



AGENDA

MUSKOKA DISTRICT COUNCIL
13(2008)

7:00 p.m.
September 2, 2008

THE DISTRICT MUNICIPALITY OF MUSKOKA
DISTRICT COUNCIL MEETING NO. 13(2008)

A G E N D A

7:00 p.m., Tuesday, September 2, 2008
District Council Chamber

(6:30 – 7:00 p.m. – Chair and senior staff available to answer Councillors' questions)

Pgs. **CALL TO ORDER**

ACKNOWLEDGEMENT OF SUPPLEMENTARY MOTIONS LIST

DEPUTATIONS/DELEGATIONS

- a) Lola Bratty – Muskoka Lakes Association re: Debt Reduction

DECLARATION OF PECUNIARY INTERESTS

SUSPEND RULES OF PROCEDURE

Recommendation

THAT Rule 22(a) of The District Municipality of Muskoka Procedure By-law No. 2006-71 be suspended for the duration of this Committee of the Whole Council meeting.

COMMITTEE OF THE WHOLE COUNCIL 14(2008)

- a) **Adjourn to Committee of the Whole in Open Session**

Recommendation

THAT we do now adjourn to a Committee of the Whole in Open Session.

- b) **Debt Reduction Initiative**

i) **Recommendation**

BE IT RECOMMENDED THAT the mandatory connection program continue as scheduled.

ii) Recommendation

BE IT RECOMMENDED THAT lagoon haulage charges be set at \$40 per 1000 gallons for 2009 and increased by \$10 each year until 50% of the Sewage Lagoon Services operating expenditures are funded through haulage charges.

iii) Recommendation

BE IT RECOMMENDED THAT \$2 million be transferred from the General Capital Reserve Fund to the Debt Reduction Reserve Fund;

AND THAT the Ontario Disability Support Program savings above the initial savings of \$685,000 as identified in 2008, be used to top up the annual contributions to the Debt Reduction Reserve Fund of \$795,000;

AND THAT the principal due upon maturity of the balloon payments as outlined in Report No. CES-6-2008-6 be financed from the Debt Reduction Reserve Fund;

AND THAT the Debt Reduction Reserve Fund be used to issue internal loans to finance capital projects at zero or minimal interest rates.

iv) Recommendation

BE IT RECOMMENDED THAT The District Municipality of Muskoka continue to use the Federal Gas Tax Funding to finance sewer related capital projects until such time as the debt levels are stabilized and reserve fund balances are at viable levels.

v) Recommendation

BE IT RECOMMENDED THAT the 2008 base for Environmental Services of \$3,050,439 as approved in the 2008 General Tax Supported Budget be maintained and that this base be increased annually to maintain its purchasing power by the Reed Construction Price Index or an equivalent index.

vi) Recommendation

BE IT RECOMMENDED THAT the Water and Sewer Systems should only finance road related replacements and/or upgrades associated with water and sewer projects to the extent that it replaces the road in the same condition it was in immediately prior to the project initiation;

AND THAT to the extent that there is an increase in the useful life of the asset and/or an increase in the service standard, those costs associated with the "betterment" should be funded independently from the Water and Sewer Systems and financed from those functional areas charged with providing that service.

vii) Recommendation

BE IT RECOMMENDED THAT the practice of allocating interest charges to unfunded capital projects during the construction period before the asset is brought into service be discontinued.

viii) Recommendation

BE IT RECOMMENDED THAT all projects prior to proceeding must undergo an analysis to determine if the project is financially viable, is essential for program delivery, and/or serves a wider community benefit or addresses an approved corporate strategic priority.

1-2 c) Strategic Priorities Document Update No. 1
Report No. 14(2008)-1

Recommendation

THAT the Strategic Priorities be updated in the following manner:

- a) amend Section 2.2 by removing the last sentence, "Investigate a non – urban tax levy contribution to water and sewer costs";
- b) replace the first sentence in Section 2.3 to read, "Adopt, review on an annual basis and update as required, a debt reduction plan"; and
- c) add a new second sentence to Section 2.3, "Report annually to Council and the public the progress and results of the debt reduction plan".

d) Reconvene as Regular District Council

Recommendation

THAT we do now rise from a Committee of the Whole Council in Open Session and immediately reconvene as District Council.

PREVIOUS COUNCIL MEETINGS – REVIEW OF MINUTES FOR CORRECTNESS

- 3-17 a) 11(2008) – July 21, 2008
- 18-64 b) 12(2008) – August 15, 2008

COMMITTEE REPORTS

- 65-100 a) Engineering & Public Works – PW-10-2008 – August 13, 2008
 - i) Review of Minutes for Correctness
 - ii) Committee Report
 - iii) Question Period Re: Delegated Matters

- 101-163 b) Community Services – CS-9-2008 – August 13, 2008
- i) Review of Minutes for Correctness
 - ii) Committee Report
 - iii) Question Period Re: Delegated Matters – no delegated matters
- 164-202 c) Planning & Economic Development – PED-15-2008 – August 14, 2008
- i) Review of Minutes for Correctness
 - ii) Committee Report
 - iii) Question Period Re: Delegated Matters – no delegated matters
- 203-362 d) Corporate & Emergency Services – CES-7-2008 – August 15, 2008
- i) Review of Minutes for Correctness
 - ii) Committee Report
 - iii) Question Period Re: Delegated Matters – no delegated matters

363-365 **CORRESPONDENCE/COMMUNICATIONS/PETITIONS**

MOTIONS

BY-LAWS

- | | | |
|-----------------|--|------------|
| 2008-48 | Being a by-law to modify Town of Gravenhurst Official Plan Amendment No. 30 and approve the Official Plan Amendment as modified
<i>(included separately within agenda package or with supplementary agenda)</i> | 3 readings |
| 366-370 2008-49 | Being a by-law to approve a plan of subdivision, File No. S2006-6 (Muskoka Ridge) | 3 readings |
| 371 2008-51 | Being a by-law to designate certain lands as a portion of Muskoka Road No. 50 (High Falls Road, Bracebridge) | 3 readings |
| 2008-52 | Being a by-law to appoint an Accountable Executive – Muskoka Airport <i>(included separately within agenda package or with supplementary agenda)</i> | 3 readings |
| 2008-53 | Being a by-law to appoint a Safety Manager - Muskoka Airport <i>(included separately within agenda package or with supplementary agenda)</i> | 3 readings |

NEW BUSINESS

a) **Upcoming Contract Awards**

The following contracts will be awarded at the September 3, 2008 meeting of the Engineering & Public Works Committee:

- ii) Tender No. 08-410-759-1 – Lagoon Lane WWTP Site Preparation – Town of Bracebridge
- iii) Tender No. 08-411-330-C – Low Pressure Sanitary Sewers & Watermain – Plan 8 Area – Town of Gravenhurst

CONFIRMING BY-LAW NO. 2008-50

372-373 2008-50 Being a by-law to confirm the proceedings of the Council 1 reading
of The District Municipality of Muskoka at this Meeting
held on the 2nd day of September, 2008

ADJOURNMENT

A copy of this agenda in large print format is available upon request. Please note that hearing-assistive devices are available in the Council Chamber.



THE DISTRICT MUNICIPALITY OF MUSKOKA

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www.muskoka.on.ca

TO: District Chair and Members
Committee of Whole Council

FROM: Jim Green
Chief Administrative Officer

DATE: August 26, 2008

SUBJECT: Strategic Priorities Document Update No. 1

REPORT NO: 14(2008)-1

RECOMMENDATION

THAT the Strategic Priorities be updated in the following manner:

- a) amend Section 2.2 by removing the last sentence, "Investigate a non-urban tax levy contribution to water and sewer costs";
- b) replace the first sentence in Section 2.3 to read, "Adopt, review on an annual basis and update as required, a debt reduction plan."; and
- c) add a new second sentence to Section 2.3, "Report annually to Council and the public the progress and results of the debt reduction plan".

ORIGIN

The Commissioner of Finance and Corporate Services has prepared a Debt Reduction Plan for the consideration of Council as called for in the Strategic Priorities document. This multi-point plan addresses the corporate debt issue and also completes the investigation mentioned in Section 2.2. The Strategic Priorities document should be amended accordingly.

ANALYSIS

Goal 2 of the Strategic Priorities states:

"Build financial strength and demonstrate fiscal responsibility and accountability through the annual budget process, public reporting of budget results, the corporate credit rating and debt reduction."

The 9 strategies that fall under this Goal support this overall objective. Muskoka's credit rating is solid and the Aa2 rating is partially based upon the commitment expressed in the Strategic Priorities to manage debt effectively.

The current process to adopt and implement a debt reduction plan speaks to the commitment by Council and staff to follow through on Goal 2. The views of the public have been well expressed and received by

Managing Our Legacy Together

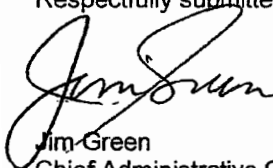
Council through a public process. It is recommended that the document be now updated to reflect the components of the debt reduction plan and the implementation steps to annually review, update and report on the success of the plan. The effect of the recommended changes on Sections 2.2 and 2.3 are shown below:

- 2.2 Increase sewer and water revenue by enforcing the mandatory connection by-law, avoiding or delaying new capital costs where possible and utilizing the existing system capacities for new growth. Limit extensions to the service areas until sufficient growth demands support the return on investment.
- 2.3 Adopt, review on an annual basis and update as required, a debt reduction plan. Report annually to Council and the public the progress and results of the debt reduction plan. Budget room created by the uploading of costs to the Province and other means should be applied to debt reduction.

STRATEGIC PRIORITIES

As previously referenced.

Respectfully submitted,



Jim Green
Chief Administrative Officer