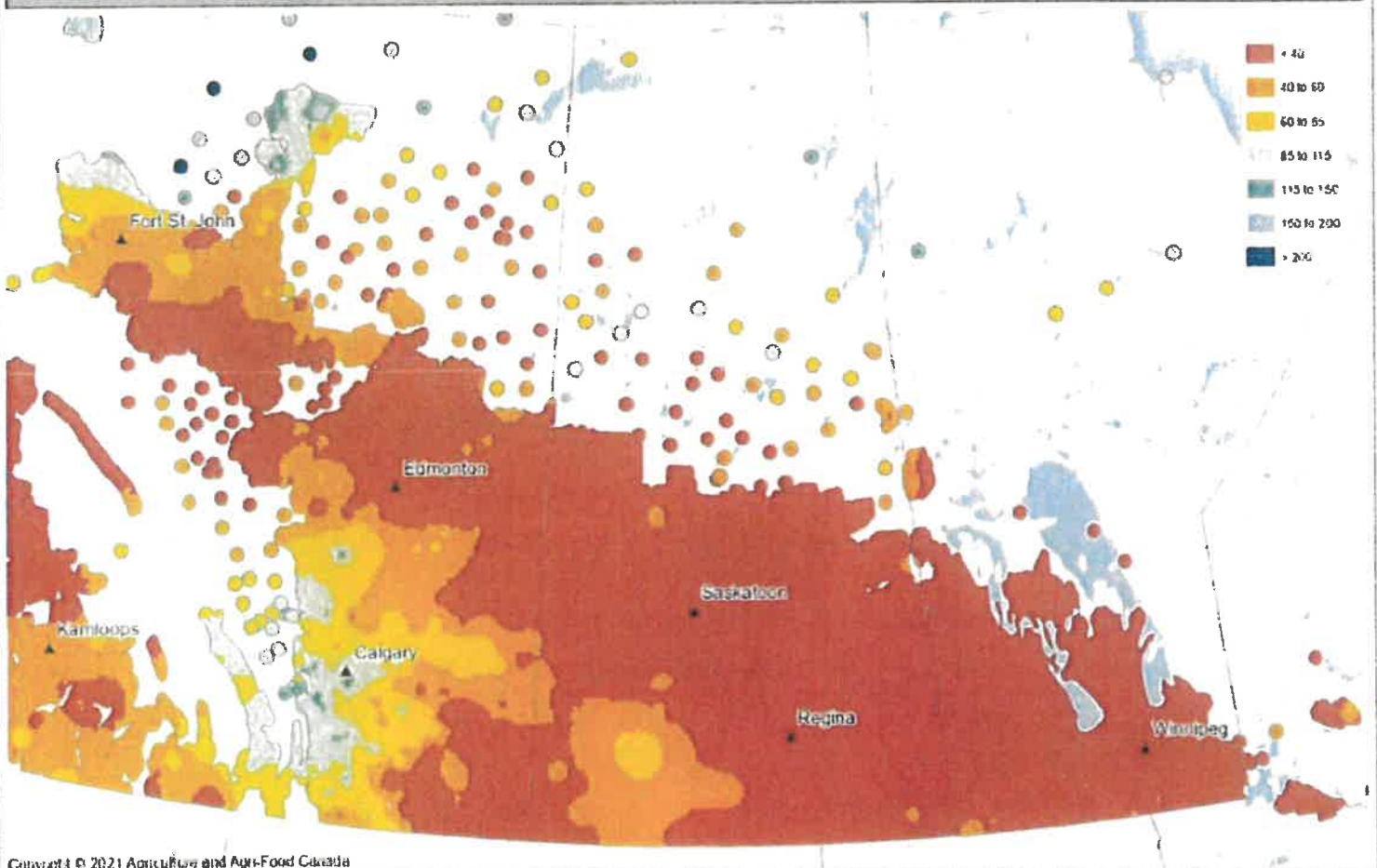
Canada Drought Monitor - Last 30 Days

 Agriculture and Agri-Food Canada Agriculture of Agroalimentaire Canada

Canada

Percent of Average Precipitation

in past 30 days, as of July 11, 2021



Copyright © 2021 Agriculture and Agri-Food Canada

Prepared by Agriculture and Agri-Food Canada's Science and Technology Branch. Data provided through partnership with Environment Canada, Natural Resources Canada, Provincial and private agencies.

Produced using near real time data that has undergone some quality control. The accuracy of this map varies due to data availability and potential data errors.

Created 2021 07 12
www.agr.gc.ca/drought

Average Moisture levels

Insight Ag Marketing
STRESS LESS. FARM MORE.

North American Drought Monitor

May 31, 2021

Released: Thursday, June 10, 2021

<https://www.ncdc.noaa.gov/temp-and-precip/drought/nadm/>

Analysts:

Canada - Trevor Hadwen
 Alyssa Klein
 Mexico - Minerva Lopez Quiroz
 Reynaldo Pascual
 U.S.A. - Brad Pugh
 Brian Fuchs

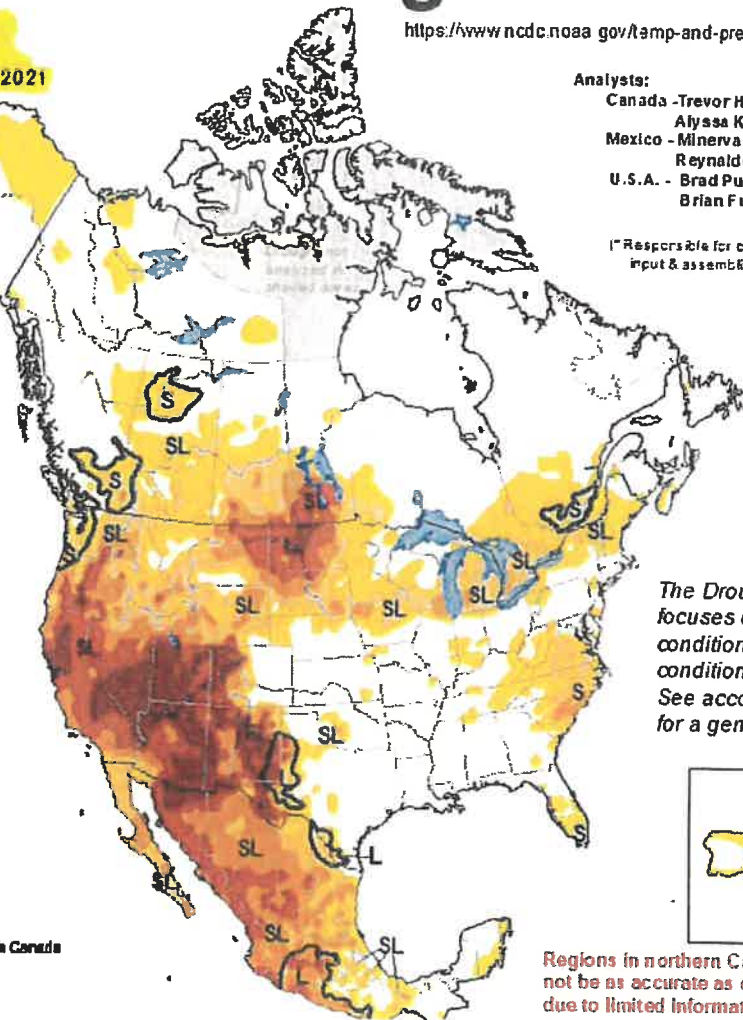
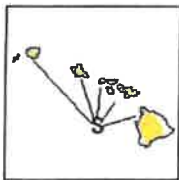
1* Responsible for collecting analysis input & assembling the NADM map.

Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

Drought Impact Types:

- Delineates dominant impacts
- S = Short-Term, typically <6 months
(e.g. agriculture, grasslands)
- L = Long-Term, typically >6 months
(e.g. hydrology, ecology)



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text for a general summary.



Regions in northern Canada may not be as accurate as other regions due to limited information.

RECEIVED

AUG 17 2021

Reel Rock Out

PO Box 269

POT2PO

Aug 10/21

Members of the Council

I was wondering if possible if the sidewalk edge near the driveway entrance can be chipped down so that I can back in properly to my garage to get it in line with the garage

Yesterday when I was backing up I heard the big thump I didn't crowd enough over to miss it, my heart was in my throat so to speak. I'm worried it's going to damage something to my car.

Years ago when they put in the new sidewalk with the driveway entrance still off center. Bernie Simmonis was around I asked him if something could be done that's when he told it was all pre measured, but Bernie I told him the driveway entrance doesn't give with the garage, he saw it said he'll do something poor Bernie I'm still waiting

Yours truly
Elaine Belisle

THE CORPORATION OF THE TOWNSHIP OF RED ROCK

3rd REGULAR MEETING OF ENVIRONMENTAL COMMITTEE July 27, 2021

| | | |
|--------------------|--------------------|---|
| Present: | Councillors: | G. Muir M. McDonald |
| | Community Members: | Kathy Chappell Cindy Brand Melissa Harvey |
| Regrets: | Community Members: | Chelsea Clyne |
| Public Attendance: | | Lewis Martin Cindy Poulin Terri Landry Henley Muir |

PRELIMINARY MATTERS

- Item 1.1 Councillor Muir called the meeting to order at 7:30 pm.
- Item 1.2 Agenda was accepted by all, with an addition under New Business.
- Item 1.3 Request/Receive Disclosure of Interest - N/A

PRESENTATIONS OR DEPUTATIONS

None registered for this meeting.

MINUTES OF PREVIOUS COMMITTEE MEETING(S)

Amendments requested to the June 8, 2021 Minutes at section 5.2. Moved by K. Chappell, Seconded by M. Harvey, that the Minutes of the June 8, 2021 be amended. **Carried.**

CORRESPONDENCE

None.

NEW BUSINESS

- Item 5.1 Councillor McDonald contacted Robin Environmental who provided her with recycling sample information. Councillor McDonald provide these samples, along with samples used by Red Rock Indian Band. This educational recycling information were in the form of fridge magnets, pamphlets, posters and information directed toward children, from Robin Environmental. There was general discussion regarding recycling processes, costs, potential cost to customers and how this Committee want to move forward. Councillor Muir discussed the option of working together with other North Shore Communities to reduce cost. Additional

discussion regarding the responsibility of Producer Responsibility which is scheduled to come into effect in four (4) years, and if this committee wants to be proactive and begin educating the community towards moving into a recycling program. There was further discussion regarding costs, location and education. There was some discussion regarding the Strategic Plan from 2018, which outlines a Strategic Initiative for Environmental Stewardship and the SAGE Report which outlines the need to determine landfill closure costs and other options. There was further discussion regarding sending sponsorship letters to a variety of local companies. However, it was agreed that we would discuss this at a later date once we have gathered additional information. M. Harvey discussed a "Waste Reduction Audit" which she found on the Trash Team website. This could first be targeted at school children as a fun competition, and then to households.

Action: Councillor Muir and Councillor McDonald will look into some of the associated costs. We will contact look into the costs of Bins, Travel cost and Tipping Fees. K. Chappell will contact local business to discuss the potential to use biodegradable items and purchasing mesh produce bags. Councillor Muir will contact the CAO to discuss social media options, monthly newsletter and posters containing recycling information.

Item 5.2 There was general discussion regarding our long- and short-term goals. The Committee agreed to a long-term goal of one (1) year for the recycling program. We will review this timeline as we obtain the necessary information and costs to move forward with initialing a recycling program.

General discussion regarding No Mow May. M. Harvey advised that there is a By-law regarding grass length and asked if the By-law would need to be amended to allow homeowners to let their grass grow for the month of May. Councillors Muir and McDonald felt that the By-law would probably not need to be amended, as it would be only for the month of May. We will bring No Mow May to Council in March/April to request a hold on the By-law for May. We will further request that No Mow May be promoted on the Township's social media and Community Board.

The Committee discussed the process for reporting concerns regarding properties that are not following the Property Standard guideline. Councillor Muir advised the Committee that this was an Operation matter. However, this Committee wanted to discuss the process, as we believe it is unfair for community members to have to report on their neighbours. This type of reporting could lead to possible conflict and/bullying from neighbours. This Committee discussed asking Council to considering the option of having the Property Standards person take on the task of simply driving around the community and the Red Rock Road (once or twice a month) and viewing properties. Should there be a home that is in violation, then the Property Standards person could then follow their usual process and protocol to resolve the matter. Councillor Muir will speak to Council regarding the possibility of the Property Standards person doing drive by assessments of properties.

Discussion regarding engine emission and idling took place, Councillor Muir advising there is a By-law in place. Councillor Muir would obtain the By-law for this Committee to review. It was noted that there are a few larger vehicles (Gary's

Tow Truck) who park their vehicles in residential areas and let their vehicle idle for long periods of time. Further discussion was held regarding the fact that these larger vehicles (transport trucks) are parking on residential streets. This Committee discussed the potential hazards of these transports and larger vehicles, and possible options of parking in other areas (at the old Freddie's Texaco lot) or some other location deemed safe for the community.

Item 5.3 This Committee discussed and agreed that it will hold its meetings on the second Tuesday of each month at 7:30 p.m. These meeting will take place in the Seniors Room in the Recreation Centre. This Committee will then have time to review and approve Minutes, and we can then forward the approved Minutes to the CAO to be include in the Town Council meeting held the second Monday of each month.

Item 5.4 K. Chappell brought forward two community members interested in joining the Environmental Committee.

Cindy Poulin moved to Red Rock three years ago from South Gilles. Cindy is a former Municipal Councillor, was active community member of South Gilles, she is a horticulturist, and she is the current Treasure of Live from the Rock Folk Festival.

Terry Landry has been a lifelong resident of Red Rock. She has provided our community with many years of service and smiles at the Northern Credit Union and has been an active member and volunteer of Live from the Rock Folk Festival for many years.

This Committee is recommending the appointment of both these women to the Environmental Committee. We look forward to Council approving the appointment of Cindy and Terry.

ACTION: Councillor Muir will bring forward this Committee's recommendation for the appointment of Cindy Poulin and Terry Landry to the Environmental Committee.

Item 5.5 K. Chappell brought forward a concern regarding CPR pesticide spraying near residential properties that have gardens. There was discussion as to what type of spray was used. Councillor Muir advised that this matter was before Council at the April 19, 2021 Council meeting. At that time, when Councillors asked about the CPR spraying, they were advised that CPR only provide a notice as a courtesy and there were not to able to ask questions regarding this process. Councillor Muir will provide this Committee with a copy of the CPR Notice.

Item 5.6 This Committee discuss the matter of emails and how better we could communication. We decided that when responding to emails regarding matter such as attending meetings, we do not need to reply All. In addition, we will send separate emails regarding new matters, and emails forwarded to the CAO will only be copied to Councillor Muir and Councillor McDonald. Hopefully, this will reduce the number of emails and matters will not get lost in the endless email streams.

UNFINISHED BUSINESS

Item 6.1 Councillor Muir advised that he will be bring forward a Resolution at the next Council meeting to have the Beaver Tree Wrapping matter moved forward, based on the recommendation of this committee. Councillor Muir further advised that the Beaver Report that the Environmental Committee had provided on June 8, 2021 to the CAO was not provided to Council to review, nor was it posted on the Townships social media sites. In addition, the Report was not provided to the Public Works Superintendent despite additional requests from Councillor Muir. This was somewhat frustrating to this Committee, as we hoped with the recommendations provided, and the benefit of the Township having additional workforce (summer student), that this matter would have been resolved sooner. There was further discussion on this matter and the lack of action on the part of Council, and the CAO regarding this matter despite Councillor Muir and Councillor McDonald's advocating on behalf of this Committee regarding this matter. K. Chappell advised that she attended the marina to count and flag possible trees to be protected. She also contacted businesses for pricing on the fencing and stapler that would be use for this project, which is less than \$1000. Further discussion took place with C. Poulin advised the Committee of an additional issue regarding the Emerald Ash Borrell bug that has infested several of the trees in the park. She advised that once the tree is infested it will not survive and would need to be removed. Councillor Muir advised that he speak with the CAO to see if the Public Works Department are aware of this issue.

Councillor Muir will bring forward the Resolution on this matter at the next Council meeting, and hopefully we can have this matter resolved before the end of summer and before the beavers return to taking down trees.

NEXT MEETING


Tuesday August 10, 2021 at 7:30 p.m. Location will be in the Seniors Room at the Recreation Centre.

ADJOURN

The meeting was adjourned at 9:24 p.m.



Gordon Muir - Chair



Cindy Brand - Secretary

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: Activity Report – Office of the CAO
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

This report is for information only and provides Council with an activity update from the office of the CAO. Please feel free to reach out at any time with any questions or concerns.

DISCUSSION:

Things remain very busy on a daily basis within the office. As a team we continue to strive to operate in a more productive and cost efficient manner. Internally we continue to meet as a group frequently sharing ideas and thoughts to improve daily activities and productive operations. A focus on stability, structure, relationships and teamwork have shown an obvious increase in morale and productivity. In my opinion it has led to a real noticeable and positive change, we will continue to build together within a framework based on those core values.

Current Events

Some duties and activities from the office include:

SNEMS Master Plan – Monitoring
Municipal Audit – Meeting with Auditors – Planning Presentation to Council
Meeting with Stakeholders / Partners / Government Agencies
Asset Management Plan – Continuing / Ongoing
Monitoring Projects – Very busy with many projects on the go at this time
Claims Processing – Provincial & Federal
AMO Conference 2021 – CAO & Mayor attended virtually
General Day-Day Operations – Meetings with residents

We continue to monitor procedures around meeting structure and policies, social media and website policies and the monitoring of all aspects of our day to day operations and future projects and goals.

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: Fees & Service Charges – Request
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

Administration requesting direction of Council.

BACKGROUND:

Request from Kathy Chappell to have the rate for rental space reviewed to accommodate Yoga classes. This was presented as a communication at the August 16th, 2021 meeting of Council for discussion.

DISCUSSION:

I have attached the original letter received as a communication as well as our current Fees & Service Charges By-Law for review. In a further discussion with Kathy she has confirmed that she would need the Gymnasium for her classes and would at this time be offering weekday classes only during regular business hours. She would like to make arrangements and plans soon based on Council's decision. Administration can amend the rates based on a decision and direction from Council.

Verbal update from CAO if required.

ATTACHMENTS:

Original Correspondence
Schedule A to By- Law 2020-1219

AVAILABLE UPON REQUEST:

Verbal Update

Whitney Odahl

From: Mark Figliomeni - CAO/Clerk Township of Red Rock <cao@shawbiz.ca>
Sent: August 6, 2021 4:10 PM
To: 'Whitney Odahl'
Subject: FW: Letter

Mark Figliomeni
CAO/Clerk
Township of Red Rock
42 Salls St., P.O. Box 447
Red Rock, ON. P0T 2P0
cao@shawbiz.ca
Bus: (807) 886-2245
Cell: (807) 889-0415



From: tim chappell [<mailto:knt.chappell@gmail.com>]
Sent: August 6, 2021 3:08 PM
To: Kal Pristanski <cao@shawbiz.ca>
Subject: Letter

Hi Mark,
Sorry for the delay. We are having issues with our attachments on Word.
The letter is below.
Kathy Chappell

Town Council
c/o Mr. Mark Figliomeni
CAO/Clerk
Township of Red Rock
42 Salls Street
Box 447
Red Rock, Ontario
P0T 2P0

August 4, 2021,

Dear Mr. Figliomeni and Town Council.

This is further to my email of July 22, 2021 to Town Council and CEO/Clerk and my meeting with Mr. Figliomeni on July 27th. As requested, I am writing you today to respectfully request that town council have a discussion and vote to revert the rental rooms at the Recreation Centre to the original price of \$10 per hour. I am requesting that this matter be on the agenda for the August 16, 2021 town council meeting in order plan for the fall of this year when the centre reopens.

This August will mark 3 years that I have been teaching yoga in the community and it has been totally amazing. I moved to online after COVID closed everything 'in person'.

I have utilized the multi-purpose room at the Marina Building as well as rented a room upstairs in the Recreation Centre that has been coined The Yoga Room. I have also taught at the school and had my own space for a while. The staff at the recreation centre have been terrific.

I would love to return to the Recreation Centre and I would really love the Marina Building if possible, but what has happened, is when a vote was made to double the rent, I simply couldn't afford it any longer.

I did rent the room at the Recreation Centre after the new rates were set and I did not even come close to breaking even.

When I first rented the room at the Recreation Centre I was paying \$10 per hour for the room beside the gym. The gym had to be closed as well during yoga classes as it is far too noisy to practice yoga when the kids are playing basketball (we tried it - it did not work!)

My classes are 1 1/2 hours long and I go 15 minutes before and leave right after maybe 5 or 10 minutes. I can be much quicker now as I am not allowed to share my equipment yet. So I was paying \$20 for two hours.

I also held a children's yoga class on a Saturday and that was successful.

I try to keep my rates down for yoga classes so people can afford them. I offer package deals so each class is financially manageable. I also offer discount rates for those 65 years of age and older and under 18 years of age.

I have talked to other programmers, specifically Michelle Legacy, the boot camp coach and Andrea Zapcic who is the Zumba instructor. They would like to return to provide programming but also cannot afford those rates based on what is currently being charged. At this time Michelle Legacy may not need the facility until February of 2021 and Andrea will be returning to university, but they have both stated that they would like to return if the rates were more reasonable when their schedules allow.

It would be great to see our recreation centre come back to life.

I am interested in renting the Yoga Room/Gym from mid September to mid December.

Respectively,
Kathy Chappell
Boreal Offerings Yoga

Township of Red Rock

Schedule 'A' to By-law 2020-1219

Fee's and Service Charges Effective September 8, 2020

2019

Services:

Charges:

Municipal Office

Lottery Licenses

| | | | | |
|------------------|----|-------|-------------------|--|
| Nevada's Raffles | \$ | 15.00 | Box | |
| | | | 3% of Prize value | |

Lawyers Requests

| | | | | |
|--------------------------------|----|-------|--|--|
| Tax Certificates | \$ | 40.00 | | |
| Zoning Compliance Certificates | \$ | 20.00 | | |
| with survey | \$ | 40.00 | | |
| Work Order Certificates | \$ | 20.00 | | |
| Water Arrears Certificates | \$ | 40.00 | | |

Cats & Dogs

| | | | | |
|-----------------|----|-------|------|--|
| Dog License | \$ | 10.00 | | |
| Cat License | \$ | 10.00 | | |
| Replacement Tag | \$ | 3.00 | | |
| Seniors age 65 | | | Free | |

Misc.

| | | | | |
|--|----|-------|-------------------|--|
| Photocopies | \$ | 0.25 | /page | |
| Faxes | \$ | 1.00 | /page | |
| Seniors (65) & toll free - no charge. | | | | |
| NSF | \$ | 35.00 | plus bank charges | |
| Zoning By-law Copy | \$ | 15.00 | | |
| Official Plan Copy | \$ | 15.00 | | |
| Registered Letters | \$ | 15.00 | plus postage | |
| Transfer funds from one water/tax acct to another - customer request | \$ | 25.00 | | |

Municipal Tax Sale Costs

| | | | | |
|--|----|----------|---------|------|
| | | | REALTAX | |
| Tax Arrears Registration/Final Notices | \$ | 600.00 | | 1550 |
| Tax Arrears Extension Agreement | \$ | 200.00 | | |
| Public Sale of Tax Arrears Properties | \$ | 1,200.00 | | 1480 |

Planning Act Applications

| | | | | |
|--|----|----------|--|--|
| OMB Hearing (does not include appeals) | \$ | 1,500.00 | | |
| Draft Plan of Subdivision Application | \$ | 1,000.00 | | |
| Subdivision Agreement | \$ | 1,000.00 | | |
| Site Plan Agreement | \$ | 750.00 | | |
| Official Plan Amendments | \$ | 800.00 | | |
| Zoning By-law Amendments | \$ | 750.00 | | |
| Minor Variances/Consents | \$ | 100.00 | | |

Recreation

Room Rentals

| | | | | |
|--|----|-----------|----------|----------|
| (all plus HST) | | | | |
| Arena | \$ | 600.00 | | |
| Gymnasium | | | | |
| Dance | \$ | 450.00 | | |
| Beer Garden | \$ | 450.00 | | |
| Non Liquor Event | \$ | 250.00 | | |
| Gymnasium | | | | |
| Non-Profit Volunteer | | No Charge | | |
| Full Gym | \$ | 30.00 | per hour | plus HST |
| Gym Lounge/Golden Club/Teen Town | | | | |
| 1/2 day (3 hours) | \$ | 50.00 | | plus HST |
| Full Day (3- 6 hrs) | \$ | 70.00 | | plus HST |
| | \$ | 20.00 | per hour | plus HST |
| *NOTE* If rental is outside of scheduled hours, additional charges for staff overtime will be charged | | | | |
| Gymnasium & Lounge | \$ | 50.00 | per hour | plus HST |
| Non-Profit Volunteer | | No Charge | | |
| (SUMMER) | | | | |
| Arena Floor | | | | |
| Youth Sports | \$ | 15.00 | per hour | plus HST |
| Adult Sports | \$ | 30.00 | per hour | plus HST |

NOTE: All Gym & Arena Rentals with music must pay SOCAN Music Fee by law

Ice Rental Rates

| | | | |
|---|----|----------------|----------|
| Minor Hockey/Figure Skating | \$ | 66.00 per hour | plus HST |
| Other leagues | \$ | 70.00 per hour | plus HST |
| Parties (includes 1 hour use of Gym Lounge) | \$ | 70.00 | plus HST |

Ice User Fees
(HST Included)

| | | | | |
|--------------------|--------------------|----|----------------|----------------|
| Seasonal | Children 0-12 | \$ | 60.00 | |
| | Students 13+ | \$ | 70.00 | |
| | Adults | \$ | 80.00 | |
| | Seniors 55+ | \$ | 60.00 | |
| | Family (Immediate) | \$ | 150.00 | |
| Punch Cards | | | | |
| | | | 10 days | 25 days |
| | Children | \$ | 10.00 | \$ 20.00 |
| | Students | \$ | 15.00 | \$ 25.00 |
| | Adults | \$ | 20.00 | \$ 30.00 |
| | Seniors | \$ | 10.00 | \$ 20.00 |
| | | | | 50 days |
| | Children | \$ | | 35.00 |
| | Students | \$ | | 40.00 |
| | Adults | \$ | | 50.00 |
| | Seniors | \$ | | 35.00 |
| Daily Fees | | | | |
| | Children | \$ | 2.00 | |
| | Students | \$ | 3.00 | |
| | Adults | \$ | 4.00 | |
| | Seniors | \$ | 2.00 | |

Fitness Room (HST Included)

| | | |
|------------|----|-----------------|
| Per Person | \$ | 7.00 per day |
| | \$ | 25.00 per week |
| | \$ | 65.00 per month |
| | \$ | 90.00 3 months |
| | \$ | 130.00 6 months |
| | \$ | 225.00 1 year |

Fitness Room Cont'd

| | | |
|---------------------------|----|------------------|
| Seniors (age 55)/Students | \$ | 35.00 per month |
| | \$ | 47.50 3 months |
| | \$ | 67.50 6 months |
| | \$ | 100.00 1 year |
| Family | \$ | 130.00 per month |
| | \$ | 180.00 3 months |
| | \$ | 230.00 6 months |
| | \$ | 350.00 1 year |

NOTE: If required - After regular hours of operation, labour rates at cost
NOTE: Fire Fighters receive 60% off a Per Person Membership after probationary period

Bowling

As outlined in Bowling Agreement with Proprietor

Misc

| | | | | |
|-----------------|----------------------------------|----|---------------|----------|
| Bouncy Castles* | Rental in Rec Centre Only | \$ | 50.00 2 hours | plus HST |
| | additional castle | \$ | 25.00 2 hours | plus HST |

* includes Gymnasium Rental in price *

Fees for Services**Public Works****Charges****Water/Sewer Repairs**

| | | | |
|--------------------------------------|----|----------------|----------|
| Labour - per man | \$ | 40.00 | plus HST |
| Labour - per man(after normal hours) | \$ | 60.00 | plus HST |
| Machinery | \$ | 65.00 per hour | plus HST |
| Material | | cost + 20% | plus HST |

Water Sewer Rates

| | | | |
|------------------------------|----|----------------|-------|
| Residential | \$ | 45.96 | 45.06 |
| Multi-Residential | \$ | 22.00 per unit | 21.00 |
| Commercial/Industrial | \$ | 96.79 | 94.89 |
| Consumption | \$ | 2.02 cu/m | 1.98 |
| Water/sewer Split (Internal) | | 62/38 | |
| Disconnect after April 1 | | \$35.00 | |
| Disconnect after October 31 | | \$65.00 | |
| Reconnect after April 1 | | \$35.00 | |
| Reconnect after October 31 | | \$65.00 | |
| Arrears | | 1.25% | |

Building Code

| | | |
|---|----|-------|
| Building Permit \$0 to \$2,500.00 value | \$ | 35.00 |
| \$2,501 - \$5,000 value | \$ | 45.00 |

| | | | |
|---------------------|----|--------|----------------------------------|
| \$5,001 & over | \$ | 45.00 | plus \$5.00 per \$1,000.00 value |
| Demolition Permit | \$ | 40.00 | |
| Application Deposit | \$ | 100.00 | |

Dump Fees

| | | | |
|--|----|-----------|----------------------------|
| (billed HST) | | | |
| Resident 1/2 ton | | no charge | |
| Resident over 1/2 ton | \$ | 20.00 | per load |
| Resident Curbside pick-up | \$ | 50.00 | per load or part |
| Residential Curbside clean-up (3rd notice) | \$ | 50.00 | |
| Non-Resident 1/2 ton | \$ | 20.00 | per load |
| Contractor 1/2 ton | \$ | 20.00 | per load |
| Contractor Tandem Load | \$ | 50.00 | per load |
| Contractor Tri-axle | \$ | 80.00 | per load |
| Hazardous Material local (asbestos) | \$ | 50.00 | cu/yd plus labour costs |
| Hazardous material non-local (asbestos) | \$ | 60.00 | cu/yd plus labour costs |
| Bulk contaminated soil | | | set by CAO & PWS as needed |
| Septic - Residential | \$ | 20.00 | |
| Septic - Non Residential | \$ | 30.00 | |
| Septic - 1000gal or over | \$ | 40.00 | |

Equipment Rentals

All plus HST per day

| | | | |
|----------------------|----|-------|------------------------------|
| Tables | \$ | 5.00 | per table per 3 days or part |
| Chairs | \$ | 1.00 | per chair per 3 days or part |
| Picnic Tables | \$ | 15.00 | per month or part |
| Curling Rocks | \$ | 50.00 | per day per set (16) |
| Old Scaffolding | \$ | 10.00 | per level per week |
| Sewer Snake - manual | \$ | 10.00 | per day |

Misc

| | | | |
|---------------------------------|----|--------|----------------------------|
| Gazebo/Platform Wedding Service | \$ | 100.00 | per event plus HST |
| Marina Park Wedding Service | \$ | 200.00 | per event plus HST |
| Food Stand Licence | \$ | 150.00 | per calendar year plus HST |
| Government/Industry Forms | \$ | 50.00 | per form plus HST |

Marina

| | | | |
|-------------------------------|----|--------|-------------------------|
| Boat Storage Outside Fence | \$ | 150.00 | Oct 1/May 31 plus HST |
| Boat Storage Inside Fence | \$ | 300.00 | Oct 1/May 31 plus HST |
| Plane storage | \$ | 300.00 | Oct 1/May 31 plus HST |
| Boat Storage Outside Fence | \$ | 100.00 | June 1/Sept 30 plus HST |
| Boat Storage Inside Fence | \$ | 200.00 | June 1/Sept 30 plus HST |
| Plane storage | \$ | 200.00 | June 1/Sept 30 plus HST |
| Boat Launch - Township assist | \$ | 85.00 | plus HST |
| Boat Out - Township assist | \$ | 85.00 | plus HST |

| | | | | |
|---------------------------|------------|-----------------|---------------------|----------|
| Slip Fees | (plus HST) | Resident | Non-resident | |
| 18 feet | | \$ 360.00 | \$ 375.00 | |
| 20 feet | | \$ 390.00 | \$ 405.00 | |
| 23 feet | | \$ 402.00 | \$ 427.00 | |
| 25 feet | | \$ 440.00 | \$ 462.00 | |
| 27 feet | | \$ 450.00 | \$ 475.00 | |
| 30 feet | | \$ 475.00 | \$ 495.00 | |
| 33 feet | | \$ 495.00 | \$ 515.00 | |
| 36 feet | | \$ 525.00 | \$ 546.00 | |
| 37 feet and over | | \$ 18.00 | \$ 19.00 | per foot |
| Inside tee slip A, B & C | | min \$540 | min \$562 | |
| Outside tee slip A, B & C | | \$ 17.00 | \$ 20.00 | per foot |
| | | min \$540 | min \$562.00 | |
| Deposit | | | 20% | |
| Key Deposit | | \$ 50.00 | | |

Marina cont'd

| | |
|-------------------|--|
| Monthly docking | Seasonal Fee/3 plus \$25.00 |
| Overnight docking | Resident = length X \$.80 Non-Resident = length X \$.85 |

| | | | |
|-----------|-----------------|----------|----------|
| Launching | Season | \$ 40.00 | \$ 60.00 |
| | Daily | \$ 6.00 | \$ 8.00 |
| | Boat Pumpout | \$ 25.00 | |
| | Trailer pumpout | \$ 5.00 | |

| | | |
|-------------------|-----------|------------|
| Power Receptacles | \$ 14.00 | per day |
| | \$ 185.00 | per month |
| | \$ 475.00 | per season |

(Power off September 30th)

Fees for Services

| | | | |
|-----------------------|--|--|--|
| Camping | | \$30.00 per night \$170.00 per week \$600.00 per month | |
| Showers | | \$4.00 | |
| Marina Bulding Rental | Conference Room - with no equipment | \$100.00 morning \$100.00 afternoon \$100.00 evening | 4hrs + HST 4hrs + HST 4hrs + HST |
| | Conference Room - Equipment per period plus open early/late labour fee | \$100.00 \$30.00 hr | 4hrs + HST plus HST |
| Restaurant space | 1/2 day (3 hours) Full day (3-6 hours) | \$50.00 \$70.00 \$20.00 per hour | plus HST plus HST plus HST |

Fire Department

| | | | |
|---------------------------------|----|--------|----------|
| Fire Inspection (owner Request) | \$ | 100.00 | plus HST |
|---------------------------------|----|--------|----------|

NOTE - HST Incuded in Rates unless otherwise noted.

Internal Charges - not for rent to public plus hst

| | | |
|-----------------------------|----|----------------|
| GMC Sierra 1/2 | \$ | 15.00 per hour |
| Ford Ranger | \$ | 15.00 |
| F 550 Sand Truck | \$ | 20.00 |
| Caterpillar Grader | \$ | 70.00 |
| JD 310 Backhoe | \$ | 60.00 |
| Ford L8000 6 Ton | \$ | 60.00 |
| Ford Flat Deck | \$ | 20.00 |
| Bobcat | \$ | 50.00 |
| Ford 4x4 crew cab | \$ | 20.00 |
| Chainsaw | \$ | 10.00 |
| Push Mower | \$ | 10.00 |
| OxyAcetylene Tanks | \$ | 40.00 |
| Arc Welder | \$ | 10.00 |
| Plate Tamper, | \$ | 20.00 |
| Riding Mower | \$ | 15.00 |
| Riding Mower | \$ | 15.00 |
| Generator, 5000 watt | \$ | 10.00 |
| Atlas Copco Compressor | \$ | 30.00 |
| Air Powered Jackhammer | \$ | 10.00 |
| Concrete Mixer, gas powered | \$ | 10.00 |
| Water Pump | \$ | 10.00 |
| Sewer Snake, electric | \$ | 10.00 |
| Magikist Thawer | \$ | 10.00 |
| Weed Eater | \$ | 10.00 |
| Steam Generator | \$ | 30.00 |
| Air Powered Saw | \$ | 10.00 |
| Hilti Hammer Drill | \$ | 10.00 |
| Misc. Small Power Tools | \$ | 5.00 |

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: OCWA – Rate Study & Financial Plan
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

Resolution to accept the Rate Study & Financial Plan from OCWA.

BACKGROUND:

None

DISCUSSION:

Questions from Council verbally answered by CAO.

ATTACHMENTS:

Township of Red Rock Water & Sewage Treatment System Rate Study
Township of Red Rock Water & Waste Water System Financial Plan # 280-301 / 2021-2027.

AVAILABLE UPON REQUEST:

Verbal



Township of Red Rock Water and Sewage Treatment System Rate Study

SUBMITTED BY

Ontario Clean Water Agency
2085 Hurontario Street, Suite 500
Mississauga, ON L5A 4G1

Date: August 31, 2021
Project No: REDR1N1523-2114
Rev: 2

| Issue and Revision Record | | | | | |
|---------------------------|------------|---------------|----------------|----------------|------------------|
| Rev. No. | Date | Prepared by: | Reviewed by: | Approved by: | Rev. Description |
| 1 | 07/12/2021 | Jason Younker | Sonya Semanuik | | Draft |
| 2 | 08/26/2021 | Jason Younker | Sonya Semanuik | Sonya Semanuik | Final Version |
| | | | | | |
| | | | | | |
| | | | | | |

Report prepared by:



Jason Younker, E.I.T.
 Junior Project Engineer

Report reviewed by:

Sonya M Semanuik Digitally signed by Sonya M Semanuik
 Date: 2021.08.31 15:20:14 -04'00'

Sonya Semanuik, P.Eng., PMP
 Senior Engineer

STATEMENT OF CONFIDENTIALITY

OCWA's Report to Township of Red Rock for the Water and Sewage Rate Study

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Appendix A: Red Rock Capital Plan (2021-2041)

1 Introduction

1.1 Overview

The Ontario Clean Water Agency (OCWA) was retained by the Township of Red Rock (Township) to prepare a Water and Sewage Treatment System Rate Study.

A Rate Study establishes a fiscally responsible charge for users of the Township's water and sewage treatment systems to fund the operating and capital expenditures required to provide services.

This Rate Study is based on an analysis of:

- Current and past budgets;
- Reserve fund and debt positions;
- Major maintenance, rehabilitation and replacement spending as identified in the Township's Asset Management Plan;

1.2 Approach

The approach to completing this Rate Study is:

- Forecast future expenditures.
- Forecast future water revenue,
- Consider various billing structure options and combinations using base (flat) charges, standard volumetric (\$/m³) charges, and increasing/decreasing volumetric charges.

The analysis completed in this report is based on current system performance and existing information. The timing of capital projects may be impacted by changing circumstances (i.e. unexpected accelerated deterioration of asset performance, rapid growth of the service populations, changing regulations, etc.).

The rates should be reviewed on an annual basis, and this analysis should be repeated every five (5) years, or more frequently if significant events occur that will impact the timing of any large capital projects.

1.3 Billing Background

The current (2020) user fee schedule and charges are as follows:

- Residential
 - Monthly Base Charge of \$45.96
- Multi-Residential
 - Monthly Charge of \$22.00/unit
- Commercial/Industrial

- Monthly Charge of \$96.79
- Consumption
 - Volumetric Charged based on water used at \$2.02/m³
- Other User Charges
 - Hook-up and disconnection of water services.
 - Late fee interest penalty of 1.25%.

2 Expenditure Forecast

2.1 Operating Expenditures

Operating expenditures for the drinking water system (DWS) and Sewage Treatment System (STS) are classified into six categories: Salaries, Materials, Administration, Equipment Rentals, Utilities, and Equipment Replacement. Expenses are forecasted based on current and past budget information (2018-2020) combined with assumptions on inflationary factors. Table 1 summarizes the 2020 budgetary operating costs.

Table 1: 2020 Operating Costs for the DWS and STS

| EXPENSES | 2020 |
|---------------------------------|------------------|
| Salaries | \$25,493 |
| Materials | \$46,110 |
| Administration | \$76,524 |
| Rentals | \$9,398 |
| Utilities | \$44,717 |
| Equipment Replacements | \$80,584 |
| Total Operating Expenses | \$282,826 |

Other major expenses include:

- Studies/Investigations: Studies such as financial plans, capital plans, asset management plans, or rate studies

The above list expenses are for 2020 and it must be noted that the soon-to-be commissioned WWTP is expected to significantly increase annual operating costs in utilities, chemical usage, operational requirements, and biosolids handling. The forecast for the new WWTP was taken from the 2013 Environmental Study Report that analyzed the costs for running the plant and estimated that the O&M costs would increase from \$75,000 at present to as high as \$170,000¹ as of next year.

¹ This estimate factors in inflation from the original \$140,716 from 2013 and includes the Township’s administration costs.

2.2 Capital Expenditures

Capital expenditures are forecasted based on the age of assets and recent spending in terms of replacements. The AMP forecasts the year-by-year and asset-by-asset spending that is required to complete major maintenance, rehabilitation, replacement, and upgrade activities on the water and sewage treatment infrastructure.

2.2.1 Red Rock Drinking Water System

The following table presents a summary of the major forecasted capital expenditures for the DWS during the initial planning period (2021-2027). Appendix B contains detailed forecasts; projections shown in Appendix B do not include a contingency.

Table 2: Major Capital Works for the Red Rock DWS

| RECENT CAPITAL WORKS | YEAR | COST* |
|--------------------------------|------|----------|
| Pump Rehabilitation | 2023 | \$5,000 |
| Chemical Feed Pump Replacement | 2024 | \$4,000 |
| Turbidity Analyzer Replacement | 2024 | \$5,000 |
| Mixer Replacement | 2026 | \$5,000 |
| Leak Detection | 2025 | \$20,000 |

*Projected costs are shown in 2021 dollars.

As seen in Table 2, there is no major planned replacement work during the initial period of the rate study. However, as the plan moves forward, more significant costs will be incurred, including the possible replacement of whole systems (UV disinfection, lift pumps (high and low), clarifier mechanism, emergency generator, and filter media. The long-term major works can be seen in the facility’s Capital Plan in the Appendix.

2.2.2 Red Rock Sewage Treatment System

The following table presents a summary of the major forecasted capital expenditures for the STS to the year 2041. The Appendix contains detailed forecasts; the projections shown below do not include a contingency.

Table 3: Major Capital Works for the Red Rock STS

| CAPITAL WORKS | SCHEDULED YEAR | PROJECTED COST* |
|-------------------------------------|----------------|-----------------|
| Post-Commissioning Plant Upgrades** | 2022-2023 | \$250,000 |
| Instrumentation Replacement | 2031,2036,2041 | 5,000/each |
| Pump Rehabilitation | 2031 | \$5,000/each |
| Minor Equipment Replacements | 2021-2041 | \$1,000-10,000 |
| Pump Replacements | 2041 | \$30,000/each |

*Projected costs are shown in 2021 dollars.

** This cost is included as a worst-case scenario to account for the possibility that the plant could require unforeseen process upgrades or equipment replacements after commissioning.

As the Red Rock STP is still in the process of construction, all projected costs are based on the estimated service life of the equipment and should not be viewed as a replacement schedule. Replacement of equipment should be based on its condition, which can be extended through proper maintenance and can vary based on the quality of its manufacture.

3 Consumption Forecast

The most significant factor that could impact future rates in the area is the need to expand the treatment capacity of either the water or sewage system. This section analyzes the available information to determine if and when an expansion to either plant will be necessary.

Note that this Rate Study does not provide recommendations regarding capacity expansions, which may require significant investigation to determine. This Rate Study examines the current flow data and population projections to determine potential costs incurred by the system for the purpose of rate setting in the short term.

3.1 Population Forecast

A factor in determining the necessity of future plant expansion is the population growth within Red Rock. As a population grows, both peak and average treated water/sewage flows grow proportionally. Future expansions to water/sewage treatment capacity can be forecasted by estimating the rate of growth within a municipality.

To estimate the growth of water/sewage users on the system, the population of Red Rock has to be projected into the future. This projection can be accomplished by looking at the Township’s population history over the last twenty years.

The following table presents the population history for the user base for both the water and sewage treatment systems.

Table 4: Red Rock Population History

| YEAR | POPULATION |
|------|------------|
| 2001 | 1,233 |
| 2006 | 1,063 |
| 2011 | 942 |
| 2016 | 895 |

**Population data is taken from census data*

As seen in Table 4, the population has decreased by 338 between 2001 and 2016, which is a decrease of 27%. Previous population projections have contended that the Township could start increasing in population at a rate of 1%. Until the next census confirms which trajectory the population is following, we have assumed that the future population will increase at 1% per year, resulting in a potential population of 1,148 by 2041 (i.e. 22% growth). Considering the negative growth history in the area, no growth is factored into projected revenues. This provides a more conservative approach for the purpose of rate setting.

This 22% increase is utilized as the forecast for increased water demand and sewage flows as a possible increase to determine the likelihood of the need for a capacity increase. However, since this growth will not bring the Township’s population back to 2001 levels, no increased treatment capacity will be required.

4 Billing Structure

4.1 Common Billing Structures

There are several common billing structure variations in Ontario, including:

1. Flat rate (non-metered) charge that does not change based on consumption.
2. Volumetric charge (\$/m³) that can be either:
 - Constant rate – same price for each m³
 - Declining block rate – first X m³ is priced at one rate, the second X m³ is priced at a lower rate. This is used to reduce the cost charged to large users.
 - Increasing block rate – first X m³ is priced at one rate, the second X m³ is priced at a higher rate. This is used to encourage users to reduce water consumption.
3. Base charge where a minimum charge is applied to cover the fixed cost of providing services. This is normally combined with a volumetric charge.

Flat rate billing structures are only used in municipalities without water meters. The use of water meters provides a much more equitable cost recovery model where the users of the water pay proportional to their consumption.

Revenues that are based solely on a volumetric rate can be volatile based on consumption trends that are not in a municipality’s control (i.e. hot summer with higher demands, water efficiency gains through

the increasing prevalence of water-efficient appliances, etc.). For this reason, most billing structures have a combination of a base charge plus a volumetric rate. The Township utilizes a combination of a flat (base) rate and a constant volumetric rate.

The decision regarding a constant, declining block, or increasing block volumetric rate should be based on balancing support for large industrial, commercial or institutional users versus the benefits of encouraging reduction in water consumption.

4.2 Preferred Billing Structure

The following considerations are used to inform the selection of the preferred billing structure:

- Administrative burden for Township staff;
- Equity and clarity of charges paid by each user; and
- Balancing support for large users against the need to encourage water efficiency measures for both residential and business users.

The Red Rock Township is presently utilizing a combination of a flat rate and a constant volumetric rate.

4.3 Local Rate Comparison

To have an understanding of the variance in water and sewer rates, Figure 1 shows the combination of annual water and sewage fees for a household connection using 750 L/d for both Red Rock and nearby communities.

For context, the range across the province can be as low as \$500/year to as high as over \$3,000/year. The difference in utility cost is due to several major factors. The number of rate payers can allow for savings for large communities since water and wastewater treatment can become more economically efficient with larger systems due to economies of scale. Different municipalities have different methodologies in setting rates from supplementing their systems with funds from general taxation to charging rates that balance out system amortization. Finally, different treatment processes can have higher or lower operating costs with a conventional wastewater treatment plant having much higher annual costs than a facultative lagoon system.

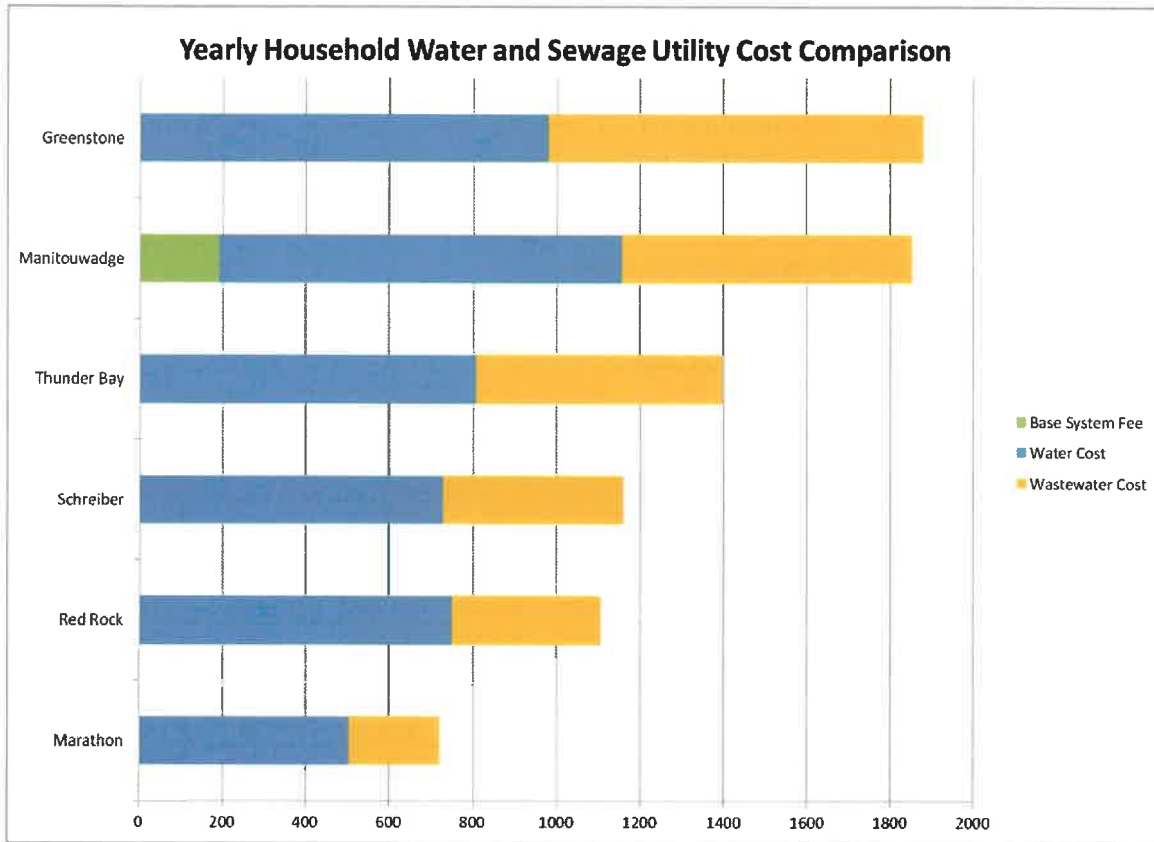


Figure 1: Annual Water & Sewage Utility Costs for Communities near the Red Rock Township based on Water Consumption Rate of 750 L/connection/day (2021 rates)

From Figure 1 it can be observed that the Township’s rates are on the lower end in comparison to its nearest neighbours. This is mostly due to having a much lower wastewater rate than nearby municipalities. With annual household costs at approximately \$1,100/year, rates have room to increase if necessary. As the wastewater costs are projected to increase with the new treatment plant, it is recommended that the water/wastewater split be adjusted to 50/50, until more operating cost histories for the new system can be determined.

5 Rate Calculation

The rate calculation is made by applying the expenditure forecast (Section 2) against existing revenues using the preferred billing structure (Section 4).

The following section contains figures (Figure 2, Figure 4, and Figure 6) that show a combination of yearly system net financial assets and surplus/deficit. The net financial assets are the combination of a positive reserve and a negative debt to show the overall system’s financial position. The surplus/deficit is the year-to-year change in the reserve/debt position. These are presented for each scenario.

The rate structure for the scenarios applies the rate increase against both metered consumption and flat monthly fees.

5.1 Scenario #1: Balance Out Increased Costs

The first scenario determines a rate structure that results in a minimum increase in rates while still maintaining a positive balance. This structure will not grow the system reserves as much as the other scenarios but will have the smallest impact on the local community. After the initial period to balance out the increased costs of the new WWTP, the annual rate increase will stay at 5% between 2022 and 2031 then decrease to 4% for the remainder of the planning period. This scenario attempts to maintain the existing status quo in terms of the system's finances.

The 2021 to 2041 projection of Red Rock's Water and Sewage Treatment Systems cash flow and financial position is shown in Figure 2 and Figure 3.

Table 5: Water and Sewer Rate Structure Projection (Scenario #1)

| Year | Existing Rates | | | Proposed Rates | | | | |
|-----------------------------|----------------|---------|---------|----------------|----------|----------|----------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| Water Rate per month | \$45.06 | \$45.96 | \$46.88 | \$49.22 | \$51.68 | \$54.27 | \$56.98 | \$59.83 |
| Water Rate per m3 | \$1.98 | \$2.02 | \$2.02 | \$2.12 | \$2.23 | \$2.34 | \$2.46 | \$2.58 |
| Yearly Household Cost | \$1,095 | \$1,117 | \$1,128 | \$1,184 | \$1,244 | \$1,306 | \$1,371 | \$1,440 |
| % Increase | | 2.00% | 2.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Year | Proposed Rates | | | | | | | |
| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Water Rate per month | \$62.82 | \$65.96 | \$69.26 | \$72.73 | \$76.36 | \$79.42 | \$82.59 | \$85.90 |
| Water Rate per 1000 gallons | \$2.71 | \$2.84 | \$2.98 | \$3.13 | \$3.29 | \$3.42 | \$3.56 | \$3.70 |
| Yearly Household Cost | \$1,512 | \$1,587 | \$1,667 | \$1,750 | \$1,837 | \$1,911 | \$1,987 | \$2,067 |
| % Increase | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 4.00% | 4.00% | 4.00% |
| Year | Proposed Rates | | | | | | | |
| | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | |
| Water Rate per month | \$89.33 | \$92.91 | \$96.62 | \$100.49 | \$104.51 | \$108.69 | \$113.03 | |
| Water Rate per 1000 gallons | \$3.85 | \$6.55 | \$6.55 | \$6.81 | \$7.08 | \$7.37 | \$7.66 | |
| Yearly Household Cost | \$2,150 | \$2,949 | \$2,993 | \$3,113 | \$3,237 | \$3,367 | \$3,502 | |
| % Increase | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | 4.00% | |

The table above shows the rate projection over the next twenty years. If we adjust the 2041 rate for inflation, then the 2041 rate in present dollars would be \$1,791/year. If we apply this new rate to Figure 1, in twenty years the future rate would be approximately the same as Greenstone and Manitowadge.

Figure 2 shows the financial position of the Red Rock Water and Sewage Treatment System projected under this rate structure with both the yearly deficit/surplus and the net financial assets. Under this scenario, the system will be able to absorb the costs of the projected capital work scheduled for the next 20 years, as presented in the Appendix without having to go into debt. There will be some variation in the reserve balance due to variation in yearly capital expenditures, with a significant expected expenditure at the WWTP after twenty years of operation. As shown, this scenario would result in a surplus for a majority of the planning period with a projected reserve balance of \$200,000 by 2041.

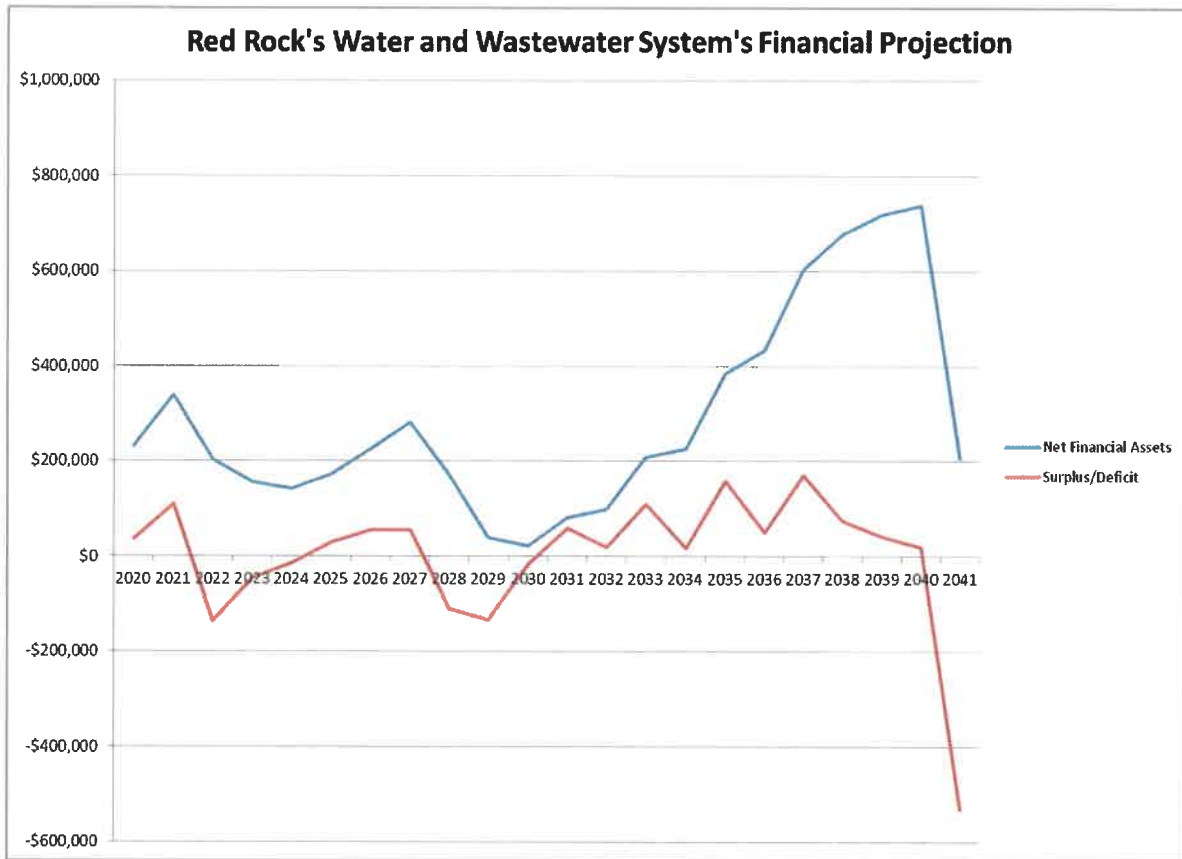


Figure 2: Red Rock's Water and Sewage Treatment Systems Financial Projection (Scenario #1)

Figure 3 shows the Accumulated Surplus of the Red Rock Water and Sewage Treatment System projected under this rate structure. The negative trend in the Figure indicates an unsustainable system over the 20 years where the system is unable to balance out the system's yearly amortization. It is expected that the system would still be reliant on government grants or loans for very large capital works (new plant construction).

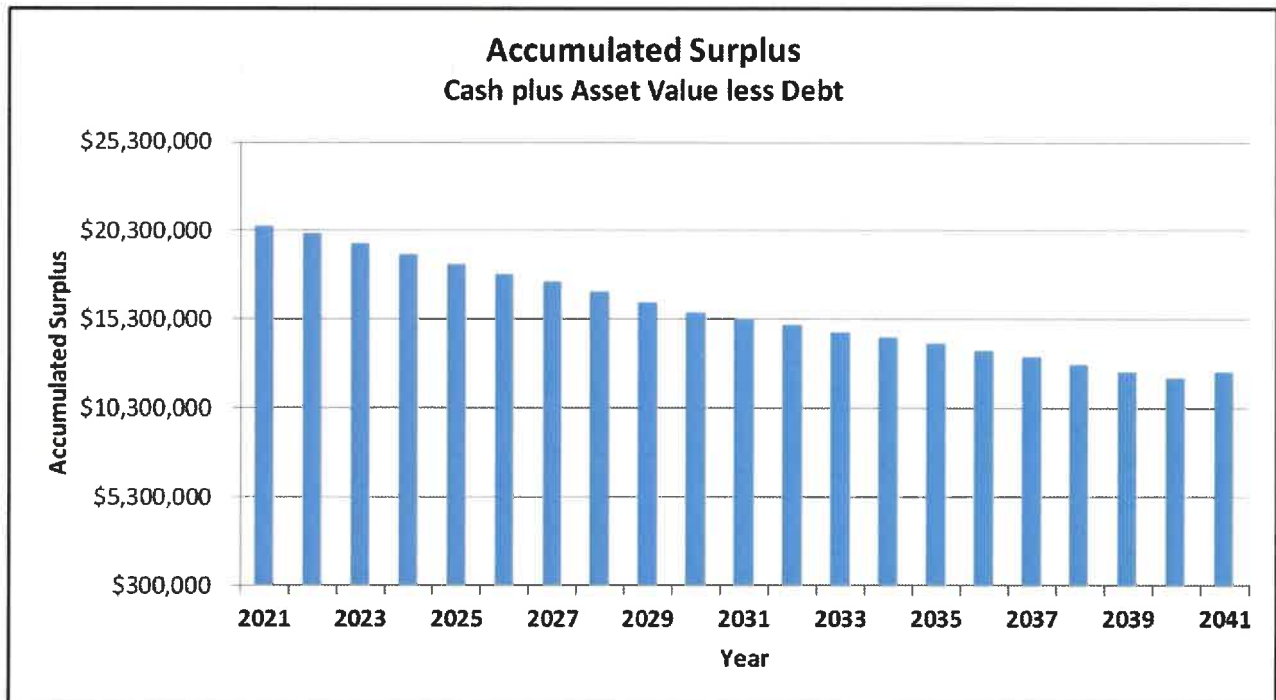


Figure 3: Accumulated Surplus of the Red Rock Drinking Water and Sewage Treatment Systems (Scenario #1)

5.2 Scenario #2: Accelerated Rate Increase

The goal of the second scenario is to increase user fee rates at a pace to reach the rates achieved in year 20 for Scenario #1 final rates in 10 years (i.e. 10 years earlier). The rate adjustment would be a more significant adjustment for the community, but would still be less than the rates seen in Greenstone and Manitowadge. This scenario would also allow for a much greater build-up of the water and wastewater reserves.

In Scenario #2, the annual rate increase starts at 10% for two years, decreases to 7.5% for the following four years, and then decreases to 5% over the next four years. The following ten years are maintained at 2% to accommodate inflation.

Table 6: Water and Sewer Rate Structure Projection (Scenario #2)

| Year | Existing Rates | | | Proposed Rates | | | | |
|-------------------------------|----------------|----------|----------|----------------|----------|----------|----------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| Water Rate per month | \$45.06 | \$45.96 | \$46.88 | \$51.57 | \$56.72 | \$60.98 | \$65.55 | \$70.47 |
| Water Rate per m ³ | \$1.98 | \$2.02 | \$2.02 | \$2.22 | \$2.44 | \$2.63 | \$2.82 | \$3.04 |
| Yearly Household Cost | \$1,095 | \$1,117 | \$1,128 | \$1,241 | \$1,365 | \$1,467 | \$1,577 | \$1,696 |
| % Increase | | 2.00% | 2.00% | 10.00% | 10.00% | 7.50% | 7.50% | 7.50% |
| Year | Proposed Rates | | | | | | | |
| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Water Rate per month | \$75.75 | \$79.54 | \$83.52 | \$87.69 | \$92.08 | \$93.92 | \$95.80 | \$97.71 |
| Water Rate per 1000 gallons | \$3.26 | \$3.43 | \$3.60 | \$3.78 | \$3.97 | \$4.05 | \$4.13 | \$4.21 |
| Yearly Household Cost | \$1,823 | \$1,914 | \$2,010 | \$2,110 | \$2,216 | \$2,260 | \$2,305 | \$2,351 |
| % Increase | 7.50% | 5.00% | 5.00% | 5.00% | 5.00% | 2.00% | 2.00% | 2.00% |
| Year | Proposed Rates | | | | | | | |
| | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | |
| Water Rate per month | \$99.67 | \$101.66 | \$103.69 | \$105.77 | \$107.88 | \$110.04 | \$112.24 | |
| Water Rate per 1000 gallons | \$4.29 | \$6.55 | \$6.55 | \$6.68 | \$6.81 | \$6.95 | \$7.09 | |
| Yearly Household Cost | \$2,398 | \$3,054 | \$3,078 | \$3,140 | \$3,202 | \$3,266 | \$3,332 | |
| % Increase | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | 2.00% | |

The table above shows the rate projection over the next twenty years. If we adjust the 2041 rate for inflation, then the 2041 rate in present dollars would be \$1,778/year.

Figure 4 shows the financial position of the Red Rock Water and Sewage Treatment System projected under this rate structure with both the yearly deficit/surplus and the net financial assets. So despite the final 20-year rate being slightly lower than Scenario #1, the accelerated timeline for the rate increases allows for a significant build-up in the water and wastewater reserve to approximately \$1.5 million. This reserve balance would allow for unknown major expenses or for the Township to partially pay for any major capital works in the future beyond the planning period.

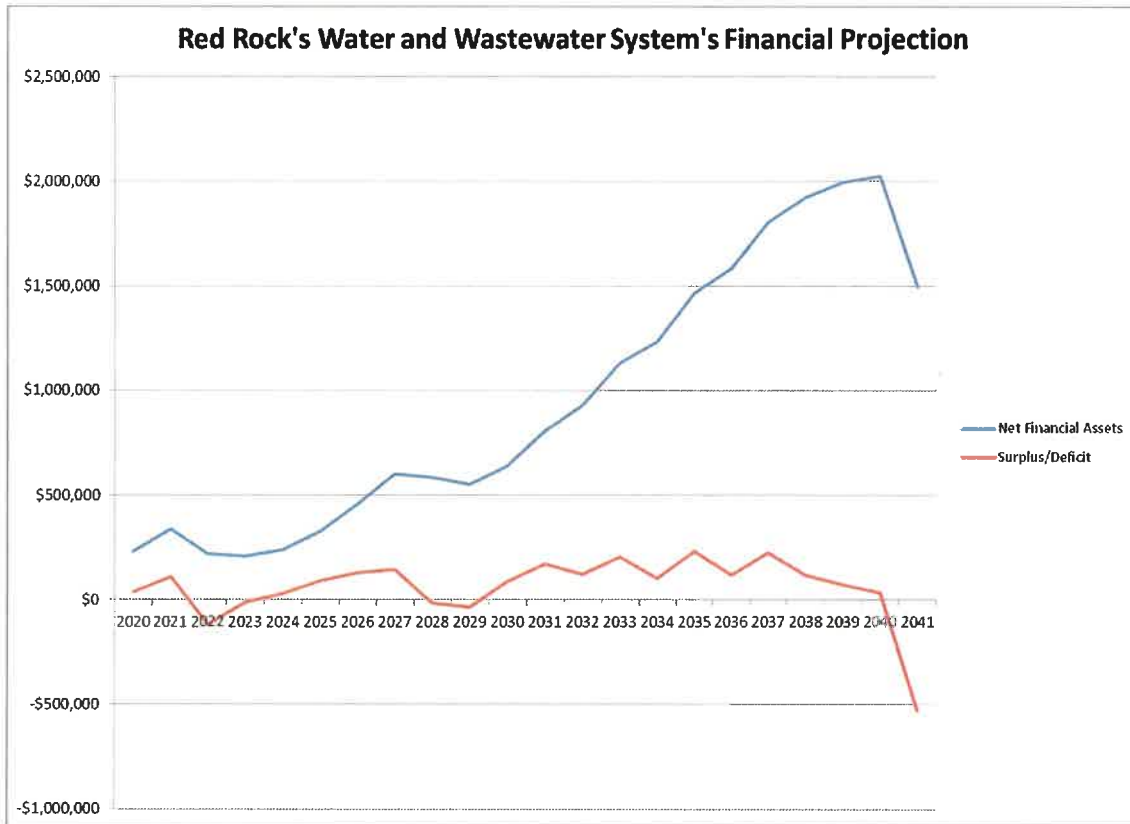


Figure 4: Red Rock's Water and Sewage System's Financial Projection (Scenario #2)

Figure 5 shows the Accumulated Surplus of Red Rock Water and Sewage Treatment System projected under this rate structure. The trend shown in the Figure indicates that the system is still unsustainable and unable to account for the increased amortization expense. With the increased reserves, however, the Township would not be wholly reliant on loans or government grants.

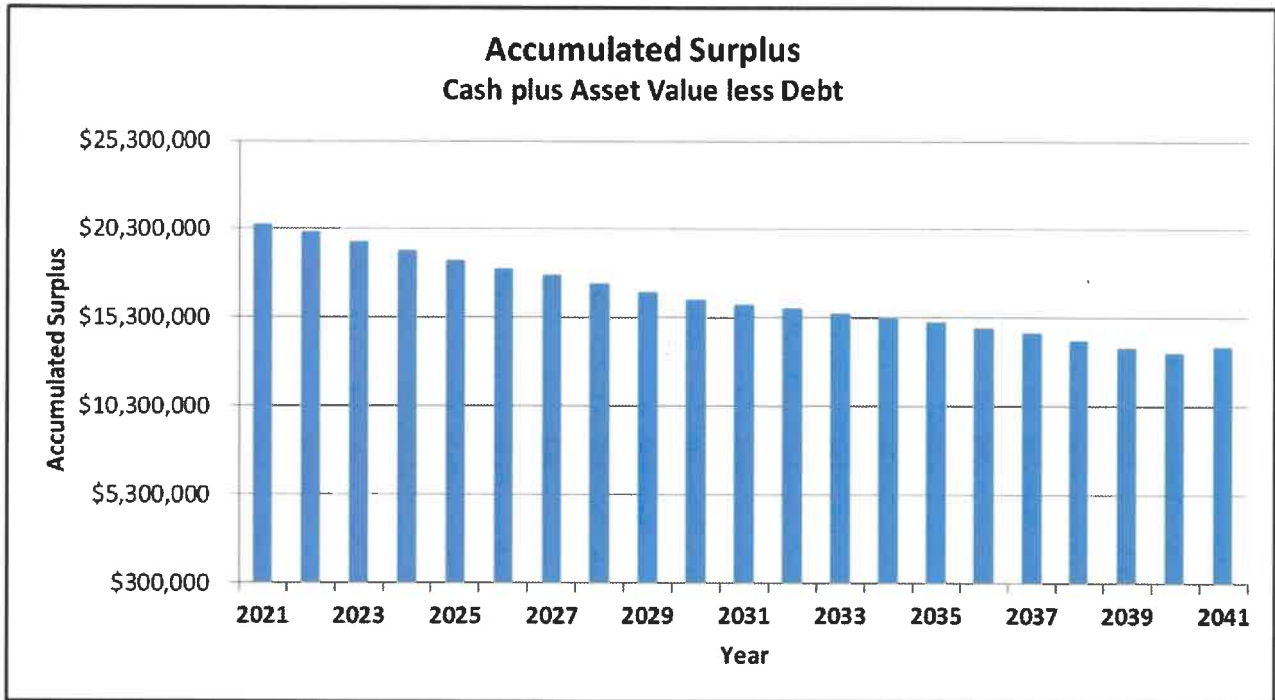


Figure 5: Accumulated Surplus of the Red Rock Drinking Water and Sewage Treatment Systems (Scenario #2)

5.3 Scenario #3: Account for Amortization/Reserves for WTP Replacement

The Province of Ontario advises all municipalities to fund their water and sewage treatment systems solely through user fees and discourages reliance on government grants. To that end, Scenario #3 attempts to increase rates to a point that accounts for amortization, which would build reserves sufficient for major capital expenses (i.e. replacement of the WTP).

In Scenario #3, the annual rate increase starts a 10% for two years and then decreases to 7.5% for four years, but unlike Scenario #2, the rate stays at 6% for the remainder of the 20 year planning period. After the 20 year planning period, the rate increase could be maintained at 2% to accommodate for inflation.

Table 7: Water and Sewer Rate Structure Projection (Scenario #3)

| Year | Existing Rates | | | Proposed Rates | | | | |
|-----------------------------|----------------|----------|----------|----------------|----------|----------|----------|----------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| Water Rate per month | \$45.06 | \$45.96 | \$46.88 | \$51.57 | \$56.72 | \$60.98 | \$65.55 | \$70.47 |
| Water Rate per m3 | \$1.98 | \$2.02 | \$2.02 | \$2.22 | \$2.44 | \$2.63 | \$2.82 | \$3.04 |
| Yearly Household Cost | \$1,095 | \$1,117 | \$1,128 | \$1,241 | \$1,365 | \$1,467 | \$1,577 | \$1,696 |
| % Increase | | 2.00% | 2.00% | 10.00% | 10.00% | 7.50% | 7.50% | 7.50% |
| Year | Proposed Rates | | | | | | | |
| | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Water Rate per month | \$75.75 | \$80.30 | \$85.12 | \$90.22 | \$95.64 | \$101.37 | \$107.46 | \$113.90 |
| Water Rate per 1000 gallons | \$3.26 | \$3.46 | \$3.67 | \$3.89 | \$4.12 | \$4.37 | \$4.63 | \$4.91 |
| Yearly Household Cost | \$1,823 | \$1,932 | \$2,048 | \$2,171 | \$2,301 | \$2,439 | \$2,586 | \$2,741 |
| % Increase | 7.50% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% |
| Year | Proposed Rates | | | | | | | |
| | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | 2041 | |
| Water Rate per month | \$120.74 | \$127.98 | \$135.66 | \$143.80 | \$152.43 | \$161.58 | \$171.27 | |
| Water Rate per 1000 gallons | \$5.20 | \$6.55 | \$6.55 | \$6.94 | \$7.36 | \$7.80 | \$8.27 | |
| Yearly Household Cost | \$2,905 | \$3,370 | \$3,462 | \$3,669 | \$3,890 | \$4,123 | \$4,370 | |
| % Increase | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | 6.00% | |

The table above shows the rate projection over the next twenty years. If we adjust the 2041 rate for inflation, then the 2041 rate in present dollars would be \$2,714/year. If we apply this rate to Figure 1, then it can be seen that Red Rock’s rates would be higher than all nearby communities. This would also bring the rates to the higher end of rates seen across the province.

The figure below shows the projected financial position of the Red Rock Water and Sewage Treatment System projected under this rate structure with both the yearly deficit/surplus and the net financial assets. The rate structure does significantly build up the water and wastewater reserve to approximately \$3.7 million by the end of the study period.

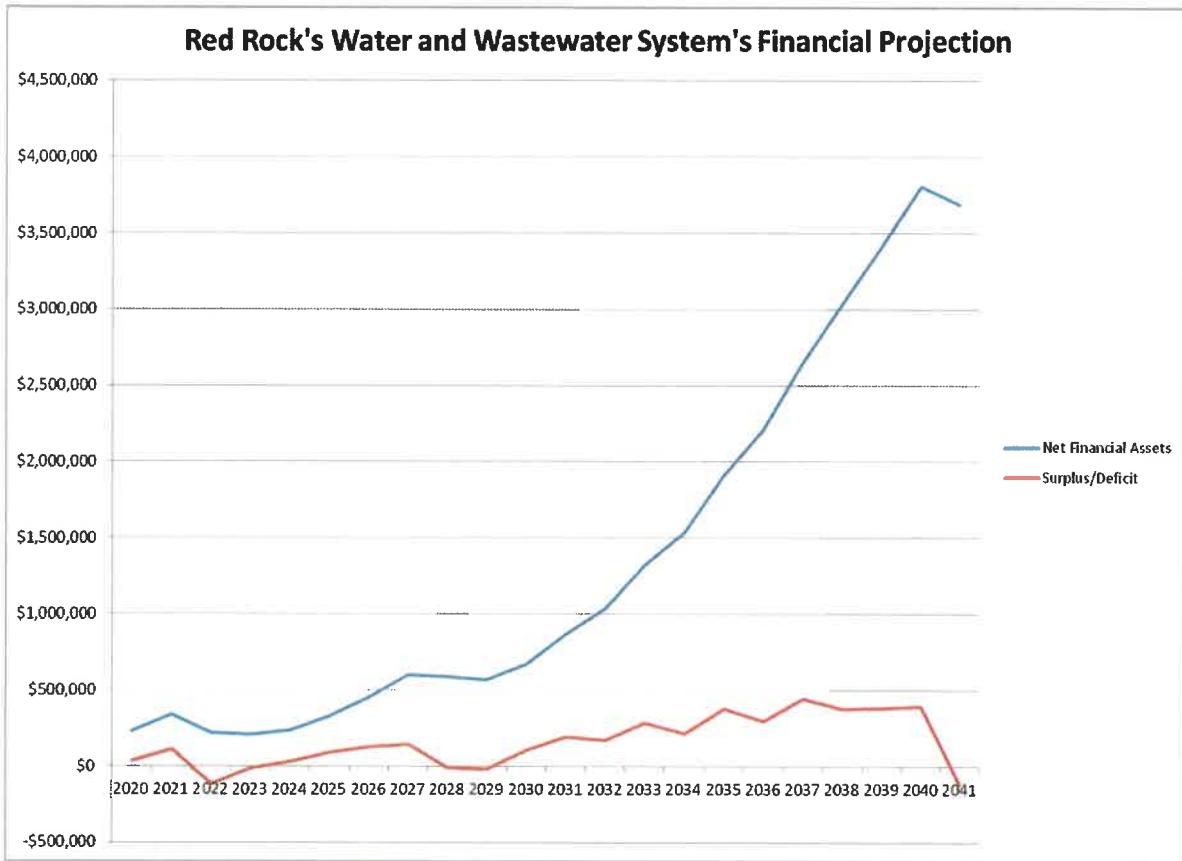


Figure 6: Red Rock's Water and Sewage Treatment System's Financial Projection (Scenario #3)

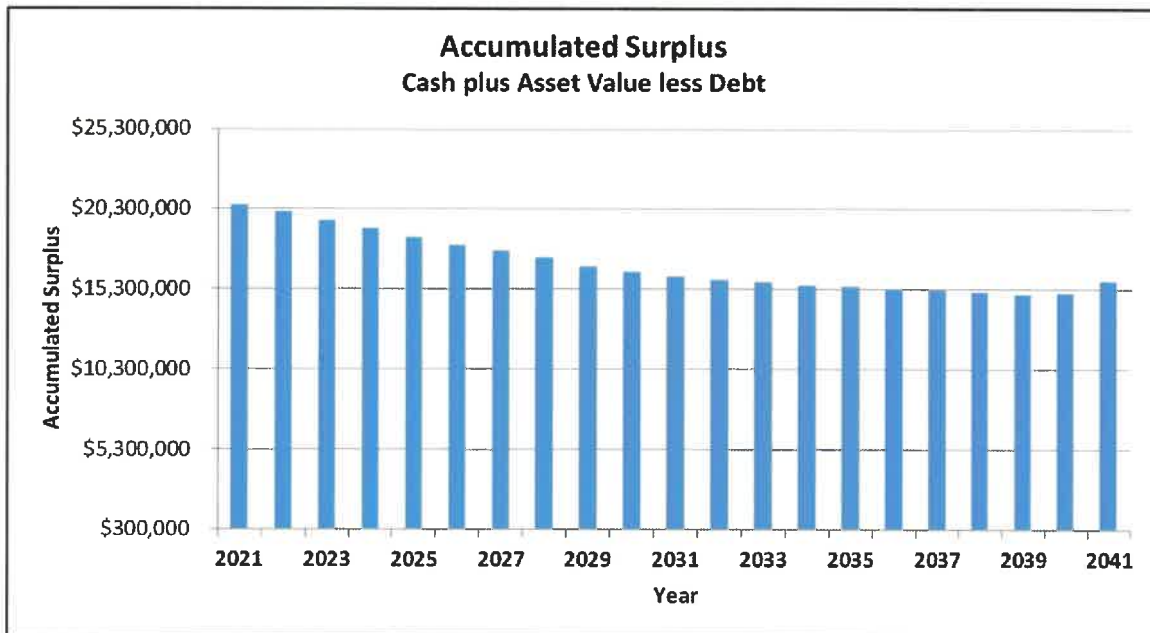


Figure 7: Accumulated Surplus of the Red Rock Drinking Water and Sewage Treatment Systems (Scenario #3)

In Figure 7, the accumulated surplus of the Red Rock Water and Sewage Treatment System is projected under this rate structure. The trend shown in the Figure indicates that the system is able to balance out the rate of amortization, by the end of the planning period. With the increased reserves, the Township should be able to cover future expenses without being as reliant on government grants or loans.

6 Rate Study Recommendations

The Township's Water and Sewage Treatment systems will require some capital expenditures during the planning period, particularly for the WTP, but the more dramatic shift in the system's financials will be the increased costs associated with the new wastewater treatment plant. The expected increase in operating costs necessitates an increased rate structure. After the 20 year planning period, WTP capital replacements will start to increase significantly and therefore a reserve should exist at that time to accommodate those expenses. The long-term viability of the WTP beyond the 20 year planning period is unknown and should also be accounted for.


To this end, it is recommended that the Township follow the rate structure as outlined in **Scenario #2** for the Water and Sewage Treatment Systems. This will allow the Township to account for future expenses, without setting its rates apart from comparable communities in the area. It should be noted that the value of this rate plan is its ability to build a reserve for expenses in and beyond the planning period, along with expenses that are as yet unknown.

If the Township does not or cannot follow the recommended rate structure, the rate structure as outlined in Scenario #1 should be considered the minimum rate increase that the Township should undertake in order to account for increased expenses and known capital works.

APPENDIX A

Red Rock Capital Plan

(2021-2041)



**Township of Red Rock
Water and Waste Water System
Financial Plan #280-301
2021-2027**

SUBMITTED BY

Ontario Clean Water Agency
2085 Hurontario Street, Suite 500
Mississauga, ON L5A 4G1

Date: August 31, 2021
Project No: REDR1N1523-2114
Rev: 2

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|---------------------------|------------|---------------|----------------|----------------|------------------|
| Rev. No. | Date | Prepared by: | Reviewed by: | Approved by: | Rev. Description |
| 1 | 06/24/2021 | Jason Younker | Sonya Semanuik | | Draft |
| 2 | 08/26/2021 | Jason Younker | Sonya Semanuik | Sonya Semanuik | Final Version |
| | | | | | |
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STATEMENT OF CONFIDENTIALITY

OCWA's Report to Township of Red Rock for the Drinking Water and Wastewater Financial Plan

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Appendix A: Ontario Regulation 453/07

1 Introduction

The Corporation of the Township of Red Rock (the Township) has retained the Ontario Clean Water Agency (OCWA) to update the Financial Plan for the Township's Water and Wastewater System (W&WWS) in order to comply with the Financial Plan regulation (O. Reg. 453/07) made under the Safe Drinking Water Act. The first Financial Plan was initiated by OCWA in 2011, updated in 2015 and this is the second update to the Financial Plan as per O. Reg. 453/07 requirement.

The Financial Plan contained herein has been prepared in accordance with O. Reg. 453/07, as well as the provisions of the Financial Planning guidelines published by the Ministry of the Environment, Conservation and Parks (MECP) in August 2007 entitled "Toward Financially Sustainable Drinking-Water and Wastewater Systems".

The Financial Plan was prepared for the Red Rock W&WWS based on information supplied by the Township and operational staff, including future capital and major maintenance projects, water system financial information, as well as tangible capital asset information that the Township generated in accordance with the Public Sector Accounting Board (PSAB) standard PS 3150 requirements.

The information supplied by the Township was used to generate a financial operating plan which forecasted future annual expenditure requirements from the year 2021 through to 2027. A revenue plan, relying mostly on user fees was generated to support the expenditure requirements outlined in the operating plan. The information generated in the operating and revenue plans along with the tangible capital asset information was used to develop a Financial Plan for the Red Rock W&WWS covering a study period from 2021 to 2027 in accordance with O. Reg. 453/07 requirements (minimum 6 year study period).

1.1 Legislative Context to Financial Planning

There have been a number of legislative initiatives affecting water system management and operations over the past decade. These initiatives were a result of the waterborne illness tragedy in Walkerton in 2000. Following this event, the Government of Ontario established a public inquiry chaired by the Honourable Dennis O'Connor to look into the tragedy. The Inquiry Report recommended a comprehensive approach to the delivery of safe drinking water in Ontario.

The MECP has responded to the Inquiry recommendations by making legislative changes. One change directly related to the development of this Financial Plan was the passage of the Safe Drinking Water Act, 2002 (SDWA). It requires owners of a municipal drinking water system to apply for and obtain a Municipal Drinking Water License. There are five elements that must be in place in order for the owner of a drinking water system to obtain a license:

- 1) A Drinking Water Works Permit to establish or alter a drinking-water system.
- 2) An accepted Operational Plan. The Drinking Water Quality Management Standard (DWQMS) is the standard upon which operational plans are based. The plan documents an operating authority's quality management system (QMS).
- 3) An Accredited Operating Authority. A third-party audit of an operating authority's QMS will be the basis for accreditation.

- 4) A Permit to Take Water.
- 5) A Financial Plan that must be prepared and approved in accordance with the prescribed requirements in the Financial Plans Regulation.

Under section 30 of the SDWA, the Financial Plan element of the license program must either be prepared in accordance with the Sustainable Water and Sewage System Act, 2002 (SWSSA) or in accordance with the requirements set by the MECP. SWSSA regulations have not been published. Accordingly, the requirements set by the Ministry apply as per the 2007 MECP guidelines.

Regulation 453/07 of the Safe Drinking Water Act was passed in 2007 and contains two key provisions that apply to an existing water system:

- 1) A person who makes an application under the Act for a municipal drinking water license shall, before making the application, prepare and approve Financial Plans for the system that satisfy the requirements of Reg. 453/07. O. Reg. 453/07, S. 1(1).
- 2) As a condition in a municipal drinking water license that is issued in response to an application made under section 33 of the Act for a municipal drinking water license, the Director shall include a requirement that the owner of the drinking water system, by the later of July 1, 2010 and the date that is six months after the date the first license for the system is issued, prepare and approve Financial Plans for the system that satisfy the requirements prescribed Reg. 453/07. O. Reg. 453, S. 1(3).

Several other provisions are also set out in the regulation that must be met by a municipality operating a water system:

- The Financial Plan must be approved by a resolution that is passed by the Council of the municipality.
- The Financial Plan must apply to a period of at least six years.
- The Financial Plan must be available, upon request, to members of the public at no charge and posted on the internet (if the municipality maintains a website).
- The municipality must provide notice as deemed appropriate to advise the public of the availability of the Financial Plan.

Once a system is licensed, the municipality's Financial Plan is required to be updated every five years, in conjunction with every application for license renewal. Full documentation of the Financial Plan regulation, O. Reg. 453/07 can be found in Attachment 1.

In June 2006, the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered accountants approved new municipal financial accounting and reporting standards requiring that tangible capital assets (TCA), including the assets of drinking water systems, be included in municipal financial statements. Stat 3150 came into effect on January 1, 2009.

The Clean Water Act, 2006 targets the protection of drinking water supplies through the development of collaborative, locally driven, science and watershed-based source protection plans. According to the MOE Financial Planning guidelines, Financial Plans should include source water protection costs related to the provision of water services. Utilities are encouraged to have, at minimum, estimates of any current source protection costs as a separate cost item by the time that their Financial Plans are

required in order to effectively align with the anticipated approval timelines for source protection plans (2010-2012).

In June 2007, the government of Ontario proposed a lead action plan. The Financial Plans regulation requires municipalities' Financial Plans to include the costs associated with replacing lead service pipes that are part of their drinking water system.

1.2 Red Rock Water and Wastewater System

The Red Rock Water and Wastewater System (W&WWS), located in the Township of Red Rock is owned by the Corporation of the Township of Red Rock and is operated by the Ontario Clean Water Agency. The Township is located east of Thunder Bay and on the west side of Nipigon Bay. The W&WWS draws its water from the bay, which is part of Lake Superior.

The raw water is brought through an intake line to the pumphouse wetwell, which pumps the raw water to the treatment plant. The plant's treatment process consists of a clarifier that wastes to a small lagoon with clarified water then being processed through dual media filters. The filtered water is disinfected with a UV disinfection system, chlorinated with chlorine gas, and then stored in the clearwell. The treated water is pumped from the clearwell into the 8.8km distribution system and the water system's elevated storage tower.

The Township's wastewater is collected with a gravity sewer that feeds a pump house that pumps to the new WWTP. The new treatment plant, which is in its last stages of construction, first processes the wastewater with a 6mm screening system and vortex grit tank to remove the largest and heaviest material, respectively. The screened wastewater flows into two primary clarifiers to settle out heavy solids and then into three rotating biological contactors (RBCs) where organic material is decomposed. From the RBCs, the partially treated wastewater flows into two secondary clarifiers to further settle out material and then through cloth media filters to remove particulate matter. Finally, the partially treated wastewater is disinfected with a UV system and then flows out into Nipigon Bay. Sludge removed during the treatment process is pumped to an aerobic digester, which biologically processes the material into biosolids that are subsequently hauled offsite.

2 Financial Operating Plan

The financial operating plan includes the full costs of operating the Red Rock W&WWS on an ongoing basis and includes capital investments, operating costs, maintenance costs, administration costs, and other miscellaneous costs.

A financial operating plan for the Red Rock W&WWS was developed using historical financial information and projecting the information forward to forecast the annual expenditure requirements while taking into account inflation and any growth forecast. In the case of the new WWTP, forecasted expenses projected from the Environmental Study Report were utilized.

2.1 Operating Expenses

Recurring operating expenses for the Red Rock W&WWS consist of wages for the operators of the W&WWS, utility costs, major maintenance and repair items for the upkeep of the Water and

Wastewater System as well as other miscellaneous costs such as telephone bills, hydro costs, municipal staff wages and salaries, materials, etc. All operating costs are projected to increase on an annual basis at a rate of 2% per year up to the end of the study period. The total water operating expenses (excluding capital items, major maintenance, and amortization) for the Red Rock Water & Wastewater Systems were approximately \$206,000 in 2020. It should be noted that with the commissioning of the new WWTP, operating expenses for that system are expected to significantly increase to account for the more complicated treatment plant, biosolid expenses, increase in material and utility usage resulting in an increase in operating costs by as much as \$95,000/year.

2.2 Capital and Major Maintenance Costs

Although ongoing yearly maintenance and repair of the Red Rock W&WWS are forecasted, most of these costs will be considered an annual operating expense. In addition to these, there are major capital items as listed below.

- Major SCADA/HMI/PLC upgrade in 2022 for \$200,000,
- High-lift (1) and low-lift (2) pump replacements for a total of \$80,000 between 2022 and 2024,
- Chemical feed pump replacements for 4,000 each in 2023,
- Turbidity analyzer replacements for \$5,000 each between 2022 and 2024.

There are no major capital expenses projected for the wastewater system, besides the commissioning of the new wastewater treatment plant, set to occur this year. It should be noted that new treatment plants can have issues that may require process changes or upgrades after plant commissioning and it is assumed in this plan that any such issue would be covered under that construction project's contingency. All capital and major maintenance cost estimates include a 15% contingency from the year 2021 onwards.

2.3 Debt Management

The Red Rock W&WWS had no debt at year-end in 2020. Debt may be required during the study period to account for all planned expenses as an alternative to using monies from the Town's general reserve. This Financial Plan accounts for any accrued debt with an interest rate expense of 5% the following year.

2.4 Lead Pipe Replacement Costs

There are no costs associated with lead pipe replacement for the Red Rock W&WWS.

2.5 Source Water Protection Costs

There are no costs associated with source water protection forecasted for the Red Rock W&WWS during the study period

3 Funding Plan

A funding plan was developed to ensure that the annual expenditures forecasted in the financial operating plan can be sustained over the study period. The funding plan relies on operating revenues

from the direct users of the Water and Wastewater System through water rates in combination with hydrant rentals and disconnection fees to cover any capital and operating costs. Historically, there were also infrastructure and provincial/government grants that contributed to the funding plan.

3.1 Water Rates

The Red Rock Water and Water system is funded through water and sewer rates with both a flat monthly fee and a consumption charge. There is also a 1.25% interest rate applied to late payments and a connection and disconnection fee. The breakdown between system funding is at a 62/38 ratio. The historical and proposed water gross rates charged to residential consumers can be found in Figure 3.1.

The rates are recommended to increase by 5.0% until 2028. The 5% rate increase is to account for the increased operating costs associated with the new WWTP. This rate increase is set to ensure that the system can maintain a positive reserve balance into the future. It is however noted that a more aggressive rate structure could help account for the system’s increased rate of amortization and make the municipality less reliant on government funding.

Figure 3.1 – Water Rate Charge per Month

| Year | Existing Rates | | | Proposed Rates | | | | | | |
|-----------------------|----------------|---------|---------|----------------|---------|---------|---------|---------|---------|---------|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 |
| Water Rate per month | \$45.06 | \$45.96 | \$46.88 | \$49.22 | \$51.68 | \$54.27 | \$56.98 | \$59.83 | \$62.82 | \$65.96 |
| Water Rate per m3 | \$1.98 | \$2.02 | \$2.02 | \$2.12 | \$2.23 | \$2.34 | \$2.46 | \$2.58 | \$2.71 | \$2.84 |
| Yearly Household Cost | \$1,095 | \$1,117 | \$1,128 | \$1,184 | \$1,244 | \$1,306 | \$1,371 | \$1,440 | \$1,512 | \$1,587 |
| % Increase | | 2.00% | 2.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |

The forecasted rates were developed with the assumption that there will be no increase in the number of billable residential units during the planning period.

3.2 Debt and Cash Reserves

The Red Rock W&WWS debt was discussed in Section 2.3.

The initial 2021 cash reserve balance was \$231,000. This reserve is projected to be maintained at relatively similar levels throughout the planning period with variance due to large capital projects.

3.3 Government Grant

The Township has been successful in applying for government grants in past for capital work associated with the Water and Wastewater system. Likewise, it is assumed that the municipality will continue to apply for grants to supplement user fees for large capital works. To that end, a 66% grant is applied to all capital works over \$50,000 or capital works that can be easily amalgamated to be larger than \$50,000.

4 Financial Plan Summary – Red Rock

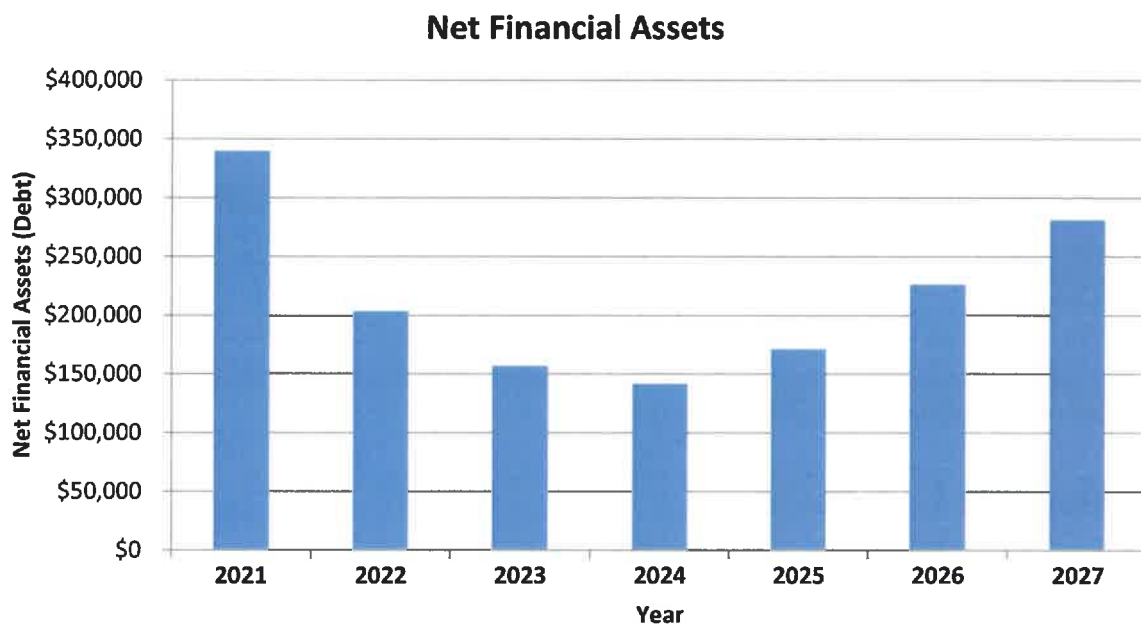
This section provides a summary of principal features concerning the current and projected future state of the Red Rock W&WWS. The financial information is contained in financial statements covering at least six years (2021-2027) in compliance with O. Reg. 453. Detailed financial statements are set out in

tabular form in Section 5. Notes regarding the financial statements are presented at the end of the financial statement section of this report.

4.1 Statement of Financial Position (Table 5.1)

An important feature of a water system is its net financial assets. A positive net financial asset indicates that the system has minimum debt and an available reserve to be utilized to finance future capital works. A negative value indicates that the system debts exceed their reserves. Maintaining a positive financial balance can be critical to avoiding interest payments required to maintain debt. The Red Rock W&WWS’s projected net financial assets are shown in Figure 4.1 below.

Figure 4.1 – Red Rock W&WWS Net Financial Assets

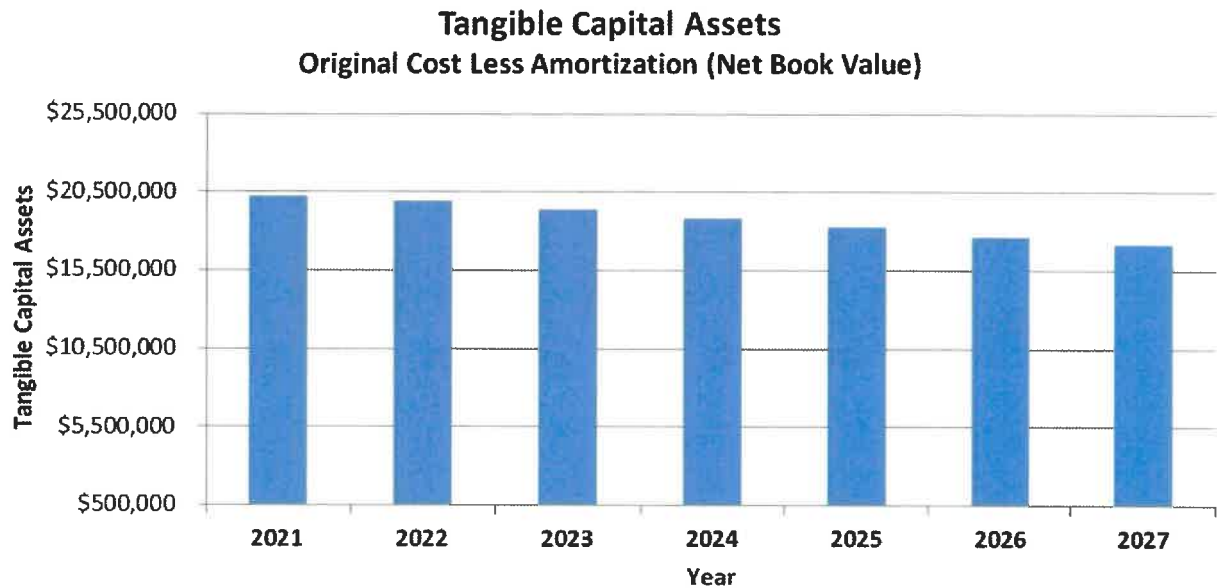


The financial asset position is attributed to a combination of the water and wastewater system reserves and any debt that may have accrued. If the reserve is growing there is a surplus, but if the reserve is decreasing, the system is in deficit and if the net financial assets are negative, then the system has more debts than reserves. Figure 4.1 shows a system able to maintain a small, but consistently positive position during the planning period. The balanced and only slightly positive state of net financial assets is due to the increased expenses from the new WWTP and capital expenses associated with maintaining the WTP. As long as the Township’s general account can balance out any excess expenses, the Township will be able to show a positive net financial asset position.

A second feature of the water and wastewater system is the total value of the system’s tangible capital assets (plant equipment, watermains, collection system, building structure, etc.). Consideration of the value of tangible capital assets (TCA) is part of PSAB compliance. The current value of the capital assets is termed net book value (NBV). NBV is the difference between the original cost of an asset less the accumulated amortization.

Water and wastewater systems have a great deal of resources tied up in tangible capital assets and managing these assets is critical to maintaining current and future levels of service. Tangible capital assets, once installed, are being used and will decrease in value over time. An increase in the net book value of tangible capital assets is an indication that assets have been renewed faster than they are being consumed. A decrease in net book value indicates that assets are being used, or amortized, faster than they are renewed. The netbook value of the assets is set out in Figure 4.2.

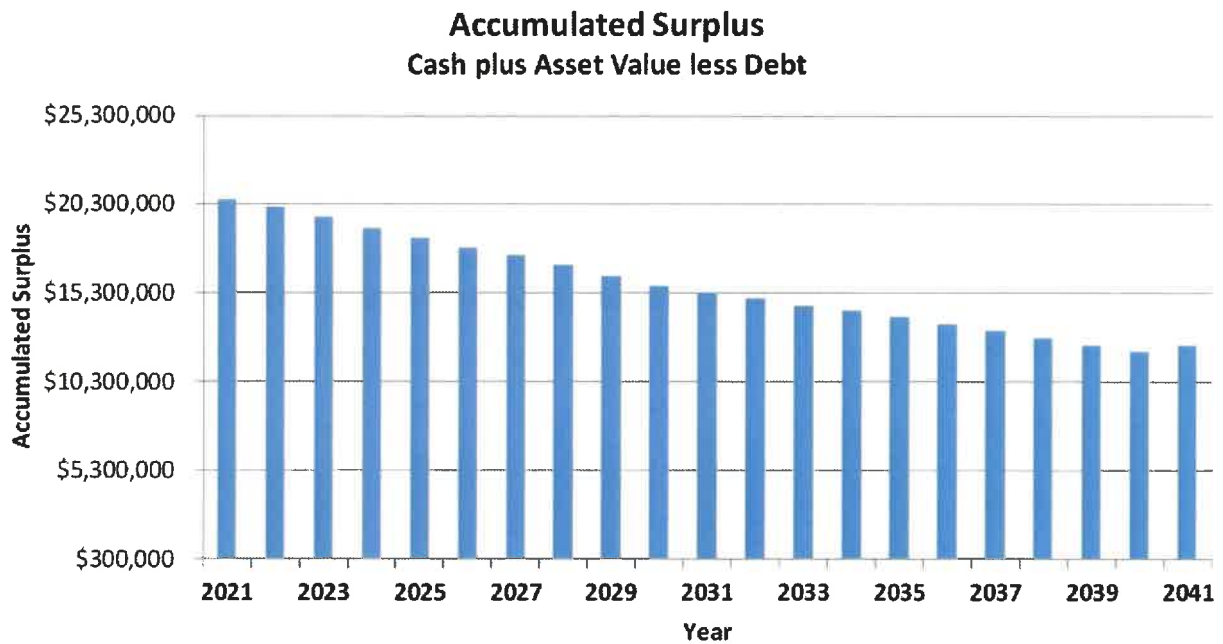
Figure 4.2 – Red Rock W&WWS Tangible Capital Assets



As shown in the figure above, the net book value decreases by a similar amount each year between 2021 and 2027, taking the NBV from a little over \$20M to approximately \$17.5M. In 2021, the new WWTP was added to the system, which significantly increased the NBV from 2020, but also increases the rate of amortization. With the new plant not needing any major equipment replacements during the planning period, the NBV will decrease at a consistent yearly rate.

Figure 4.3 sets out the accumulated surplus, which represents a combination of the net financial assets and the net book value of the systems. The water and wastewater systems are projected to show a consistent decrease in accumulated surplus after 2021, as the present user fees are unable to account for both the increased operating cost of the new WWTP and the higher rate of amortization.

Figure 4.3 – Red Rock W&WWS Accumulated Surplus



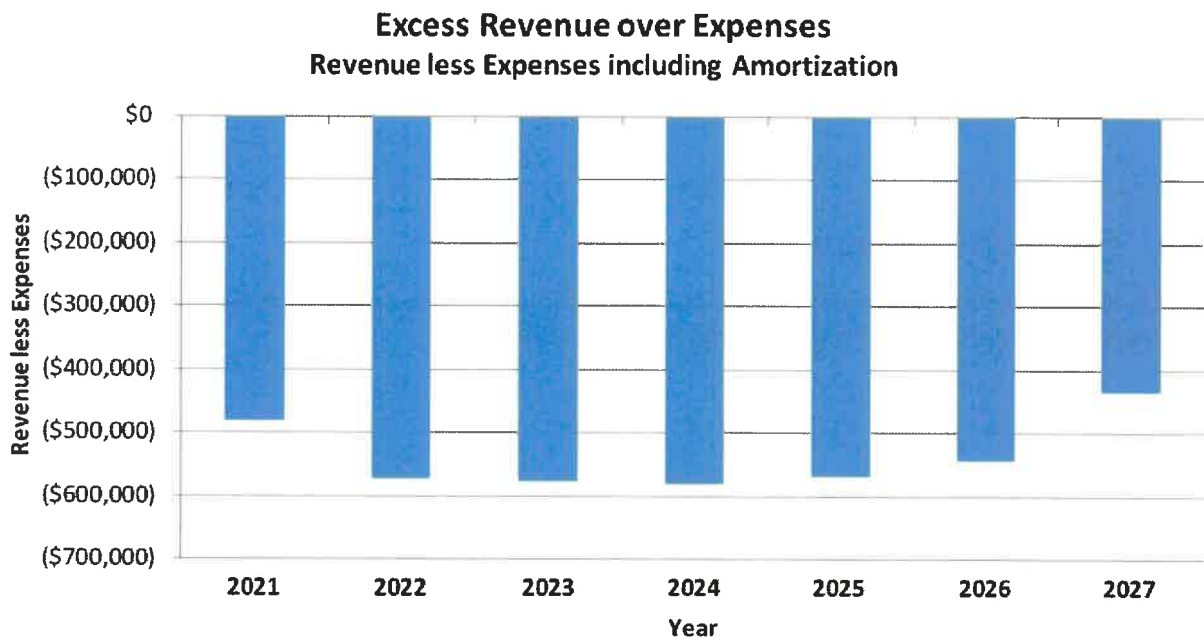
4.2 Statement of Operations (Table 5.2)

This statement summarizes revenues and expenditures. Revenue includes revenues from connected users, transfers from the general reserve, and disconnection fees. Expenditures include ongoing operating costs, debt repayment (if any), and asset amortization. Government funding is not included in the statement of operations.

Figure 4.4 projects that the system’s excess of revenues over expenses, including amortization, has negative values throughout the study period.

For all years in the planning period, the amortization and expenses are greater than the revenues generated. In order to replace assets at a pace that is equal to or greater than the yearly amortization, an increase in the system’s rates or contribution from the general revenue is required. If contributions are not made from the previously mentioned sources, the W&WWS is projected to be unable to sustain itself in the long term.

Figure 4.4 – Red Rock W&WWS Excess Revenue over Expenses



4.3 Continuous Improvement

The SDWA requires the renewal of Municipal Drinking Water Licences every five (5) years. The Financial Plan regulation requires the preparation and approval of a Financial Plan before making an application for the renewal of a Drinking Water License. Thus each Financial Plan will require updating at a minimum frequency of every five years. This ongoing update will assist in revisiting the assumptions made in the original Financial Plan, to develop the operating and funding plans as well as re-assessing the need for capital renewal and major maintenance expenditures.

4.4 Conclusion

The Red Rock W&WWS is not currently financially self-sustainable on its own, as it relies on occasional government funding programs to supplement revenues for ongoing operating and capital costs. This is forecasted to continue throughout the study period. The water and wastewater system reserves are not projected to grow, but rather be maintained at a relatively low level. Therefore, in order to work towards a more financially self-sustainable system, it is recommended that the Red Rock W&WWS increase its user rates significantly in the next several years.

It should also be noted that the current projection of the WWTP expenses is based on the Environmental Study Report for the new plant. With the operation of the plant over the next several years, a more accurate projection of the yearly operating expense can be determined.

In reviewing these statements, it is important to keep in mind that a number of assumptions have been made concerning inflation, interest rates, capital projects, and growth projections. Actual numbers may significantly deviate from these over time. In addition, capital and major maintenance cost estimates

and schedule may vary from current projections. There is a need to monitor the progress of this plan and make adjustments as needed.

The detailed financial statements are set out in tabular form in the following Section and were the basis for the above summary.

5 Financial Statements

The detailed financial statements are set out in the following tables. Section 6 details the notes that correspond to the “notes” numbers on the right side of the tables.

Table 5.1 – Statement of Financial Position

| Statement of Financial Position | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | Notes |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------|
| Financial Assets | | | | | | | | |
| Cash/Cash Equivalents | | | | | | | | |
| System Reserve (Beginning of Year) | 231,115 | 339,998 | 203,531 | 156,956 | 141,727 | 171,620 | 226,452 | |
| System Reserve (End of Year) | \$339,898 | \$203,531 | \$156,956 | \$141,727 | \$171,620 | \$226,452 | \$281,564 | 1 |
| Total Financial Assets | \$339,898 | \$203,531 | \$156,956 | \$141,727 | \$171,620 | \$226,452 | \$281,564 | |
| Liabilities | | | | | | | | |
| Accounts Payable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Debt | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | 2 |
| Existing Loans | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Other liabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Total Liabilities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Net Financial Assets (Debt) | \$339,898 | \$203,531 | \$156,956 | \$141,727 | \$171,620 | \$226,452 | \$281,564 | |
| Non Financial Assets | | | | | | | | |
| Tangible Capital Asset Cost (Opening) | \$5,697,817 | \$24,725,386 | \$25,013,944 | \$25,082,142 | \$25,117,533 | \$25,120,645 | \$25,123,236 | |
| Changes in Tangible Capital Assets – Additions | \$19,027,569 | \$288,558 | \$68,198 | \$35,391 | \$3,112 | \$2,590 | \$16,189 | 4, 5 |
| Tangible Capital Asset Cost (Closing) | \$24,725,386 | \$25,013,944 | \$25,082,142 | \$25,117,533 | \$25,120,645 | \$25,123,236 | \$25,139,424 | 3 |
| Accumulated Amortization (opening) | \$3,887,057 | \$4,478,147 | \$5,069,237 | \$5,667,542 | \$6,267,551 | \$6,868,445 | \$7,469,416 | |
| Accumulated Amortization (closing) | \$4,478,147 | \$5,069,237 | \$5,667,542 | \$6,267,551 | \$6,868,445 | \$7,469,416 | \$7,975,052 | |
| Total Non Financial Assets | \$20,247,239 | \$19,944,706 | \$19,414,600 | \$18,849,983 | \$18,252,201 | \$17,653,819 | \$17,164,372 | |
| Accumulated Surplus(deficit) | \$20,587,137 | \$20,148,237 | \$19,571,557 | \$18,991,709 | \$18,423,821 | \$17,880,271 | \$17,445,936 | |

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these differences could be material.

Table 5.2 – Statement of Financial Operations

| Statement of Financial Operations | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total Revenues | | | | | | | |
| Revenue from Users | | | | | | | |
| Water - Residential | \$176,532 | \$185,358 | \$194,626 | \$204,358 | \$214,576 | \$225,304 | \$236,570 |
| Water - Commercial | \$21,819 | \$22,909 | \$24,055 | \$25,258 | \$26,521 | \$27,847 | \$29,239 |
| Sewer - Residential | \$108,071 | \$113,474 | \$119,148 | \$125,105 | \$131,360 | \$137,928 | \$144,825 |
| Sewer - Commercial | \$13,357 | \$14,025 | \$14,726 | \$15,462 | \$16,236 | \$17,047 | \$17,900 |
| Total Revenue from Users | \$319,778 | \$335,767 | \$352,555 | \$370,183 | \$388,692 | \$408,127 | \$428,533 |
| Interest | | | | | | | |
| System Reserve | \$1,156 | \$1,699 | \$1,018 | \$785 | \$709 | \$858 | \$1,132 |
| Grants | | | | | | | |
| Government Funding Programs | \$19,027,569 | \$134,640 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Grants | \$19,027,569 | \$134,640 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Revenues | \$19,348,503 | \$472,106 | \$353,573 | \$370,968 | \$389,401 | \$408,985 | \$429,665 |
| Expenses | | | | | | | |
| Total Water System Maintenance | \$129,287 | \$131,873 | \$134,510 | \$137,200 | \$139,944 | \$142,743 | \$145,598 |
| Total Wastewater System Maintenance | \$76,998 | \$170,329 | \$173,735 | \$177,210 | \$180,754 | \$184,369 | \$188,056 |
| Water Major Maintenance | \$0 | \$5,750 | \$11,500 | \$11,500 | \$23,000 | \$11,500 | \$11,500 |
| Wastewater Major Maintenance | \$5,865 | \$11,965 | \$12,204 | \$24,896 | \$12,697 | \$12,951 | \$13,210 |
| Expenses before interest and amortization | \$212,150 | \$319,916 | \$331,949 | \$350,806 | \$356,395 | \$351,563 | \$358,364 |
| Debt Interest | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Amortization | \$591,090 | \$591,090 | \$598,304 | \$600,009 | \$600,894 | \$600,972 | \$505,635 |
| Total Expenses | \$803,240 | \$911,006 | \$930,253 | \$950,815 | \$957,289 | \$952,535 | \$864,000 |
| Excess of Revenues over Expenses (except government funding) | (\$482,307) | (\$573,540) | (\$576,680) | (\$579,847) | (\$567,888) | (\$543,550) | (\$434,335) |
| Excess of Revenues over Expenses | \$18,545,262 | (\$438,900) | (\$576,680) | (\$579,847) | (\$567,888) | (\$543,550) | (\$434,335) |
| Annual Surplus (Deficit) Beginning of year | \$2,041,874 | \$20,587,136 | \$20,148,237 | \$19,571,556 | \$18,991,709 | \$18,423,820 | \$17,880,270 |
| Accumulated Surplus (Deficit) End of Year | \$20,587,136 | \$20,148,237 | \$19,571,556 | \$18,991,709 | \$18,423,820 | \$17,880,270 | \$17,445,936 |

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these differences could be material.

Table 5.3 – Statement of Change in Cash Flow

| Statement of Cash Flow | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 |
|--|---------------------|--------------------|-------------------|-------------------|------------------|------------------|------------------|
| Operating Transactions | | | | | | | |
| Cash received from Revenues | \$19,347,347 | \$470,407 | \$352,555 | \$370,183 | \$388,692 | \$408,127 | \$428,533 |
| Cash paid for Operating Expenses | \$212,150 | \$319,916 | \$331,949 | \$350,806 | \$356,395 | \$351,563 | \$358,364 |
| Cash paid for Financing Charges (Debt Interest) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Excess of Operating Revenues Over Operating Expenses | \$19,135,197 | \$150,491 | \$20,606 | \$19,377 | \$32,297 | \$56,564 | \$70,169 |
| Working Capital Items | | | | | | | |
| Accounts Receivable | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Inventory | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Work in Progress | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cash provided by Operating Transactions | \$19,135,197 | \$150,491 | \$20,606 | \$19,377 | \$32,297 | \$56,564 | \$70,169 |
| Capital | | | | | | | |
| Acquisition of TCAs | \$19,027,569 | \$288,558 | \$68,198 | \$35,391 | \$3,112 | \$2,590 | \$16,189 |
| Proceeds on Disposal of TCA | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cash used in Capital Transactions | \$19,027,569 | \$288,558 | \$68,198 | \$35,391 | \$3,112 | \$2,590 | \$16,189 |
| Investing | | | | | | | |
| Cash (used in)/Provided by Investing Activities | \$1,156 | \$1,699 | \$1,018 | \$785 | \$709 | \$858 | \$1,132 |
| Increase (decrease) Cash Provided by Investing Activities | \$1,156 | \$1,699 | \$1,018 | \$785 | \$709 | \$858 | \$1,132 |
| Financing | | | | | | | |
| Repayment of Long Term Debt (principal) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cash Provided by (used) In Financing Activities | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Increase (decrease) in Cash Equivalents | \$108,784 | (\$136,367) | (\$46,574) | (\$15,230) | \$29,894 | \$54,832 | \$55,112 |
| Cash and Cash Equivalents at the beginning of the Year | \$231,115 | \$339,899 | \$203,531 | \$156,957 | \$141,727 | \$171,621 | \$226,452 |
| Cash and Cash Equivalents at the End of the Year | \$339,899 | \$203,531 | \$156,957 | \$141,727 | \$171,621 | \$226,452 | \$281,565 |

Note: Unaudited for Planning Purposes Only – Actual results will differ from the above and these differences could be material.

6 Notes on the Red Rock W&WWS Financial Plan

The Red Rock Water and Wastewater System Financial Plan represents a forecast of the financial performance of the Water and Wastewater System over a study period starting in the year 2021 through to the year 2027. The following notes are intended to document and/or clarify some of the assumptions made in generating the financial information contained in the tables. The reader is cautioned that the Financial Plan contains un-audited financial information and is subject to change.

1. The reserve fund balance of \$231,115 that existed at the start of the year 2021 is used to cover any deficits forecasted and is a combination of the Water System Reserve and the Wastewater System Reserve.
2. There is no debt at year-end in 2020. Debt may occur over the forecasted period as expenses exceed revenue and available reserves.
3. Tangible Capital Assets Cost (Closing) includes changes (additions, disposals, write-downs) in tangible capital assets during the year.
4. TCA Additions – A capital project includes the 2021 addition of the new WWTP to the tangible capital assets.
5. Tangible Capital Assets (TCA) are assumed to have no residual value when they have reached the end of their projected useful life. The projected future costs of capital items include a 15% contingency. Amortization was determined using the straight-line method. The calculation of Amortization begins the year after an asset is put into service.
6. Sale of Water (Residential) – revenue received from residential units.
7. Sale of Water (Commercial) – revenue received from commercial units.
8. Amortization – The yearly loss of value of existing assets in the system due to age.
9. Investing – Interest revenue from reserve cash. An interest rate of 0.5% is assumed.
10. Government Grants – Revenue from provincial and federal grant programs and sources (ICIP, gas tax)
11. Total Water System Maintenance – expenditures (OCWA operations contract, training, municipal expenses, etc.) related to water system maintenance.
12. Major Maintenance – maintenance expenses and projects that do not contribute to the value of the system's assets (engineering studies, part replacement, repairs, etc.).

APPENDIX A

Ontario Regulation 453/07

Safe Drinking Water Act, 2002
ONTARIO REGULATION 453/07
FINANCIAL PLANS

Consolidation Period: From April 1, 2008 to the [e-Laws currency date](#).

Last amendment: O. Reg. 69/08.

This is the English version of a bilingual regulation.

Requirement to prepare Financial Plans

1. (1) A person who makes an application under clause 32 (1) (b) of the Act for a municipal drinking water licence shall, before making the application, prepare and approve Financial Plans for the system that satisfy the requirements prescribed under section 2. O. Reg. 453/07, s. 1 (1).

(2) A person who makes an application under subsection 32 (4) of the Act for the renewal of a municipal drinking water licence shall, before making the application, prepare and approve Financial Plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (2).

(3) As a condition in a municipal drinking water licence that is issued in response to an application made under section 33 of the Act for a municipal drinking water licence, the Director shall include a requirement that the owner of the drinking water system, by the later of July 1, 2010 and the date that is six months after the date the first licence for the system is issued, prepare and approve Financial Plans for the system that satisfy the requirements prescribed under section 3. O. Reg. 453/07, s. 1 (3).

(4) The Director shall include, as a condition in a municipal drinking water licence, the requirement set out in subsection (3) in any amendments to a license made after the application, if the condition is not satisfied at the time when the amendment is made. O. Reg. 453/07, s. 1 (4).

Financial Plan requirements; new systems

2. For the purposes of clause (b) of the definition of “Financial Plans” in subsection 30 (1) of the Act, the following requirements are prescribed for Financial Plans that are required by subsection 1 (1) to satisfy the requirements of this section:

1. The Financial Plans must be approved by a resolution that indicates that the drinking water system is financially viable and that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.
2. The Financial Plans,
 - i. must include a statement that the financial impacts of the drinking water system have been considered, and
 - ii. must apply for a period of at least six years.
3. The first year to which the Financial Plan must apply is the year in which the drinking water system is expected to first serve the public.
4. For each year in which the Financial Plans apply, the Financial Plans must include details of the proposed or projected financial operations of the drinking water system itemized by,
 - i. total revenues, further itemized by water rates, user charges and other revenues,
 - ii. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - iii. annual surplus or deficit, and
 - iv. accumulated surplus or deficit.
5. The owner of the drinking water system must,
 - i. make the Financial Plans available, on request, to members of the public who are served by the drinking water system without charge,

- ii. make the Financial Plans available to members of the public without charge through publication on the Internet, if the owner maintains a website on the Internet, and
 - iii. provide notice advising the public of the availability of the Financial Plans under subparagraphs i and ii, if applicable, in a manner that, in the opinion of the owner, will bring the notice to the attention of members of the public who are served by the drinking water system.
6. The owner of the drinking water system must give a copy of the Financial Plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 2.

Financial Plan requirements; licence renewal

3. (1) For the purposes of clause (b) of the definition of “Financial Plans” in subsection 30 (1) of the Act, the following requirements are prescribed for Financial Plans that are required by subsection 1 (2) or a condition that is included in a municipal drinking water licence under subsection 1 (3) to satisfy the requirements of this section:

1. The Financial Plans must be approved by a resolution that is passed by,
 - i. the council of the municipality, if the owner of the drinking water system is a municipality, or
 - ii. the governing body of the owner, if the owner of the drinking water system has a governing body and is not a municipality.
2. The Financial Plans must apply to a period of at least six years.
3. The first year to which the Financial Plans must apply must be the year determined in accordance with the following rules:
 - i. If the Financial Plans are required by subsection 1 (2), the first year to which the Financial Plans must apply must be the year in which the drinking water system’s existing municipal drinking water licence would otherwise expire.
 - ii. If the Financial Plans are required by a condition that was included in a municipal drinking water licence under subsection 1 (3), the first year to which the Financial Plans must apply must be the later of 2010 and the year in which the first licence for the system was issued.
4. Subject to subsection (2), for each year to which the Financial Plans apply, the Financial Plans must include the following:
 - i. Details of the proposed or projected financial position of the drinking water system itemized by,
 - A. total financial assets,
 - B. total liabilities,
 - C. net debt,
 - D. non-financial assets that are tangible capital assets, tangible capital assets under construction, inventories of supplies and prepaid expenses, and
 - E. changes in tangible capital assets that are additions, donations, write downs and disposals.
 - ii. Details of the proposed or projected financial operations of the drinking water system itemized by,
 - A. total revenues, further itemized by water rates, user charges and other revenues,
 - B. total expenses, further itemized by amortization expenses, interest expenses and other expenses,
 - C. annual surplus or deficit, and
 - D. accumulated surplus or deficit.
 - iii. Details of the drinking water system’s proposed or projected gross cash receipts and gross cash payments itemized by,
 - A. operating transactions that are cash received from revenues, cash paid for operating expenses and finance charges,
 - B. capital transactions that are proceeds on the sale of tangible capital assets and cash used to acquire capital assets,
 - C. investing transactions that are acquisitions and disposal of investments,
 - D. financing transactions that are proceeds from the issuance of debt and debt repayment,

- E. changes in cash and cash equivalents during the year, and
- F. cash and cash equivalents at the beginning and end of the year.
- iv. Details of the extent to which the information described in subparagraphs i, ii and iii relates directly to the replacement of lead service pipes as defined in section 15.1- 3 of Schedule 15.1 to Ontario Regulation 170/03 (Drinking Water Systems), made under the Act.
- 5. The owner of the drinking water system must,
 - i. make the Financial Plans available, on request, to members of the public who are served by the drinking water system without charge,
 - ii. make the Financial Plans available to members of the public without charge through publication on the Internet, if the owner maintains a website on the Internet, and
 - iii. provide notice advising the public of the availability of the Financial Plans under subparagraphs i and ii, if applicable, in a manner that, in the opinion of the owner, will bring the notice to the attention of members of the public who are served by the drinking water system.
- 6. The owner of the drinking water system must give a copy of the Financial Plans to the Ministry of Municipal Affairs and Housing. O. Reg. 453/07, s. 3 (1).

(2) Each of the following sub-subparagraphs applies only if the information referred to in the sub-subparagraph is known to the owner at the time the Financial Plans are prepared:

- 1. Sub-subparagraphs 4 i A, B and C of subsection (1).
- 2. Sub-subparagraphs 4 iii A, C, E and F of subsection (1). O. Reg. 453/07, s. 3 (2).

Alternative requirements for two or more drinking water systems

4. If section 3 applies to the Financial Plans of two or more drinking water systems that are solely owned by the same owner, the requirements prescribed by the section may, as an alternative, be satisfied by Financial Plans that comply with the section but treat those systems as if they were one drinking water system. O. Reg. 453/07, s. 4.

Amendment of Financial Plans

5. Sections 2 and 3 do not prevent Financial Plans from being amended. O. Reg. 453/07, s. 5.

Additional information

6. The requirements of this Regulation do not prevent a person from providing additional information in Financial Plans prepared for the purpose of meeting the requirements of the Act. O. Reg. 453/07, s. 6.

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: Recreation Centre / Arena – Opening
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

Administration is looking for direction to implement the following recommendation.

Opening Recreation Centre Monday September 13th, 2021.

Having Arena Ice installed for a season of November 1st, 2021 – March 1st, 2022. (Tentative).

BACKGROUND:

None

DISCUSSION:

Questions of Council to be answered by the CAO.

NOTE

We will monitor the situation based around the potential Wave 4 of Covid-19 and adjust any forecasted plans accordingly.

ATTACHMENTS:

None

AVAILABLE UPON REQUEST:

Verbal

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th,2021
To: Mayor and Council
Subject: Signature Financial – Termination of Contract
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

Administration requires further direction from the discussion at the August 16th,2021 meeting of Council.

Administrations recommendation remains unchanged at this time and recommends the termination of this agreement.

BACKGROUND:

Unfinished Business.

Verbal update from the office of the CAO.

DISCUSSION:

Verbal questions if required.

ATTACHMENTS:

None

AVAILABLE UPON REQUEST:

Verbal

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th,2021
To: Mayor and Council
Subject: Potential Sale of Municipal Property
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

Administration requires direction from Council.

BACKGROUND:

At the August 16th, 2021 meeting of Council I was directed to have further conversations with a potential individual regarding an inquiry to purchase property from the Municipality. The properties are described as 510 & 512 Old CPR road.

DISCUSSION:

Unfinished Business

Verbal update from the office of the CAO based on a further discussion with the individual making the inquiry if required.

Based on the discussion a negotiated offer to the Township for consideration was reached in the amount of \$13,500.00 for both properties. I would need to go back to the individual with the direction of Council.

ATTACHMENTS:

Map Included

AVAILABLE UPON REQUEST:

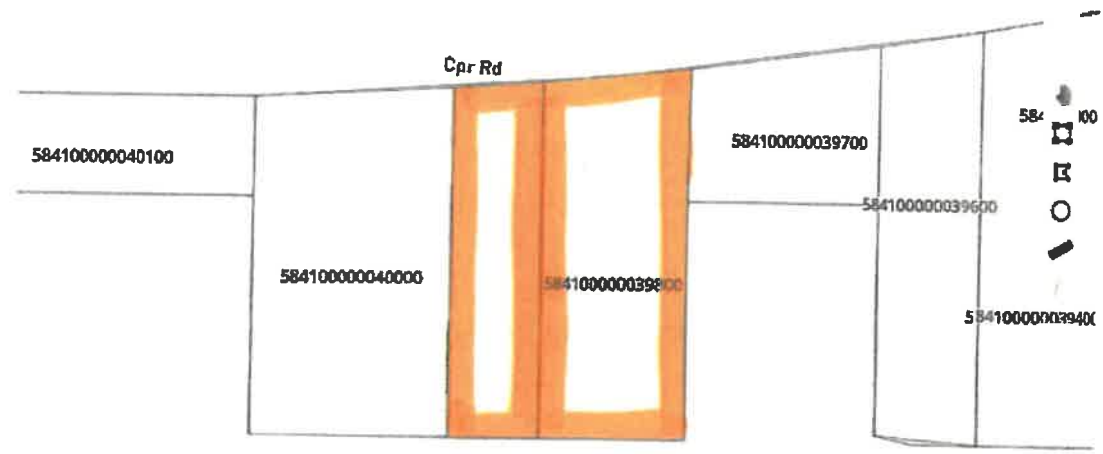
Verbal

J

- Home
- People Portal
- My Work
- My Products
- Need Help?

Save Filters Municipality: '5841' X Clear All

584100000090000



**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: Quarterly Water & Sewer Billing – Commence Date
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

A Resolution to have Quarterly Water & Sewer Billing commence October 1st, 2021.

BACKGROUND:

As discussed at the August 16th, 2021 meeting of Council the Township will move to quarterly billing for Water & Sewer.

DISCUSSION:

Verbal update from the CAO.

ATTACHMENTS:

None

AVAILABLE UPON REQUEST:

Verbal

**The Corporation of the Township of Red Rock
Administrative Report**

Date: September 7th, 2021
To: Mayor and Council
Subject: Closed Session – Position Change
Submitted by: Mark Figliomeni – CAO/Clerk

RECOMMENDATION:

A Resolution to begin a “Trial Period” as discussed at the August 16th, 2021 meeting of Council.

Commencing at the September 20th, 2021 meeting of Council. Trial period will be a couple of months.

BACKGROUND:

Discussion at the August 16th, 2021 meeting of Council to move the Closed Session portion of the meeting of Council to 6:30 PM as a trial for a couple months.

DISCUSSION:

Questions of the CAO if required.

ATTACHMENTS:

None

AVAILABLE UPON REQUEST:

Verbal