



Township of Wellington North

P.O. Box 125 • 7490 Sideroad 7 W • Kenilworth • ON • N0G 2E0

Regular Meeting of Council

Monday, September 9, 2013

Following Public Meeting

Municipal Office Council Chambers, Kenilworth

A G E N D A

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- Mayor Tout	
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TOWNSHIP OF WELLINGTON NORTH

PUBLIC MEETING - MINUTES

Monday, August 12, 2013

The Public Meeting was held Monday, August 12, 2013 at 7:00 p.m. at the Township of Wellington North Council Chambers, Kenilworth to consider three Zoning Amendment applications.

Present:

Mayor: Raymond Tout
Councillors: Sherry Burke
Mark Goetz
Dan Yake

Absent:

Councillor: Andy Lennox

Also Present:

Acting C.A.O.: Michael Givens
Deputy Clerk: Catherine More
Executive Assistant: Cathy Conrad
Township Planner: Linda Redmond

Mayor Tout called the meeting to order. (7:00 p.m.)

Declaration of Pecuniary Interest:

None declared.

Owner/Applicant: Johannes and Lidwinda Teselink

Location of the Subject Land

The property subject to the proposed amendment is described as Part of Lot 20, Concession B with a civic address of 7570 Highway 6, Arthur. The property is 40 hectares (98.8 acres) in size.

The Purpose and Effect of the Application

The purpose and effect of the proposed amendment is to rezone the subject lands to restrict any future residential development on the agricultural, "retained" portion of the property. Additional relief from the zoning by-law is required for an over-sized accessory building on the severed portion – a drive shed with an area of 223 sq.m (2,400 ft²). This rezoning is a condition of severance application B23/13 under the surplus farm dwelling policies that was granted provisional approval by the Wellington County Land Division Committee April 11th, 2013.

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Please note – Section 34 (12) of the Planning Act.

Information – At a meeting under subsection (12), the Council shall ensure that information is made available to the public regarding the power of the Municipal Board under subsection (14.1) to dismiss an appeal if an appellant has not provided the Council with oral submissions at a public meeting or written submissions before a By-law is passed.

1. Notice for this public meeting was sent to property owners within 120 m and required agencies and posted on the property on July 19, 2013.

2. Presentation by:

Linda Redmond reviewed the comments provided by Jameson Pickard, Junior Planner, dated July 18, 2013.

The zoning amendment is required as a condition of provisional consent (B23/13) by the Wellington County Land Division Committee. The Planning Department has no objections to implementing this decision. Both the Provincial Policy Statement (PPS) and County Plan provide for surplus farm dwelling severances, provided the agricultural lands are rezoned to prohibit future residential dwellings. The intention of this policy is to allow farmers to reduce their costs of acquiring additional farm parcels where the impact on existing and future farm operations can be kept to a minimum.

Additional zoning relief is also required for the existing accessory structure on the retained residential parcel. The applicant would like to retain the 2,400 sq.ft shed for personal use. Council should be satisfied that the accessory building is intended for personal use and not for commercial purposes

The subject land is legally described as Part Lot 20, Concession B with a civic address of 7570 Highway 6, Arthur. The land is approximately 40 hectares (98.8 acres) in size.

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The purpose of the amendment is to rezone the subject lands to restrict any future residential development on the agricultural portion of the property and to address the oversized drive shed on the residential portion of the subject lands. This rezoning is a condition of severance application B23/13, that was granted provisional approval by the Wellington County Land Division Committee on April 11th, 2013. The consent will sever the existing farm dwelling and accessory building (1.5 ha. (3.7 ac) from the remainder of the agricultural parcel (38.5 ha. (95.1ac).

The subject property is considered to be within a PRIME AGRICULTURAL area. Section 2.3.4.1(c) of the PPS provides consideration for the severance of a surplus residence, provided that new residential dwellings are prohibited on the remnant parcel of farmland.

Under the Wellington County Official Plan the subject lands are designated PRIME AGRICULTURE and CORE GREENLANDS. This application is required as a result of a severance application. Section 10.3.4 of the Official Plan implements the PPS and requires that the remnant parcel be rezoned to prohibit dwellings.

Section 10.3.4 of the Official Plan states:

“A severance may be considered for an existing residence that is surplus to a farming operation as a result of farm consolidation, provided that:

- a) The remaining vacant farmland is large enough to function as a significant part of the overall farm unit; and
- b) The result of removing the surplus dwelling from the farm does not render the remaining farmlands difficult or inefficient to farm; and
- c) The amount of good farmland retained with the surplus house is kept to a minimum size needed for residential purposes, taking into consideration environmental and topographic features; and
- d) The surplus residence is habitable and is not expected to be demolished by a future owner; and
- e) The Minimum Distance Separation formula will be met, and
- f) The vacant parcel of farmland is rezoned to prohibit a residential use.”

The intention of this policy is to allow farmers to reduce their costs of acquiring additional farm parcels, where the impact on existing and future farm operations can be kept to a minimum.”

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The subject lands are zoned Agricultural (A) and Natural Environment (NE). There will be two site specific zones required on the subject lands. The first site specific provision will prohibit a dwelling on the 38.5 ha (95.1 ac) agricultural parcel and the second will address the accessory structure on the 1.5 ha (3.7 ac) residential parcel.

As a result of the severance, the residential dwelling would be considered the main use and the existing accessory structure would be reviewed under section 6.1 as accessory uses to a residential dwelling. In this case there is a shed with a floor area of 222.9 sq.m (2,400 sq.ft), which exceeds the allowable ground floor area for this lot of 117.9 sq.m (1,270 sq. ft). (Section 6.1.4 ii).

3. Review of Correspondence received by the Township:
 - Nathan Garland, Resource Planner, GRCA
 - No objection
4. The by-law will be considered at the Regular Council Meeting following the public meeting. Mayor Tout asked those wishing to receive further notices regarding this application to make their request in writing.
5. Mayor Tout opened the floor for any questions/comments.

Nathan Martin, counsel for applicant, was present to answer any questions.
6. Comments/questions from Council.

None.

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Applicant: The Corporation of the Township of Wellington North

The changes are of a general nature and apply throughout the Township of Wellington North.

The purpose and effect of the proposed amendment is to provide provisions within the Zoning By-law to allow and regulate the use of trailers, seacans and shipping containers or other similar structures, on commercial, industrial and large agricultural properties. This is a Township initiated "housekeeping" amendment to the Comprehensive Zoning By-law. The Zoning By-law currently does not have any provisions in place to regulate these types of structures.

Please note – Section 34 (12) of the Planning Act.

(12) Information. – At a meeting under subsection (12), the council shall ensure that information is made available to the public regarding the power of the Municipal Board under subsection (14.1) to dismiss an appeal if an appellant has not provided the council with oral submissions at a public meeting or written submissions before a By-law is passed.

7. Notice for this public meeting was sent to required agencies and published in the Wellington Advertiser on July 19, 2013.

8. Presentation by:

- Linda Redmond, Senior Planner, reviewed her comments dated July 22, 2013.

The use of shipping containers, storage trailers, seacans and shipping containers are being placed on properties and used for storage or other purposes. Wellington North's comprehensive Zoning By-law 66-01 does not specifically define and regulate the use of these container types. The purpose of this draft by-law is to introduce criteria to regulate the use of these types of containers and other similar means of storage.

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The appropriate placement of these types of storage containers through the proposed zoning regulations will not only reduce the complexity of enforcement but will also enhance both the urban and rural character of the Township.

This proposed housekeeping amendment to the Comprehensive Zoning By-law has been initiated by Township staff in order to address the use of storage trailers, seacans and shipping containers as a means of storage. Currently the Zoning By-law neither defines nor specifically regulates the use or location of these container types. Staff have met a number of times to discuss this issue and formulate criteria to regulate and manage this use appropriately. As such the following changes are proposed:

Section 5, Definitions, be amended by adding a definition for "Storage trailers, Seacans and Shipping Containers". In addition definitions for "Transport Terminal" and "Transport Trailer" are being added to provide further clarification.

Section 6, General Provisions, is being amended by adding a new subsection (under Section 6.32, Temporary Uses, Buildings and Structures). Subsection 6.32.1 under the heading of "Storage Trailers, Seacans and Shipping Containers" provides criteria for the use of these structures which are incidental to an existing use, as follows:

- a) For the use of storage, as accessory only, for a permitted commercial or industrial use on lands zoned accordingly, or on agricultural zoned lands greater than 10 hectares.
- b) Unless stated elsewhere in this By-law, no more than a cumulative total of three (3) storage trailers, seacans or shipping containers, shall be permitted on any property;
- c) No storage trailer, seacan or shipping container shall be permitted to locate in any minimum required yard setbacks;
- d) A storage trailer, seacan or shipping container shall not be located in any required parking areas and in no case shall encroach into any required minimum landscaped buffer or open space;

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- e) Notwithstanding any other provision of this section to the contrary, a storage trailer seacan or shipping container on a construction site in any Zone being developed on a stand alone basis or under a plan of subdivision is permitted only for the purposes of storing equipment and materials incidental to construction, subject to the following restrictions:
 - i) shall be subject to subsection c);
 - ii) not exceed six in number; and
 - iii) shall be removed from the site within 60 days of completing the work;
- f) A storage trailer, seacan or shipping container shall not be placed in any zone for the purpose of display or advertising;
- g) A storage trailer, seacan or shipping container shall not be used for the purposes of screening or fencing and must be in a condition free from rust, peeling paint and any other form of visible deterioration;
- h) A storage trailer, seacan or shipping container shall be included in all calculations for the purpose of determining maximum lot coverage; and
- i) Notwithstanding any other provision to the contrary a storage trailer, seacan or shipping container shall not be used for the purpose of a commercial storage facility or mini storage establishment, unless the property is specifically zoned to permit that use.

The draft by-law also provides additional criteria related to the use of temporary structures which are used for the retail sales of seasonal products (ie. garden centre). These structures are typically located within the parking areas of existing retail stores. The zoning by-law currently does not have criteria regulating these structures. The draft by-law proposes to limit the use to a four month period and provide a lot coverage cap.

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9. Review of Correspondence received by the Township:

- Nathan Garland, Resource Planner, GRCA
 - No objection
- Erik Downing, Environmental Planning Coordinator, Saugeen Conservation
 - No objection

10. The by-law will be considered at the regular council meeting following the public meeting. Persons wishing notice of the passing of the By-law must submit a written request.

11. Mayor opens floor for any questions/comments.

Gerald Shepetunko, 8720 Hwy 6, Arthur, requested further information regarding the following:

- What is the difference between a seacan and a storage container under the proposed by-law?
- A licenced trailer, a truck box or seacan can be used as storage containers for waste compactors and garbage bins. These containers are also used for storage of electronics and generators for wind turbines. Transport trailers are capable of being used.
- Why can a container not be used on a farm that is less than 25 acres?
- Where did the number for a maximum of 3 containers come from?
- If two or more containers are joined together are they then considered to be one container?
- On construction sites there are many sub trades. If each of those sub trades has a storage container for temporary use there could be more than six. How will that be considered?
- The proposed by-law does not allow these containers to be used for advertising. There are legal trucks that are sitting that are advertising.

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Ms. Redmond provided:

- The definition provided in the proposed by-law captures all the different types of containers.
- This proposed by-law is for unlicensed containers. Property standards by-laws also deal with the use of containers.
- There are two components to the agricultural zone. One is the farm parcel and the other deals with reduced agricultural lots. There are different uses allowed in the two types of zoning. All lots in the rural area are considered agricultural. Rural residential is a maximum of 25 acres. These would have to be looked at on an individual basis and may have to go through some type of zoning relief or minor variance.
- In discussions with other municipalities three units seemed to be common.
- Joining containers together would be a building code issue.
- The Zoning By-law will permit a maximum of six storage containers for construction sites.
- The by-law wouldn't permit a structure in the front yard. Storage containers are not meant to be signs and wouldn't be allowed in the front yard.

Joe Abate, 7597 Jones Baseline, Arthur, has a six acre commercial property that already has more than six containers. How will it be affected? Will he be able to replace the containers? Will existing containers be grandfathered in? On occasion his business has to call in shipping containers, such as when a refrigeration unit breaks down. Is there a limit on how long they can be used?

Ms. Redmond explained that if the use of the containers was legally permitted the container could be replaced. Temporary use of storage containers is allowed for six months.

Wayne Baker, 8730 Wellington Road 14, stated that small business owners can find it difficult to make ends meet. Storage containers are seen as a way of offsetting development charges. There is a small cost for the containers, limited taxation and no development charges. What future costs are going to be involved in using these containers? Mr. Baker felt that it would be more appropriate to allow five units rather than three.

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12. Comments/questions from Council.

Mayor Tout explained that anyone wanting more than three storage containers can go through the process to allow them. The issue is abuse of the system. By not regulating the use of storage containers there is the potential for abuse of the system. Three containers would provide just under 1,500 sq. ft. If someone already has more than three they will be allowed to keep them for now.

Ms. Redmond stated that the existing storage containers will be grandfathered in. Any use existing legally can continue and would be considered legal non-conforming.

Councillor Goetz confirmed that this by-law doesn't mean that you can only have three; you have to go through the procedure to have more.

Councillor Yake inquired about temporary structures, ie. for moving. Ms. Redmond explained that this would already be considered under the property standards by-law.

13. Adjournment 7:37 p.m.

DEPUTY CLERK

MAYOR

THE CORPORATION OF THE
TOWNSHIP OF WELLINGTON NORTH

REGULAR MEETING OF COUNCIL

Monday, August 12, 2013

Following Public Meeting - 7:40 p.m.

Members Present:

Mayor: Raymond Tout
Councillors: Sherry Burke
Mark Goetz
Dan Yake

Absent:

Councillor: Andy Lennox

Also Present:

Acting CAO/Treasurer: Michael Givens
Deputy Clerk: Catherine More
Executive Assistant: Cathy Conrad
Business Economic Manager: Dale Small

The meeting was held in the Municipal Office Council Chambers, Kenilworth.

A. CALLING THE MEETING TO ORDER

Mayor Tout called the meeting to order.

B. O' CANADA

C. PASSING AND ACCEPTANCE OF AGENDA

Moved by: Councillor Goetz
Seconded by: Councillor Burke

THAT the Agenda for the August 12, 2013 Regular Meeting of Council be accepted and passed.

Resolution Number: 1

Carried

THE CORPORATION OF THE
TOWNSHIP OF WELLINGTON NORTH

REGULAR MEETING OF COUNCIL

Monday, August 12, 2013

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D. DECLARATION OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

Councillor Burke declared a conflict of interest with Item 1, File No. B75/13, File No. B76/13 and File No. B77/13 under the heading of Other/New Business as Mr. and Mrs. Bowden are relatives.

E. MINUTES

1. Public Meeting, July 15, 2013
2. Regular Meeting of Council, July 15, 2013

Moved by: Councillor Goetz

Seconded by: Councillor Burke

THAT the minutes of the Public Meeting and the Regular Meeting of Council held on July 15, 2013 be adopted as circulated.

Resolution Number: 2

Carried

F. BUSINESS ARISING FROM MINUTES

None

G. DELEGATIONS, DEPUTATIONS, PETITIONS, PRESENTATIONS

1. Gord Trask, Owner of West ½ of Lot 11, Concession 10
Re: West Luther Municipal Drain 63A Final Assessment
(Garth Noecker, Drainage Superintendent was in attendance)

Mr. Trask appeared before Council to express his concerns regarding his assessed costs relating to West Luther Municipal Drain 63A. His final assessment was \$8,185.58. Mr. Trask is disputing the additional costs of \$5,294.17; which are a result of a Referee Hearing. The judge ordered these costs be included as a cost to the Drain; therefore increasing all assessments.

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THE CORPORATION OF THE
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G. DELEGATIONS, DEPUTATIONS, PETITIONS, PRESENTATIONS
(continued)

Mr. Trask maintains that he was not notified of the hearings held by the Referee, or that he had 30 days to appeal the court decision. The GRCA, who was also assessed additional costs, missed the 30 day appeal deadline but took their concerns to the courts.

Garth Noecker, Drainage Supt. provided some historic details of the dispute. He confirmed that the additional costs are a result of the GRCA appeal to the courts.

Mr. Trask is requesting that his property be reassessed; however, he was informed that it would be necessary to file an appeal to the courts on the basis that he was not informed of the hearing. Mayor Tout informed Mr. Trask that the municipality could not assist financially and that he would have to proceed through the courts, which could be very costly.

Mr Trask will consider his options.

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H. STANDING COMMITTEE, STAFF REPORTS, MINUTES AND
RECOMMENDATIONS

1. Wellington North Fire Service
 - Arthur Station
 - July 2013 Report
 - July 2013 Fire Prevention Officer's Report
 - Mount Forest Station
 - July 2013 Report
 - July 2013 Fire Prevention Officer's Report

Moved by: Councillor Goetz

Seconded by: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North receive the Wellington North Fire Service July 2013 Fire Reports and the July 2013 Fire Prevention Officer's Reports for the Arthur and Mount Forest Fire Stations.

Resolution Number: 3

Carried

2. Economic Development Committee
 - Minutes, July 17, 2013

Moved by: Councillor Burke

Seconded by: Councillor Goetz

THAT the Council of the Corporation of the Township of Wellington North receive the minutes of the Economic Development Committee meeting held on July 17, 2013.

Resolution Number: 4

Carried

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H. STANDING COMMITTEE, STAFF REPORTS, MINUTES AND RECOMMENDATIONS (continued)

2. Economic Development Committee

- Dale Small, Business Economic Manager Report,
- Public Art Grant Application, Community Improvement Program

Moved by: Councillor Burke

Seconded by: Councillor Goetz

THAT the Council of the Corporation of the Township of Wellington North receive the Business Economic Manager report dated August 8, 2013 with regard to the Public Art Grant Application – Community Improvement Program;

AND FURTHER THAT the Council of the Corporation of the Township of Wellington North approve a one-time grant up to \$2,400.00 under the Public Arts Grant Program for the completion of a mural on the north wall of 243 George Street, Arthur.

Resolution Number: 5

Carried

3. Administration/Finance Committee

- Minutes, July 22, 2013

Moved by: Councillor Burke

Seconded by: Councillor Goetz

THAT the Council of the Corporation of the Township of Wellington North receive the minutes of the Administration/Finance Committee meeting held on July 22, 2013.

Resolution Number: 6

Carried

THE CORPORATION OF THE
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H. STANDING COMMITTEE, STAFF REPORTS, MINUTES AND
RECOMMENDATIONS (continued)

3. Administration/Finance Committee
- Minutes, July 22, 2013 (continued)

Moved by: Councillor Goetz
Seconded by: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North accept the Committee Structure Proposal from Nigel Bellchamber as presented at a cost of approximately \$5,000.00 plus tax as recommended by the Administration/Finance Committee.

AND FURTHER THAT the funds from Administration Operating Budget (Consulting/Engineering) be utilized.

Resolution Number: 7

Carried

Moved by: Councillor Goetz
Seconded by: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North receive Report TR2013-21 with regard to the Tucker Street full paving;

AND FURTHER THAT Council accept the Contemplated Change Order from Moorefield Excavating for the repaving of the entire section of Tucker Street as recommended by the Finance Committee;

AND FURTHER THAT the additional cost associated with the repaving of \$70,084.00 plus HST be funded from the 2013 Roads Capital Budget.

Resolution Number: 8

Carried

THE CORPORATION OF THE
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H. STANDING COMMITTEE, STAFF REPORTS, MINUTES AND
RECOMMENDATIONS (continued)

4. Water/Wastewater Services

- Report from Triton Engineering Limited regarding the 2013 Reserve Capacity Calculation for the Mount Forest Waste Water Treatment Plant.

Moved by: Councillor Burke

Seconded by: Councillor Goetz

THAT the Council of the Corporation of the Township of Wellington North adopt the report prepared by Triton Engineering Limited regarding the 2013 Reserve Capacity Calculations for the Mount Forest Waste Water Treatment Plant as recommended by Barry Trood, Superintendent, Water/Wastewater Services.

Resolution Number: 9

Carried

5. Dale Clark, Roads Superintendent Report

- Sideroad 7 West and Concession 11 intersection
- Received as information

6. Mike Givens, Acting CAO/Treasurer, Report TR2013-22

- Appointment of the Director of Public Works

Moved by: Councillor Yake

Seconded by: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North receive Report TR2013-22 with regard to the Appointment of the Director of Public Works.

Resolution Number: 10

Carried

THE CORPORATION OF THE
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Page Eight

I. CORRESPONDENCE FOR COUNCIL'S INFORMATION

1. Wesley Haramule, Post Time Pub & Grill, Inc.
Re: Temporary Liquor License Extension for Buzz & Toms Charity
Fundraiser for Groves Memorial Hospital

Moved by: Councillor Yake

Seconded by: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North have no objection to Post Time Pub & Grill, Inc., 257 George St., Arthur, applying for a temporary license extension to the Alcohol and Gaming Commission of Ontario for Saturday, August 24, 2013 between the hours of 11:00 a.m. and 6:00 p.m. for the annual Buzz and Tom's charity fundraiser.

Resolution Number: 11

Carried

2. Judy Rosebrugh, President & CEO, Wellington North Power Inc.
Re: Request for Council Support of a Building
- Council deferred this item until further information could be obtained.

J. BY-LAWS

1. 61-13 Being a by-law to authorize the sale of real property being vacant industrial lands in the former Town of Mount Forest (Part Division 3, Lot 32, Concession 1, geographic Township of Normanby, Mount Forest, Industrial Drive – Arbro Concrete Forming Ltd.)

Moved by: Councillor Yake

Seconded by: Councillor Burke

THAT By-law Number 61-13 being a by-law to authorize the sale of real property being vacant industrial lands in the former Town of Mount Forest be read a First, Second and Third time and finally passed. (Part Division 3, Lot 32, Concession 1, geographic Township of Normanby, Mount Forest, Industrial Drive – Arbro Concrete Forming Ltd.)

Resolution Number: 13

Carried

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THE CORPORATION OF THE
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J. BY-LAWS (continued)

2. 62-13 Being a by-law to authorize the sale of real property being vacant industrial lands in the former Town of Mount Forest (Part Division 3, Lot 32, Concession 1, geographic Township of Normanby, Mount Forest, Industrial Drive – Katherine Dippel and James Dippel)

Moved by: Councillor Yake

Seconded by: Councillor Goetz

THAT By-law Number 62-13 being a by-law to authorize the sale of real property being vacant industrial lands in the former Town of Mount Forest be read a First, Second and Third time and finally passed. (Part Division 3, Lot 32, Concession 1, geographic Township of Normanby, Mount Forest, Industrial Drive – Katherine Dippel and James Dippel)

Resolution Number: 14

Carried

3. 63-13 Being a by-law to amend Zoning By-law Number 66-01 being the Zoning By-law for the Township of Wellington North (Part Lot 20, Concession B, 7570 Highway 6, Arthur - Teselink)

Moved by: Councillor Goetz

Seconded by: Councillor Yake

THAT By-law Number 63-13 being a by-law to amend Zoning By-law Number 66-01 being the Zoning By-law for the Township of Wellington North be read a First, Second and Third time and finally passed. (Part Lot 20, Concession B, 7570 Highway 6, Arthur - Teselink)

Resolution Number: 15

Carried

4. 64-13 Being a by-law to amend Zoning By-law Number 66-01 being the Zoning By-law for the Township of Wellington North (Storage Containers)

- Council deferred this item pending further information.

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J. BY-LAWS (continued)

5. 65-13 Being a by-law to amend By-law Number 5000-05, a by-law to regulate the parking or stopping of vehicles on highways, public parking lots and in some instances, private property within the Township of Wellington North. (Durham and Normanby Streets)

Moved by: Councillor Goetz

Seconded by: Councillor Yake

THAT By-law Number 65-13 being a by-law to amend By-law Number 5000-05, a by-law to regulate the parking or stopping of vehicles on highways, public parking lots and in some instances, private property within the Township of Wellington North be read a First, Second and Third time and finally passed. (Durham and Normanby Streets)

Resolution Number: 17

Carried

6. 66-13 Being a By-law to appoint a Director of Public Works for the Corporation of the Township of Wellington North

Moved by: Councillor Goetz

Seconded by: Councillor Yake

THAT By-law Number 66-13 being a by-law to appoint a Director of Public Works for the Corporation of the Township of Wellington North be read a First, Second and Third time and finally passed. (Debbie Zehr)

Resolution Number: 18

Carried

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J. BY-LAWS (continued)

7. 67-13 Being a By-law to temporarily close portions of Conestoga, Smith, George, Charles, Isabella and Tucker Streets in the former Village of Arthur for the purpose of holding the Arthur Fall Fair Parade.

Moved by: Councillor Goetz
Seconded by: Councillor Yake

THAT By-law Number 67-13 being a by-law to temporarily close portions of Conestoga, Smith, George, Charles, Isabella and Tucker Streets in the former Village of Arthur for the purpose of holding the Arthur Fall Fair Parade be read a First, Second and Third time and finally passed.

Resolution Number: 19

Carried

8. 68-13 Being a By-law to temporarily close a portion of King Street East and Main Street (Hwy. 6) in the former Town of Mount Forest for the Fall Fair Parade.

Moved by: Councillor Goetz
Seconded by: Councillor Yake

THAT By-law Number 68-13 being a by-law to temporarily close a portion of King Street East and Main Street (Hwy. 6) in the former Town of Mount Forest for the Fall Fair Parade be read a First, Second and Third time and finally passed.

Resolution Number: 20

Carried

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J. BY-LAWS (continued)

9. 69-13 Being a By-law to authorize the execution of a Site Plan Agreement (Part Park Lots 4 and 5, Crown Survey Arthur Village, Parts 1, 2 and 3 RP 61R8981-Musashi Auto Parts Canada Inc.)

Moved by: Councillor Yake
Seconded by: Councillor Goetz

THAT By-law Number 69-13 being a by-law to authorize the execution of a Site Plan Agreement be read a First, Second and Third time and finally passed. (Part Park Lots 4 and 5, Crown Survey Arthur Village, Parts 1, 2 and 3 RP 61R8981-Musashi Auto Parts Canada Inc.)

Resolution Number: 21

Carried

10. 70-13 Being a By-law to authorize the execution of an Agreement between Integrated Maintenance and Operations Services Inc. and the Corporation of the Township of Wellington North (Connecting Link Winter Maintenance 2013/2014 Services for Mount Forest)

Moved by: Councillor Yake
Seconded by: Councillor Goetz

THAT By-law Number 70-13 being a by-law to authorize the execution of an Agreement between Integrated Maintenance and Operations Services Inc. and the Corporation of the Township of Wellington North be read a First, Second and Third time and finally passed. (Connecting Link Winter Maintenance 2013/2014 Services for Mount Forest)

Resolution Number: 22

Carried

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J. BY-LAWS (continued)

11. 71-13 Being a By-law to authorize the execution of an Agreement between Integrated Maintenance and Operations Services Inc. and the Corporation of the Township of Wellington North (Connecting Link Winter Maintenance 2013/2014 Services for Arthur

Moved by: Councillor Yake

Seconded by: Councillor Goetz

THAT By-law Number 71-13 being a by-law to authorize the execution of an Agreement between Integrated Maintenance and Operations Services Inc. and the Corporation of the Township of Wellington North be read a First, Second and Third time and finally passed. (Connecting Link Winter Maintenance 2013/2014 Services for Arthur)

Resolution Number: 23

Carried

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K. OTHER/NEW BUSINESS

1. County of Wellington, Planning and Land Division Committee
Re: Comments for Consent Applications:

File No. B75/13, James and Donna Bowden

Council support the application with the following conditions:

- That the Owner receive zoning compliance for lot area
- That the Owner receive zoning compliance for lot frontage
- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.
- That the Owner receives approval for an entrance from the applicable road authority.
- That storm connection and servicing are at the owners expense and to the approval of the Township.

File No. B76/13, James and Donna Bowden

Council support the application with the following conditions:

- That the Owner receives zoning compliance for lot area and interior side yard setback.
- That the Owner receives approval for an entrance from the applicable road authority.
- That storm connection and servicing are at the owners expense and to the approval of the township.
- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of Consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.

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K. OTHER/NEW BUSINESS (continued)

File No. B77/13, James and Donna Bowden

Council support the application with the following conditions:

- That the Owner receives zoning relief for lot area and interior side yard setback.
- That storm connection and servicing are at the Owners expense and to the approval of the Township.
- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of Consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.

File No. B71/13, 1117418 Ontario Inc. (Doug Kopp)

Council support the application with the following conditions:

- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of Consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.

File No. B72/13, 1117418 Ontario Inc. (Doug Kopp)

Council support the application with the following conditions:

- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of Consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.

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K. OTHER/NEW BUSINESS (continued)

File No. B70/13 Harold and Nancy Whetham

Council support the application with the following conditions:

- That the Owner satisfy all the requirements of the local municipality, financial and otherwise which the local municipality may deem to be necessary at the time of issuance of the Certificate of Consent for the proper and orderly development of the subject lands; and further that the local municipality file with the Secretary-Treasurer of the Planning and Land Division Committee a letter of clearance of this condition.
- County conditions:
 - a) That any concerns of the Conservation Authority can be addressed;
 - b) That the purchaser take title to the severed lands in the same manner as they hold their abutting land; and
 - c) That Subsection 50(3) of the Planning Act, R.S.O., 1990 be applied to any subsequent conveyance or any transaction involving the parcel of land that is the subject of this consent.

L. ITEMS FOR COUNCIL'S INFORMATION

Cheque Distribution Report dated August 7, 2013

Thank You

- Faye Craig, Participant in 1st Annual "Most Patriotic Residence in Arthur" Competition

AMO Update

- Ministry of Labour re Issue of Unpaid Internships in Ontario

Randy Pettapiece, MPP, Perth-Wellington

- Bill 73, *The Fair and Opening Tendering Act* to amend Ontario's *Labour Relations Act*

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L. ITEMS FOR COUNCIL'S INFORMATION (continued)

Ontario Provincial Police

- OPP Billing Reform Survey

Maitland Valley Conservation Authority

- Transforming Conservation Services to Meet the Challenge of a Changing Climate
- Responding to Climate Trends

Grand River Conservation Authority

- Minutes, General Membership Meeting, June 28, 2013

M. CULTURAL MOMENT

MEMORIES OF ARTHUR AND AREA - VOLUME III

"Searching the Past – To Understand the Present."

By John Walsh and Associates

Over the years the history of Arthur and happenings therein, have been recorded by a number of citizens from Arthur and Area. The earliest was William McQuinn, a local miller, whose articles described life in the village going back to the late 1800's. H.Gordon Green, Campbell Cork, Paul O'Donnell, Frank Coffey and Jim Hamilton are some of the others that have laid ink to paper in publishing local history through their individual efforts. Most recently, John Walsh and Associates have created a series of 'Memories of Arthur and Area' publications, utilizing local citizens who have an interest in the history of the area and who offered to write on subjects in which they were interested.

The most recent, Volume III, features articles on Arthur's Centennial Celebrations in 1972, Round Barns in West Luther, The Postal Service Over the Years, Arthur and Area Veterans, Trevor Henry and Hockey in Arthur over the Years, to name a few. Each article in the book is followed with some 'Words of Wisdom' for those who like a bit of humour with their history. As with previous volumes, all proceeds of the book go to the Arthur and Area Historical Society to assist them with their local projects.

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M. CULTURAL MOMENT (continued)

The mural on the cover of this book is painted on the south wall of Hunter Tax Management Office at the South entrance to Arthur. It depicts an early settler with his wife and children and his yoke of oxen as he leaves the Registry Office in Arthur. He has in his hand his 'location papers' which entitles him to a free 50 acre plot of land in Arthur Township. He will be travelling north on the Garafraxa Road (Hwy #6) to his pioneer property and if he meets his settlement requirements, he will be entitled to purchase another 50 acres at a cost of \$2.00 per acre.

N. NOTICE OF MOTION

None.

O. ANNOUNCEMENTS

Mayor Tout announced that this past Saturday was the Grand Opening of the Habitat for Humanity Reuse Store in Mount Forest. He reminded everyone of upcoming events including the fall fairs and the opening of the trail in Arthur.

P. CLOSED MEETING SESSION

1. "Legal" matter
2. "Personnel" matter

Moved by: Councillor Burke

Seconded by: Councillor Yake

THAT Council go into a meeting at 9:30 p.m. that is closed to the public under subsections 239 (2) (f) (d) of the Municipal Act, 2001

- *to consider advice that is subject to solicitor-client privilege*
- *to consider labour relations or employee negotiations*

Resolution Number: 24

Carried

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P. CLOSED MEETING SESSION (continued)

Moved by: Councillor Yake

Seconded by: Councillor Burke

THAT Council rise from a closed meeting session at 10:26 p.m.

Resolution Number: 25

Carried

Q. CONFIRMING BY-LAW

Moved by: Councillor Goetz

Seconded by: Councillor Yake

THAT By-law Number 72-13 being a By-law to Confirm the Proceedings of the Council of the Corporation of the Township of Wellington North at its Regular Meeting held on August 12, 2013 be read a First, Second and Third time and finally passed.

Resolution Number: 26

Carried

R. ADJOURNMENT

Moved by: Councillor Goetz

Seconded by: Councillor Yake

THAT the Regular Council meeting of August 12, 2013 be adjourned at 10:30 p.m.

Resolution Number: 27

Carried

DEPUTY CLERK

MAYOR

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
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YEAR ENDED DECEMBER 31, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of The Corporation of the Township of Wellington North

Report on the Financial Statements

We have audited the accompanying financial statements of The Corporation of the Township of Wellington North, which comprise the statement of financial position as at December 31, 2012 and the consolidated statements of operations, changes in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Corporation of the Township of Wellington North as at December 31, 2012 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

Fergus, Ontario

Chartered Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2012

	2012	2011
FINANCIAL ASSETS		
Cash (Note 2)	\$ 9,607,915	\$ 6,623,048
Investments	10,251	10,105
Taxes receivable	1,320,911	1,425,401
Trade and other receivables	1,651,547	3,323,318
Long-term receivables (Note 3)	1,363,788	2,148,726
Long-term investments (Note 4)	<u>3,479,612</u>	<u>3,459,687</u>
	<u>17,434,024</u>	<u>16,990,285</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,423,825	2,867,894
Deferred revenue (Note 11)	1,987,188	1,630,988
Long term debt (Note 5)	<u>10,170,970</u>	<u>11,442,139</u>
	<u>13,581,983</u>	<u>15,941,021</u>
NET FINANCIAL ASSETS	<u>3,852,041</u>	<u>1,049,264</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 12, schedule 2)	115,087,248	117,661,759
Prepaid expenses and inventory	<u>95,302</u>	<u>104,372</u>
	<u>115,182,550</u>	<u>117,766,131</u>
ACCUMULATED SURPLUS (schedule 3)	<u>\$119,034,591</u>	<u>\$118,815,395</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 Budget (Note 7)	2012 Actual	2011 Actual
REVENUE			
Net taxation/user charges	\$ 6,115,912	\$ 6,162,118	\$ 5,920,993
Fees and service charges	5,018,325	5,343,022	5,143,047
Grants	1,232,873	1,571,667	3,936,122
Other income (Note 6)	825,360	1,098,164	730,942
Obligatory reserve funds revenue recognized (Note 11)	<u>0</u>	<u>430,312</u>	<u>601,299</u>
	<u>13,192,470</u>	<u>14,605,283</u>	<u>16,332,403</u>
EXPENSES (SCHEDULE 1)			
General government	1,373,151	1,327,143	1,468,329
Protection to persons and property	1,134,325	1,220,013	1,399,957
Transportation services	5,661,748	5,992,604	7,963,599
Environmental services	3,621,282	3,360,301	3,514,872
Health services	37,081	31,095	42,521
Recreation and culture	2,054,650	1,958,283	1,988,039
Planning and development	<u>286,300</u>	<u>496,648</u>	<u>420,746</u>
	<u>14,168,537</u>	<u>14,386,087</u>	<u>16,798,063</u>
ANNUAL SURPLUS (DEFICIT)	<u>\$ (976,067)</u>	<u>\$ 219,196</u>	<u>\$ (465,660)</u>
ACCUMULATED SURPLUS at beginning of year		\$118,815,395	\$119,281,055
Annual Surplus (Deficit)		<u>219,196</u>	<u>(465,660)</u>
ACCUMULATED SURPLUS at end of year		<u>\$119,034,591</u>	<u>\$118,815,395</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2012

	2012 Budget (note 4)	2012 Actual	2011 Actual
Annual surplus (Deficit)	\$ (976,067)	\$ 219,196	\$ (465,660)
Acquisition of tangible capital assets	(2,169,702)	(2,043,059)	(3,009,209)
Amortization of tangible capital assets	4,842,906	4,609,490	4,842,905
(Gain) loss on sale of tangible capital assets	0	8,081	(31,339)
Proceeds on sale of tangible capital assets	0	0	37,929
	<u>2,673,204</u>	<u>2,574,512</u>	<u>1,840,286</u>
Change in prepaid expenses and inventory	0	9,069	(64,759)
INCREASE IN NET FINANCIAL ASSETS	<u>\$ 1,697,137</u>	2,802,777	1,309,867
NET FINANCIAL ASSETS at beginning of year		<u>1,049,264</u>	<u>(260,603)</u>
NET FINANCIAL ASSETS at end of year		<u>\$ 3,852,041</u>	<u>\$ 1,049,264</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2012

	2012	2011
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Annual surplus (deficit) for the year	\$ 219,196	\$ (465,660)
Items not requiring an outlay of cash		
Amortization	4,609,490	4,842,905
(Gain) loss on sale of tangible capital assets	8,081	(31,339)
Share of loss (income) of Wellington North Power Inc.	(19,925)	88,837
	<u>4,597,646</u>	<u>4,900,403</u>
	<u>4,816,842</u>	<u>4,434,743</u>
Net changes in non-cash working capital		
Taxes receivable	104,490	(134,196)
Accounts receivable	1,671,771	2,594,221
Accounts payable and accrued liabilities	(1,444,069)	(1,523,046)
Prepaid expenses and inventory	9,069	(64,759)
Deferred revenue	<u>356,200</u>	<u>400,302</u>
	<u>697,461</u>	<u>1,272,522</u>
	<u>5,514,303</u>	<u>5,707,265</u>
CASH PROVIDED BY (USED IN) CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(2,043,059)	(3,009,209)
Proceeds on disposal of tangible capital assets	0	37,929
	<u>(2,043,059)</u>	<u>(2,971,280)</u>
CASH PROVIDED BY FINANCING ACTIVITIES		
Additions to long-term liabilities	105,100	138,300
Repayments of long-term liabilities	<u>(1,376,269)</u>	<u>(919,488)</u>
	<u>(1,271,169)</u>	<u>(781,188)</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Acquisition of investments	(146)	(10,105)
Decrease in long-term receivables	784,938	204,028
(Advances to) received from Wellington North Power Inc.	0	100,000
	<u>784,792</u>	<u>293,923</u>
NET INCREASE IN CASH	2,984,867	2,248,720
CASH, beginning of year	<u>6,623,048</u>	<u>4,374,328</u>
CASH, end of year	<u>\$ 9,607,915</u>	<u>\$ 6,623,048</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of The Corporation of the Township of Wellington North are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing, and the standards established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) BASIS OF CONSOLIDATION

- (i) These consolidated statements reflect the assets, liabilities, revenues and expenses of the current fund, capital fund, reserves and reserve funds of all municipal organizations, committees, and boards which are controlled by Council. All interfund assets and liabilities and revenues and expenses have been eliminated on consolidation. The following board has been reflected in the consolidated financial statements:

Mount Forest Business Improvement Area 100%

Government business enterprises and partnerships are separate legal entities which do not rely on the township for funding. Investments in government business enterprises are accounted for using the modified equity method. The following government business enterprise is reflected in the consolidated financial statements:

Wellington North Power Inc 96.71%

- (ii) Accounting for County and School Board Transactions:
The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the County of Wellington are not reflected in the municipal fund balances of these financial statements. Overlevies (underlevies) are reported on the Consolidated Statement of Financial Position as Other Current Liabilities (Other Current Assets).
- (iii) Trust funds and their related operations administered by the municipality are not consolidated, but are reported separately on the Trust Funds Statement of Financial Position and Continuity.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) BASIS OF ACCOUNTING

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(c) USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and actual results could differ from management's best estimates as additional information becomes available in the future.

(d) INVESTMENTS

Investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market.

(e) LONG-TERM RECEIVABLES

Long-term receivables are recorded at cost.

(f) DEFERRED REVENUE

The revenue is reported on the Consolidated Statement of Operations in the year in which it is used for the specified purpose.

(g) TRUST FUNDS

Funds held in trust by the township, and their related operations, are not included in these financial statements. The financial activity and position of the trust funds are reported separately on the Trust Funds Statement of Financial Position and Continuity.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) NON-FINANCIAL ASSETS

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributed to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital asset is amortized on a straight-line basis over their estimated useful life as follows:

Land Improvements	30 to 75 years
Buildings	20 to 50 years
Machinery and equipment	5 to 50 years
Vehicles	10 to 20 years
Roads	30 years
Bridges and culverts	50 years
Water and sewer systems	70 years

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and also are recorded as revenue.

(iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(iv) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) REVENUE RECOGNITION

Revenues are recognized as follows:

- (i) Tax revenue is recognized as revenue when the amounts are levied on the municipality's ratepayers.
- (ii) Fines and donations are recognized when collected.
- (iii) Other revenues are recorded upon sale of goods or provision of service when collection is reasonably assured.
- (iv) Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur providing the transfers are authorized, and eligibility criteria have been met and reasonable estimates of the amounts can be made.
- (v) Revenue restricted by legislation, regulation or agreement and not available for general municipal purposes is reported as deferred revenue on the consolidated statement of financial position. The revenue is reported on the consolidated statement of operations in the year in which it is used for a specific purpose.

(j) POST-EMPLOYMENT BENEFITS

The contributions to the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer defined benefit plan, are expensed when contributions are due.

2. CASH

The Township of Wellington North has an undrawn credit facility of \$3,678,000 for operating purposes.

The township's deposits are held with a Canadian Chartered Bank. The Canadian Deposit Insurance Corporation insures deposits up to a maximum of \$100,000 per depositor.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

3. LONG-TERM RECEIVABLES

	2012	2011
Sewer loans, 6%, various repayment amounts, due in 2014 - 2018	\$ 136,754	\$ 331,726
Township of Southgate for the Mount Forest and Area Sports Complex, repayable in annual principal payments of \$100,925, 0%, due January 1, 2016	403,700	504,625
Medical clinic loan, 6.92%, monthly payments of \$4,993 principal and interest, due November 2012	0	247,451
Playground loan, 0%, repayable in annual principal payments of \$10,000, due 2014	20,000	0
Tile drainage loans, 8% or 6%, various repayments, due 2013 to 2022	<u>803,334</u>	<u>1,064,924</u>
	<u>\$ 1,363,788</u>	<u>\$ 2,148,726</u>

4. INVESTMENT IN WELLINGTON NORTH POWER INC.

Wellington North Power Inc. is a corporation incorporated under the laws of the Province of Ontario and provides municipal electrical services. The Corporation of the Township of Wellington North owns 96.79% of the outstanding shares of Wellington North Power Inc.

The following summarizes the financial position and operations of the government business enterprise which has been reported in these financial statements using the modified equity method:

	2012	2011
Investment in common shares	\$ 1,585,016	\$ 1,585,016
Note receivable on demand, interest at 4.41%	985,016	985,016
Share of accumulated net income	<u>909,580</u>	<u>889,655</u>
	<u>\$ 3,479,612</u>	<u>\$ 3,459,687</u>

During 2012, the Corporation of the Township of Wellington North received interest of \$ 47,970 (2011 - \$ 67,293) from Wellington North Power Inc.

The following is selected financial information from the December 31, 2012 audited financial statements of Wellington North Power Inc.

	2012	2011
Assets	<u>\$ 8,543,636</u>	<u>\$ 8,654,924</u>
Liabilities	<u>\$ 5,929,670</u>	<u>\$ 6,101,176</u>
Equity	<u>2,613,966</u>	<u>2,553,748</u>
	<u>\$ 8,543,636</u>	<u>\$ 8,654,924</u>
Revenues	\$11,791,878	\$10,934,603
Expenses	<u>11,771,275</u>	<u>11,026,387</u>
Net income (loss) for the year	<u>\$ 20,603</u>	<u>\$ (91,784)</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

5. LONG TERM DEBT

The balance of long term liabilities on the Consolidated Statement of Financial Position is made up of the following:

	2012	2011
Tile drainage loans payable, 8% or 6%, due from 2013 to 2022	\$ 803,334	\$ 1,064,924
Loan payable, 6.92%, payable \$4,993 per month, principal and interest, due November 2012	0	247,451
Debenture payable, 5.84%, payable \$128,114 semi-annually, principal and interest, due August 2024	2,188,498	2,311,505
Debenture payable, 4.858%, payable \$191,153 semi-annually, principal and interest, due December 2017	1,679,138	1,969,259
Debenture payable, 3.85% increasing to 5%, principal repayments annually at declining rate, due July 2018	1,574,000	1,685,000
Debenture payable, 1.65% increasing to 4.90%, principal repayments annually at declining rate, due February 2019	1,683,000	1,791,000
Debenture payable, 1.60% increasing to 4.85%, principal repayments annually at declining rate, due June 2020	<u>2,243,000</u>	<u>2,373,000</u>
	<u>\$10,170,970</u>	<u>\$11,442,139</u>

Principal repayments, in aggregate, are due as follows:

2013	\$ 921,183
2014	950,941
2015	994,439
2016	1,023,659
2017	1,069,359
Thereafter	<u>5,211,389</u>
	<u>\$10,170,970</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

6. OTHER INCOME

	2012	2011
Penalties and interest on taxation	\$ 197,989	\$ 192,624
Miscellaneous	44,511	0
Other fines and penalties	1,205	2,434
Investment income	198,027	172,413
Rents, concessions and franchises	366,125	318,634
Donations	85,766	68,460
Sale of land and other assets	(4,487)	32,350
Prepaid special charges	189,103	32,864
Government business enterprise	<u>19,925</u>	<u>(88,837)</u>
	<u>\$ 1,098,164</u>	<u>\$ 730,942</u>

7. BUDGET AMOUNTS

The budgeted figures are presented for comparison purposes as prepared and approved by council, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed by the auditor. The budget figures have been adjusted from the cash basis of accounting as originally prepared, and restated to conform to the accrual basis of accounting.

8. PENSION AGREEMENTS

The Township makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of 34 members of its staff. This plan is a defined benefit plan which specifies the amount of the retirement entitlement to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The employer amount contributed to OMERS for 2012 by the Township was \$185,960 (2011 - \$148,499). The contribution rate for 2012 was 8.3% to 13.9% depending on age and income level (2011 - 7.4% to 14.1%). OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the township does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2012. At that time the plan reported a \$8.4 billion actuarial deficit (2011 - \$9.4 billion actuarial deficit), based on accrued pension obligations of \$69.1 billion (2011 - \$64.5 billion) and net assets available for benefits of \$60.7 billion (2011 - \$55.1 billion). Ongoing adequacy of the current contribution rate will need to be monitored as the recent severe decline in the financial markets may lead to increased future funding requirements.

9. OPERATIONS OF THE SCHOOL BOARDS AND THE COUNTY OF WELLINGTON

During the year, the following taxation revenue was raised and remitted to the school boards and County of Wellington:

	2012	2011
School Boards	\$ 3,302,035	\$ 3,329,812
County of Wellington	<u>7,272,928</u>	<u>7,140,684</u>
	<u>\$ 10,574,963</u>	<u>\$ 10,470,496</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

10. TRUST FUNDS

The trust funds administered by the township amounting to \$287,508 (2011 - \$273,419) have not been included in the statement of financial position, nor have the operations been included in the statement of financial activities.

11. DEFERRED REVENUE

	DEC 31/11	CONTRIBUTIONS RECEIVED	INVESTMENT INCOME	REVENUE RECOGNIZED	DEC 31/12
OBLIGATORY RESERVE FUNDS					
Development charges	\$ 892,502	\$ 469,564	\$ 16,038	\$ (42,232)	\$ 1,335,872
Recreational land	29,163	6,000	427	0	35,590
Gas tax	<u>220,838</u>	<u>342,793</u>	<u>2,133</u>	<u>(388,080)</u>	<u>177,684</u>
	1,142,503	818,357	18,598	(430,312)	1,549,146
OTHER					
Municipal roads and bridges	472,121	0	0	(49,379)	422,742
Other	<u>16,364</u>	<u>0</u>	<u>0</u>	<u>(1,064)</u>	<u>15,300</u>
	<u>\$1,630,988</u>	<u>\$818,357</u>	<u>\$ 18,598</u>	<u>\$ (480,755)</u>	<u>\$1,987,188</u>

12. TANGIBLE CAPITAL ASSETS

	Net 2012	Net 2011
General		
Land and land improvements	\$ 4,500,209	\$ 4,345,540
Buildings	13,920,943	14,106,138
Machinery and equipment	23,484,851	24,294,714
Vehicles	2,862,804	2,751,896
Infrastructure		
Roads	48,379,751	50,020,849
Bridges and culverts	1,822,161	1,884,363
Water works and sanitary sewer	<u>20,116,529</u>	<u>20,258,259</u>
	<u>\$115,087,248</u>	<u>\$117,661,759</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

13. SEGMENTED INFORMATION

The Corporation of the Township of Wellington North is a diversified municipal government institution that provides a wide range of services to its citizens such as police, fire, sewer, water, waste collection, disposal and recycling, recreational, library and planning. Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

General Government

This item relates to the revenues and expenses that relate to the governance and operations of the municipality itself and cannot be directly attributed to a specific segment.

Protection to Persons and Property

Protection is comprised of police services, fire protection, conservation authority, emergency measures, animal control and building and structural inspection. The police services ensure the safety and protection of the citizens and their property. The fire department is responsible to provide fire suppression service, fire prevention programs, training and education. The members of the fire department consist of volunteers. The building department provides a number of services including maintenance and enforcement of building and construction codes and review of all property development plans through its application process.

Transportation

Transportation is responsible for construction and maintenance of the township's roadways, bridges, parking areas and streetlights.

Environmental Services

This service provides the township's drinking water. They process and clean sewage and ensure the township's water systems meets all Provincial standards.

Health

Health services includes contributions to the operations of local cemeteries.

Recreation and Cultural Services

This service area provides services meant to improve the health and development of the township's citizens. The township operates and maintains parks, arenas, a swimming pool and community centres. The township also provides recreational programs.

Planning and Development

This department is responsible for planning and zoning, including the Official Plan. This service area also includes tourist information and promotion, economic development, business improvement area and drainage.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
 SCHEDULE OF SEGMENTED DISCLOSURE
 FOR THE YEAR ENDED DECEMBER 31, 2012

	General Government	Protection Services	Transportation Services	Environmental Services	Health Services	Recreation and Cultural Services	Planning and Development	2012	2011
EXPENSES									
Salaries and benefits	\$ 796,175	\$ 554,591	\$ 1,061,135	\$ 519,673	\$ 15,910	\$ 737,505	\$ 72,302	\$ 3,757,291	\$ 3,581,112
Materials	364,875	532,715	1,988,450	1,045,979	13,149	642,484	327,585	4,915,237	6,875,678
Contracted services	0	0	0	417,077	0	0	28,224	445,301	389,035
Rents and financial expenses	97,390	0	0	0	0	0	0	97,390	84,653
Interest on long term debt	4,995	0	15,497	214,138	0	249,504	68,537	552,671	592,510
Amortization	55,001	132,707	2,927,522	1,163,434	2,036	328,790	0	4,609,490	4,842,906
Other	8,707	0	0	0	0	0	0	8,707	432,169
	<u>\$ 1,327,143</u>	<u>\$ 1,220,013</u>	<u>\$ 5,992,604</u>	<u>\$ 3,360,301</u>	<u>\$ 31,095</u>	<u>\$ 1,958,283</u>	<u>\$ 496,648</u>	<u>\$ 14,386,087</u>	<u>\$ 16,798,063</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Land	Buildings	Machinery and Equipment	Vehicles	Roads	Bridges and Culverts	Water works/ Sanitary sewer	2012	2011
COST									
Balance, beginning of year	\$ 4,789,088	\$ 17,975,225	\$ 31,836,513	\$ 5,714,338	\$127,626,957	\$ 4,422,861	\$ 26,528,304	\$ 218,893,286	\$ 216,179,930
Additions during the year	167,213	181,827	254,056	427,386	864,356	0	148,221	2,043,059	3,009,209
Disposals during the year	0	0	(48,189)	(40,402)	0	0	0	(88,591)	(295,853)
Balance, end of year	<u>4,956,301</u>	<u>18,157,052</u>	<u>32,042,380</u>	<u>6,101,322</u>	<u>128,491,313</u>	<u>4,422,861</u>	<u>26,676,525</u>	<u>220,847,754</u>	<u>218,893,286</u>
ACCUMULATED AMORTIZATION									
Balance, beginning of year	443,548	3,869,087	7,541,799	2,962,442	77,606,108	2,538,498	6,270,045	101,231,527	96,677,885
Amortization for the year	12,544	367,022	1,063,919	308,398	2,505,454	62,202	289,951	4,609,490	4,842,905
Accum amortization on disposals	0	0	(48,189)	(32,322)	0	0	0	(80,511)	(289,263)
Balance, end of year	<u>456,092</u>	<u>4,236,109</u>	<u>8,557,529</u>	<u>3,238,518</u>	<u>80,111,562</u>	<u>2,600,700</u>	<u>6,559,996</u>	<u>105,760,506</u>	<u>101,231,527</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS									
	<u>\$ 4,500,209</u>	<u>\$ 13,920,943</u>	<u>\$ 23,484,851</u>	<u>\$ 2,862,804</u>	<u>\$ 48,379,751</u>	<u>\$ 1,822,161</u>	<u>\$ 20,116,529</u>	<u>\$ 115,087,248</u>	<u>\$ 117,661,759</u>

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$165,227 (2011 - \$312,219)

No contributed capital assets were recognized in the financial statements during the year.

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
 SCHEDULE OF ACCUMULATED SURPLUS
 FOR THE YEAR ENDED DECEMBER 31, 2012

	2012	2011
SURPLUSES		
Invested in tangible capital assets		
Tangible capital assets at cost less amortization	\$115,087,248	\$117,661,759
Unexpended capital financing	1,126,058	711,113
Capital assets financed by long-term liabilities and to be funded in future periods	<u>(9,367,636)</u>	<u>(10,129,764)</u>
	106,845,670	108,243,108
 General surplus	130,945	7,815
Investment in Wellington North Power Inc.	3,479,612	3,459,687
Water	(306,429)	(809,973)
Wastewater	2,396,065	1,848,990
Cemeteries	51,371	38,944
Recreation, community centres and arenas	(8,077)	(8,077)
Streetlighting	1,804	(20,131)
Business Improvement Areas	<u>(48,993)</u>	<u>(60,753)</u>
	<u>112,541,968</u>	<u>112,699,610</u>
 RESERVE FUNDS		
Capital purposes	<u>4,277,911</u>	<u>4,319,998</u>
 RESERVES		
Working funds	1,140,154	1,141,035
Current purposes	105,398	11,000
Capital purposes	<u>969,160</u>	<u>643,752</u>
	<u>2,214,712</u>	<u>1,795,787</u>
	<u>\$119,034,591</u>	<u>\$118,815,395</u>

INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of: The Corporation of the Township of Wellington North

Report on the Financial Statements

We have audited the accompanying statement of financial position of the trust fund and continuity of The Corporation of the Township of Wellington North as at December 31, 2012, for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the trust funds of The Corporation of the Township of Wellington North as at December 31, 2012 for the year then ended in accordance with Canadian public sector accounting standards.

Fergus, Ontario

Chartered Accountants
Licensed Public Accountants

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH - TRUST FUNDS
 STATEMENT OF FINANCIAL POSITION AND CONTINUITY
 AS AT DECEMBER 31, 2012

	Subdividers	Cemetery Care and Maintenance	History Books
STATEMENT OF FINANCIAL POSITION			
Assets			
Cash	\$ 2,277	\$ 225,192	\$ 7,604
Investments	0	42,561	0
Due from Township	0	8,819	0
Accrued interest	<u>0</u>	<u>1,055</u>	<u>0</u>
Fund balance	\$ <u>2,277</u>	\$ <u>277,627</u>	\$ <u>7,604</u>
STATEMENT OF CONTINUITY			
Balance, beginning of year	\$ <u>2,249</u>	\$ <u>263,660</u>	\$ <u>7,510</u>
Receipts			
Interest earned	28	277	94
Share of plot sales	0	12,340	0
Monument fees	<u>0</u>	<u>1,350</u>	<u>0</u>
	<u>28</u>	<u>13,967</u>	<u>94</u>
Balance, end of year	\$ <u>2,277</u>	\$ <u>277,627</u>	\$ <u>7,604</u>

THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH - TRUST FUNDS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the trust funds of The Corporation of the Township of North Wellington are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs and Housing and Canadian public sector accounting standards. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) **BASIS OF ACCOUNTING**

- (i) Sources of financing and expenditures are reported on the accrual basis of accounting.
- (ii) The accrual basis of accounting recognizes revenues as they become available and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

2. INVESTMENTS

Total investments of \$42,561 (2011 - \$59,579) reported on the statement of financial position at cost have a market value of \$43,616 (2011 - \$60,359).

Mr. McLellan would like to discuss the cost that is being charged for the Plume room rental for the blue line club. Also if the township is willing to assist in any sort of funding or donation to the team or assist in promoting of the team. It's a non-profit team that takes at least \$100,000 a year to operate. Jamie stepped in to help the team grow 5 or 6 years ago and the team is doing better, the crowds are finally doing better, however the financial impact is huge and extremely difficult for one person to be responsible for.

Thank you,

Pam

Pamela McLellan-Zmija c.i.m

Office 519-323-2000 or 1-866-565-5513 Cell 519-323-7987

PO Box 358 695 Queen Street West Mount Forest ON N0G 2L0

Cathy Conrad

From: Donna Bryce [donnab@wellington.ca]
Sent: August 22, 2013 3:10 PM
To: Cathy Conrad
Subject: FW: not a willing host resolution

Hi Cathy,

Below is the motion our council passed. Note the fourth paragraph has the phrase "County of Wellington supports its lower tier municipalities that pass a resolution that they are not willing hosts". This was added at the meeting.

Whereas the County of Wellington has requested the Government of Ontario through the Ministry of the Environment issue a moratorium on wind energy projects until a health study has been completed by an independent third party; and

Whereas the Premier of Ontario has recently conveyed the Government's desire to limit Industrial Wind Turbine (IWT) Projects to communities that are willing hosts;

Now therefore be it resolved that the Council for the County of Wellington applauds the position taken by the Premier and the Government; and

That based on the consistent position of the County of Wellington and the input received from the community regarding IWTs, the Province of Ontario and specifically the Ministry of Environment be now advised that the County of Wellington supports its lower tier municipalities that pass a resolution that they are not willing hosts for IWTs; and

That this resolution be circulated to Premier Kathleen Wynne, as well as to the Minister of the Environment, Minister of Energy, and Minister of Rural Affairs for their support and endorsement.

Donna

Donna Bryce
County Clerk
County of Wellington
74 Woolwich Street
Guelph ON N1H 3T9
B: (519) 837-2600, ext. 2520
M: (226) 979-5827
E: donnab@wellington.ca
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1 John Street, P.O. Box 39
Killaloe, ON K0J 2A0
Telephone: (613)757-2300 – Fax: (613)757-3634
email: info@khrtownship.ca
www.killaloe-hagarty-richards.ca

June 19, 2013

Premier Kathleen Wynne
795 Eglinton Ave East
Toronto, Ontario
M4G 2K9

RE: Toronto Transit

Council for the Township of Killaloe, Hagarty and Richards discussed an article which appeared in the Toronto Star regarding Premier Kathleen Wynne's comments on raising taxes or fees to fund improved transit for the GTA and Hamilton.

Moved by Carl Kuehl
Seconded by Stanley Pecoskie

THAT WHEREAS the Province of Ontario has downloaded many Provincial highways and other services such as policing, which are clearly a Provincial responsibility, to municipal governments;

AND WHEREAS this downloading of Provincial services to the local level has created financial hardship for municipal ratepayers;

AND WHEREAS there is no guaranteed, sustainable Provincial funding, regardless of the financial impact of these downloaded services on municipal governments, many of which have seen a significant reduction in Provincial funding;

THEREFORE BE IT RESOLVED THAT the Council for the Township of Killaloe, Hagarty and Richards is vehemently opposed to any plan by the Provincial government that increases the financial burden on municipal ratepayers in rural Ontario by subsidizing the transit system for the GTA;

AND FURTHER THAT a copy of this resolution be forwarded to Premier Kathleen Wynne, the Honourable Glen Murray, Minister of Transportation, Renfrew-Nipissing-Pembroke MPP John Yakabuski, and all municipalities in Ontario. Carried.

Should you have any questions or require further information, please feel free to this office.

Yours truly,


Susan Sheridan, CMO, CEMC
Deputy CAO Clerk-Treasurer

SS/dcao

cc: Honourable Glen Murray, Minister of Transportation
MPP John Yakabuski
All municipalities in Ontario

MUNICIPALITY OF MORRIS-TURNBERRY

P.O. Box 310, 41342 Morris Road, Brussels, Ontario N0G 1H0
Tel: 519-887-6137 Fax: 519-887-6424 Email: nmichie@morristurnberry.ca



Nancy Michie
Administrator Clerk-Treasurer

July 4, 2013

The Honourable Kathleen Wynne
Premier of Ontario,
Legislative Building,
Queen's Park,
TORONTO, ON M7A 1A1

RE: Toronto Transit

The Council of the Municipality of Morris-Turnberry has reviewed the resolution from the Corporation of the Township of Killaloe, Hagarty and Richards and have fully supported and endorsed the resolution.

Motion # 276-2013 Moved by Jamie McCallum Seconded by Jamie Heffer

"That the following resolution be supported and endorsed:

THAT the Council for the Municipality of Morris-Turnberry hereby supports and endorses the resolution from the Township of Killaloe-Hagarty-Richards, in regards to Toronto Transit, and is opposed to any plan by the Provincial government that increases the financial burden on municipal ratepayers in rural Ontario by subsidizing the transit system for the GTA;

AND FURTHER THAT a copy of this resolution be forward to Premier Kathleen Wynne, the Honourable Glen Murray, Minister of Transportation, Huron-Bruce MPP Lisa Thompson, and all municipalities in Ontario."

Disposition Carried.

Should you have any questions or require further information, please feel free to contact this office.

Yours Truly,

A handwritten signature in black ink, appearing to read 'Nancy Michie', is written over a horizontal line.

Nancy Michie

cc; Honourable Glen Murray, Minister of Transportation
MPP Lisa Thompson
All Municipalities in Ontario



1 John Street, P.O. Box 39
Killaloe, ON K0J 2A0
Telephone: (613)757-2300 -- Fax: (613)757-3634
email: info@khrtownship.ca
www.killaloe-hagarty-richards.ca

June 19, 2013

Premier Kathleen Wynne
795 Eglinton Ave East
Toronto, Ontario
M4G 2K9

RE: Toronto Transit

Council for the Township of Killaloe, Hagarty and Richards discussed an article which appeared in the Toronto Star regarding Premier Kathleen Wynne's comments on raising taxes or fees to fund improved transit for the GTA and Hamilton.

Moved by Carl Kuehl
Seconded by Stanley Pecoskie

THAT WHEREAS the Province of Ontario has downloaded many Provincial highways and other services such as policing, which are clearly a Provincial responsibility, to municipal governments;

AND WHEREAS this downloading of Provincial services to the local level has created financial hardship for municipal ratepayers;


AND WHEREAS there is no guaranteed, sustainable Provincial funding, regardless of the financial impact of these downloaded services on municipal governments, many of which have seen a significant reduction in Provincial funding;

THEREFORE BE IT RESOLVED THAT the Council for the Township of Killaloe, Hagarty and Richards is vehemently opposed to any plan by the Provincial government that increases the financial burden on municipal ratepayers in rural Ontario by subsidizing the transit system for the GTA;

AND FURTHER THAT a copy of this resolution be forwarded to Premier Kathleen Wynne, the Honourable Glen Murray, Minister of Transportation, Renfrew-Nipissing-Pembroke MPP John Yakabuski, and all municipalities in Ontario. Carried.

Should you have any questions or require further information, please feel free to this office.

Yours truly,


Susan Sheridan, CMO. CEMC
Deputy CAO Clerk-Treasurer

SS/dcao

cc: Honourable Glen Murray, Minister of Transportation
MPP John Yakabuski
All municipalities in Ontario

MUNICIPALITY OF MORRIS-TURNBERRY

P.O. Box 310, 41342 Morris Road, Brussels, Ontario N0G 1H0
Tel: 519-887-6137 Fax: 519-887-6424 Email: nmichie@morristorynberry.ca



Nancy Michie
Administrator Clerk-Treasurer

July 2, 2013

The Honourable Kathleen Wynne
Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Re: Motion of Not a "Willing Host" for Wind Turbine Development

Dear Premier,

Please be advised that the Municipality of Morris-Turnberry met at their regular session of Council on June 18, 2013 at which time Council passed the attached resolution that we are "Not a Willing Host" community for Industrial Wind Turbine Projects.

As representatives for our constituents it is important that we speak on their behalf and advise you that we have concerns with the potential health effects of wind turbine developments, and we do not support the building of industrial wind turbines in the Municipality of Morris-Turnberry.

We are forwarding our motion to all Ontario Municipalities, the Minister of Environment, Minister of Energy, Minister of Rural Affairs, and the local MPP, for their support and endorsement.

Should you have any questions in regards to the resolution I may be contacted at the Municipal Office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nancy Michie', is written over a faint, stylized graphic that resembles a large, abstract letter 'M' or a set of wings.

Nancy Michie, Administrator Clerk Treasurer
Municipality of Morris-Turnberry

MUNICIPALITY OF MORRIS-TURNBERRY

DATE: July 2, 2013
MOTION # 277-2013

MOVED BY: John Smuck

SECONDED BY: Dave Baker

WHEREAS the Premier of Ontario has recently conveyed the Governments desire to limit Industrial Wind Turbine (IWT) projects to communities that are willing hosts;

AND WHEREAS the Municipality of Morris-Turnberry has concerns with the installation and operation of industrial wind turbines in their neighbourhoods and areas where people work.

AND WHEREAS the Municipality, accordingly, supports the position taken by a number of other rural Ontario municipalities that the Province should impose a moratorium on the approval of wind energy projects until clear evidence is provided ruling out health impacts;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Municipality of Morris-Turnberry urges the Premier and the Government to take action to limit projects only to those communities that are "Willing Hosts";

AND FURTHER THAT, the Province of Ontario and more specifically the Ministry of Environment be advised that the Municipality of Morris-Turnberry is "NOT A WILLING HOST" for Industrial Wind Turbines (IWTs).

AND FURTHER THAT this resolution be circulated to Premier Kathleen Wynne, as well as to the Minister of Environment, Minister of Energy, Minister of Rural Affairs, the local MPP, and to all Ontario Municipalities for their support and endorsement.

Disposition: Carried



TOWNSHIP OF WARWICK

"A Community in Action"

6332 Nauvoo Road, R.R. #8, Watford, ON N0M 2S0

Twp. Office: (519) 849-3926
Toll Free: 1-877-849-3926
Fax: (519) 849-6136

E-MAIL: info@warwicktownship.ca
WEBSITE: www.warwicktownship.ca

Works Dept: (519) 849-3923
Arena: (519) 876-2808

July 4, 2013

All Ontario Municipalities

RE: Motion of "Not a Willing Host Community" for Industrial Wind Turbine (IWT) Projects

Dear Ontario Municipal Clerks and Councils:

Please be advised that the Council of the Township of Warwick met at their regular session of Council on June 26th, 2013 at which time Council passed the attached resolution stating that Warwick is "Not a Willing Host" community for Industrial Wind Turbine (IWT) projects.

We are forwarding our motion (attached) on to all Ontario municipalities, the Minister of Environment, Minister of Energy, Minister of Rural Affairs, and our local MPP Monte McNaughton, for their support and endorsement.

Kindest Regards,

Amanda Gubbels, Deputy Clerk/Deputy Administrator
Township of Warwick

Cc: Jim Bradley, Minister of Environment
Bob Chiarelli, Minister of Energy
Jeff Leal, Minister of Rural Affairs
Monte McNaughton, MPP Lambton-Kent-Middlesex
All Ontario Municipalities



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**Moved by J. Couwenberg
Seconded by J. Westgate**

WHEREAS the Premier of Ontario has recently conveyed the Governments desire to limit Industrial Wind Turbines (IWT) Projects to communities that are willing hosts;

AND WHEREAS Warwick Township Council applauds the position of taken by the Premier and the Government;

AND WHEREAS Warwick Township Council has outlined their concerns on Industrial Wind Turbine and renewable energy projects in Ontario in a resolution dated November 14, 2012 which forms an integral part of this resolution:

WHEREAS the Province of Ontario has enacted the Green Energy Act (2009) as the framework for facilitation and approval of renewable energy projects within Ontario including Industrial Wind Turbines, Solar projects, and Fit programs.

WHEREAS the Township of Warwick residents have expressed concerns on the Industrial Wind Turbines and health impacts of renewable energy projects;

WHEREAS the Township of Warwick has one of the largest landfills in Ontario (Twin Creeks Landfill-Waste Management) with excess energy capacity; and the Township of Warwick is working with Waste Management to ensure grid capacity is available for energy from methane resources to enter grid capacity;

WHEREAS the Township of Warwick met with Minister Brad Duguid to be proactive and relay its residents concerns as well as request clarification to the economic impacts of the Samsung agreement and available grid capacity for Southwestern Ontario;

WHEREAS Minister Brad Duguid referred the Township of Warwick to Hydro One to confirm grid capacity for the Municipality to no avail,

WHEREAS the Township of Warwick has requested formal meetings and responses with the Ministry of Energy Minister Chris Bentley to continue earlier discussions and requests previously presented to the government;

WHEREAS Township of Warwick has been unsuccessful in being provided with the opportunity to speak to the government in regards to the Green Energy Act(2009);



TOWNSHIP OF WARWICK

"A Community in Action"

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WHEREAS more than 88 municipalities thorough Ontario have passed resolutions, motions and by-laws expressing concerns with the Green energy Act (2009);

WHEREAS more than 25% of Ontario municipalities have expressed concerns with the way the government has implemented and managed the Green Energy Act (2009);

WHEREAS the health and welfare of Ontario residents has not been demonstrated in the Green Energy Act (2009);

WHEREAS the Township of Warwick supports a moratorium on all current and future projects under the Green Energy Act (2009) until the federal health study has been completed to the satisfaction that the health and well-being of the Township of Warwick citizens is protected from any negative health impacts.

NOW THEREFORE BE IT RESOLVED THAT the Government of Ontario formally address and is held accountable to all the issues of the Green Energy Act (2009). - Carried.

AND WHEREAS Warwick Township Council is very concerned that the Green Energy Act has substantially changed the rules for municipalities with respect to wind farm developments by removing municipal control over development application though the traditional zoning requirements under the planning act approvals for wind project developments are not controlled by the Minister of Environment through the Renewable Energy Approval process, a legislative development that the Council strongly opposes;

AND WHEREAS Section 41 of the Electricity Act requires that a municipality provide wind project developers without charge access to and use of its road for both construction and maintenance of its turbines and electrical infrastructure, including transmission lines;

AND WHEREAS future jobs of Ontario are going to hinge on efficient energy costs, by subsidizing the cost of energy by these wind projects, we are limiting future growth in Ontario;

NOW THEREFORE BE ITS RESOLVED THAT the province of Ontario, specifically the Ministry of Environment, be now advised that the Township of Warwick is Not a Willing Host for Industrial Wind Turbines;



TOWNSHIP OF WARWICK

"A Community in Action"

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Works Dept: (519) 849-3923
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AND THAT this resolution be circulated to Premier Kathleen Wynne, as well as the Minister of Environment, Minister of Energy, Minister of Rural Affairs and to all Ontario municipalities for their support and endorsement.

- Carried.

Motion 18 – June 26, 2013

COPY



Honourable Kathleen Wynne, MPP, Premier
Room 281 Legislative Building
Queen's Park
Toronto, ON M7A 1A1

July 4, 2013

Dear Premier:

Please be advised that the Corporation of the Town of Minto passed the following resolution at its July 2, 2013 meeting:

WHEREAS the Town of Minto supports the Township of Centre Wellington and County of Wellington who have requested the Government of Ontario through the Ministry of the Environment issue a moratorium on wind energy projects until a health study has been completed by an independent third party;

AND WHEREAS the Premier of Ontario has recently conveyed the Government's desire to limit Industrial Wind Turbine (IWT) Projects to communities that are willing hosts;

NOW THEREFORE BE IT RESOLVED THAT the Council for the Town of Minto applauds the position taken by the Premier and the Government;

AND THAT based on the consistent position of Council for the Township of Centre Wellington and the County of Wellington and the input received from the community regarding IWTs, the Province of Ontario and specifically the Ministry of Environment be now advised that the Town of Minto is not a "willing host" for IWTs;

AND THAT this resolution be circulated to Premier Kathleen Wynne, as well as to the Minister of Environment, Minister of Energy, and Minister of Rural Affairs for their support and endorsement.

I would be pleased to discuss this issue with you at any time.

Sincerely,

Mayor George Bridge
Town of Minto
5941 Highway #89
Harriston, Ontario
N0G 1Z0

tel: 519-338-2511
fax: 519-338-2005

www.town.minto.on.ca

cc. Minister's noted, Hon. Randy Pettapiece, MPP Hon. Ted Arnott, MPP,
Email cc. County of Wellington, Wellington County Lower Tier Municipalities

July 8th, 2013

To: *Wellington North Council*
Mayor Ray Tout
Councillor Dan Yake
Councillor Sherry Burke
Councillor Mark Goetz
Councillor Andy Lennox

Subject: *R.E.S. Wind Turbine Project Wellington North, Southgate.*

Mr. Mayor and Councillors,

I have now had an opportunity to speak in person with each of you and I appreciate and thank you for the time you have given me.

I am now putting my concerns in writing to again emphasize that I was contacting each of you to firmly tell you that my husband and myself are absolutely against wind turbines in Wellington North where we live and, in neighbouring Southgate. In fact, not anywhere in Ontario.

We are not alone in our objection and I have encouraged many people to contact you as well. In discussion the comment has been made among us that none of us have encountered anyone who is in favor. That leads me to believe that several of the signatories with R.E.S. are not residents of this area. Yes, they own the land but they live in another community, Toronto perhaps. If that is the case, the \$1 million dollars per year generated to the landowners will not likely be spent in this area and the landowners do not have to suffer the repercussions of living with wind turbines.

As to the \$215,000 added to the tax base; that will be eroded very quickly now that the R.E.S. project has become so open. Our property values are likely falling right now due to apprehension and will probably be reduced by half if this project is allowed to go through. Is that the legacy you want constituents to remember?

Another issue I have with Gabriel Durany, the project manager for R.E.S. is that when asked by my councillor, Sherry Burke, about public concerns raised about turbine development locally, Durany replied "I wouldn't say unfavourable". We and others have clearly told him we are not in favour and when he asked me what we

would do if the project goes through and I told him we would fight it. What else is he not telling you?

We as tax payers must also be ever mindful of the fact that Ontario is in a surplus power situation and in the first 6 months of this year has stopped generating hydro at a cost to taxpayers of \$62 million.

I respectfully request that at your next council meeting Wellington North Councillors put forward, and accept the motion as 56 other municipalities already have, that being, that **Wellington North is not a Willing Host to Wind Turbines.**

Regards,

Cynthia Baltoumas,
7760 Sideroad 2 East,
RR 2
Kenilworth,
NOG 2E0
519-323-3173
baltoumas@sympatico.ca

TOWNSHIP OF WELLINGTON NORTH
Regular Meeting of Council

MOVED BY: _____ DATE: September 9, 2013

SECONDED BY: _____ RES. NO.: _____

THAT the Council of the Corporation of the Township of Wellington North supports the Township of Centre Wellington and County of Wellington who have requested the Government of Ontario, through the Ministry of the Environment, issue a moratorium on wind energy projects until a health study has been completed by an independent third party;

AND WHEREAS the Premier of Ontario has recently conveyed the Government's desire to limit Industrial Wind Turbine (IWT) Projects to communities that are willing hosts;

NOW THEREFORE BE IT RESOLVED THAT the Council of the Township of Wellington North applauds the position taken by the Premier and the Government;

AND THAT based on the consistent position of Council for the Township of Centre Wellington and the County of Wellington and the input received from the community regarding Industrial Wind Turbines, the Province of Ontario and specifically the Ministry of Environment be now advised that the Township of Wellington North is not a "willing host" for Industrial Wind Turbines;

AND THAT this resolution be circulated to Premier Kathleen Wynne, as well as to the Minister of Environment, Minister of Energy, and Minister of Rural Affairs for their support and endorsement.

MAYOR _____

☐

CARRIED

☐

DEFEATED



Township of Wellington North

P.O. Box 125 • 7490 Sideroad 7 W • Kenilworth • ON • N0G 2E0

Business Economic Manager Report

TO: Mayor and Members of Council

FROM: Dale Small, Business Economic Manager

Date: September 5th, 2013

RE: Wind Energy

1. BACKGROUND INFORMATION:

In the spring of 2008 the Wellington North Wind Energy Advisory Committee was formed to create Municipal Guidelines for the submission of wind energy applications. These guidelines were subsequently provided to the County and on July 23rd 2008 Wellington County Council passed OP amendment 62 incorporating the Wellington North guidelines into the amendment.

These guidelines were received by Wellington North council on October 27th, 2008 and came into effect at that time. Utilizing these guidelines the council of the Township of Wellington North passed a zoning by-law in April 2009 for the development of the Arthur Wind Farm and in May 2010 Schneider Power commenced construction.

The Arthur Wind Farm, located on private farmland on Line 2 just outside of Arthur, was commissioned/went into operation in January 2011 and is comprised of five Enercon wind turbines with a combined generating capacity of 10 Megawatts. The energy produced by this wind farm can supply approximately 12,000 people.

In May 2009 the Ontario Green Energy Act was created to expand renewable energy generation and to promote clean energy. The Green Energy Act took precedent over any local policy and also significantly reduced/eliminated the majority of Municipal involvement in the process. Feed-In-Tariff, F.I.T. guidelines were created by the province to assist renewable energy generators in submitting applications.

In August 2012 the updated F.I.T. 2.0 Program guidelines were released and it was at this point in time that we first started to see the Willing versus Non-Willing Host motions. The F.I.T. 2.0 Program awarded contracts based upon a point system. Favourable points were given to an application if it was endorsed by the Municipality within which the project was located and this applied to both Solar and Wind Energy projects.



Township of Wellington North

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During 2012 & 2013 Wellington North council approved local Municipal Support resolutions for five Solar Energy Projects. No requests have been received for Municipal Support Resolutions for local wind energy projects under the F.I.T. 2.0 Program. Council has however received a number of requests from other Municipalities asking for Wellington North to support their desire/resolution to be a non-willing host. Wellington North Council support to these resolutions simply means we support the local Municipality in making their own decision on being a willing or non willing host. It does not imply that Wellington North is a willing host nor does it imply we are a non willing host.

In May of 2013 the new Minister of Energy directed the Ontario Power Authority, (OPA) and the Independent Electricity System Operator, (IESO) to launch a province-wide consultation process and to work together to develop new guidelines and recommendations on improving how large energy projects are sited in Ontario. In June the Minister also announced that going forward the current F.I.T program for large energy projects would be replaced with a new competitive procurement process that would require working with Municipalities and Aboriginal communities to help identify appropriate locations and siting requirements.

Staff from both the Wellington North Municipal office and Wellington North Power attended a consultation session held in Guelph on June 27th. Written submissions to assist in developing the new procurement process were accepted until August 21st. The OPA will be providing an interim report later this month and it is expected that additional engagement activities will take place in the fall. Final details on the new procurement process are expected later this year and should be in place by Q1-2014.

2. RENEWABLE ENERGY SYSTEMS (RES) Canada

RES Canada was founded in 1982 and is a wholly-owned subsidiary of the Sir Robert MacAlpine Group. RES Canada is currently developing wind energy projects all across Canada and have developed and built two wind projects in Ontario. Greenwich and Chatham-Kent have a combined energy generation of 198 Megawatts.

RES Canada has been in the area since 2010 completing environmental studies, recording wind data, assessing transmission requirements and meeting with landowners. Currently, over 10,000 acres, representing 43 landowners, is under option in Southgate and Wellington North with approximately 1/3rd of the land under option being in Wellington North.

RES Canada does not have a Power Purchase Agreement (PPA) with the OPA and therefore the project is still considered to be in the preliminary development phase. As indicated above we do not believe the new procurement process will be in place until Q1-2014 and the usual time between PPA approval and project commissioning tends to be a minimum of 3 years.



Township of Wellington North

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An overview of the potential Economic impacts of the RES Wellington North-Southgate development, based on the Chatham Kent wind farm of similar size, is as follows:

- Project Size 100 – 130 Megawatts
- Project Costs \$285 Million; \$75 Million, approx. spent locally
- Tax Revenue \$215,000 + annually
- Community Benefit Fund \$ 35,000 + annually
- Landowner Payments \$1 Million
- Job Creation 300 during construction with 10-12 long term

3. PROVINCIAL OVERVIEW

The Ontario government finally appears to be committed to giving municipalities a stronger voice in decisions about renewable energy development and locations of future large scale wind energy projects.

In addition to the announcement in June 2013 to develop a new competitive procurement process for future large scale projects the province also announced the following to try and further strengthen municipal participation and support communities:

- Revisions to the Small FIT program rules for projects between 10kw and 500kw to give priority to projects that are partnered with or led by municipalities.
- A commitment to work with AMO and municipalities to determine a property tax assessment rate increase for wind turbine towers and further commitment that an announcement on this increase would come from the Minister of Finance later this year
- A commitment to provide funding to help small and medium sized municipalities to develop Municipal Energy Plans

4. COMMUNITY INVOLVEMENT

Community involvement, education and consultation are key components and requirements for many Economic Development programs and Wind Energy is no different. At our March 16th, 2011 Economic Development Committee meeting two local residents spoke to the committee about their concerns related to wind energy and a number of residents have recently contacted members of council and the Economic Development Committee to voice their



Township of Wellington North

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concerns over the RES Canada development. At the same time a few residents have also contacted the committee to voice their support to the Development.

All resident's views and concerns need to be discussed and addressed locally before any decision is made in regards to willing or non-willing host resolutions. There is no lack of data to either back-up the concerns if you are against wind-energy or to support your views if you are for wind energy. As a result ensuring the voice of our local residents is incorporated into our decision-making process is critical.

The common general concerns along with a brief description & overview is as follows:

- Erosion of property values: The general concern is that property values will fall in the surrounding area. Numerous reports have been published on this and a REMAX Market Trends Report released in Sept 2011 found rising agricultural property values in most Regions of Ontario, including Chatham Kent, where wind energy developments were occurring.
- Absentee Land Owners: The issue raised here is that some properties leased for wind development are owned by out-of-area landowners. The view is these owners have become disconnected from the land and are only interested in generating additional revenue off their land and that the annual landowner revenue payments will not be spent locally. In the Wellington North-Southgate project area 50% of land owners live on the property that has been put under option.
- Health Related concerns: The contention here is that wind turbines can adversely impact the health of individuals living in proximity to wind turbines. Cited causes tend to be from Noise, Shadow & Flicker Effects, Quality of Life, Ice Throw, etc.. These are concerns that need to be better understood locally, provincially and federally and we understand the long awaited Health Canada Study will be released in 2014. This report will better inform us of on any real health related issues from wind energy.
- Negatively impacts the aesthetics of the community: Many people simply do not like the aesthetic appearance and the impact it has on the look and feel of our agricultural country-side. On the other hand many people indicate they like the look of the turbines and the message it sends in terms of a community that is progressive and forward thinking.
- Green Energy Act: Many residents are not in support of the Provinces Green Energy Act, the incentives being paid for green energy projects and the impact this has on everyone's Hydro bill. While this is not something that is within our Municipal jurisdiction it is often mentioned.

Prior to supporting or not supporting any large scale wind project it will be absolutely critical to conduct local public meetings to ensure the views of all residents, positive and negative, are obtained and incorporated into the decision making process.



Township of Wellington North

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5. CONCLUSION

A lot is currently happening in the wind energy arena and through the Economic Development Committee we will continue to keep council current and up to date on the changes.

- The Ontario Government is openly talking about an enhanced Municipal Role in the new procurement process and to increasing Municipal Revenue.
- Until the new procurement process is approved later this year no new large scale wind projects will be approved. As RES Canada is still in the preliminary development phase they are at least 6 - 8 months away from application and at least three years away from any potential construction.
- The results of the long awaited Health Canada study, which is to be released in 2014, will likely be well known before any advanced wind energy development takes place in our Municipality.
- Prior to making any decision related to Wellington North being a willing or non-willing host it is absolutely critical that public consultation take place to ensure all residents' views are considered.

6. RECOMMENDATION

That the Business Economic Manager report dated September 5th, 2013 with regards to Wind Energy be received,

AND FURTHER THAT the Council of the Township of Wellington North re-establish the Wellington North Wind Advisory Committee to include local citizens, developers, Economic Development Committee members and elected officials.

AND FURTHER THAT the Wellington North Wind Advisory Committee establish a terms of reference for council approval that would include public consultations, review of municipal guidelines, and review of the new provincial procurement guidelines to assist the Township of Wellington North in finalizing a strategy for the support or non support of Wind Energy projects in our Municipality.



Township of Wellington North

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ACTING CAO/TREASURER'S REPORT TR2013-27

TO: Council

FROM: Mike Givens, Acting CAO/Treasurer

DATE: September 9, 2013

RE: Connecting Link Program

Background:

This is a follow-up to my original report to the Finance Committee (TR2013-17).

On June 10th the Township received a copy of a letter issued by Minister of Infrastructure Glen Murray to Mr. Randy Pettapiece, MPP. The letter indicates that "Specific funding for Connecting Links has been replaced by a more comprehensive approach to municipal infrastructure funding."

By eliminating the Connecting Link program, it seems clear that the Province's intent is to download full responsibility for these assets to municipalities. Up until this point, Connecting Link capital projects were funded 90% with Provincial funds and 10% Municipal Funds. The proposed \$100 million for small and rural municipalities to address critical infrastructure that was included in the 2013 budget will clearly not be sufficient to deal with the significant costs associated with maintaining Connecting Link roads and bridges. Obviously the Township of Wellington North does not have the financial wherewithal to maintain Connecting Links in addition to our other Township infrastructure without creating a significant financial burden on our ratepayers.

Points for Consideration:

- Wellington North maintains the connecting links in Arthur and Mount Forest. The province discontinued funding maintenance over ten years ago.
- As part of that ongoing maintenance both the Highway 6 and Highway 89 bridges require updated Ontario Structure Inspection Manual (OSIM) inspections by December 31, 2013.
- BM Ross has estimated the inspection costs for both bridges to be in the \$1600.00 range.

- BM Ross has completed some preliminary review work on the Highway 6 (Hopkins) bridge. The bridge continues to deteriorate and although “load limits” have not been applied on the bridge yet, without significant repairs load limit restrictions appear to be likely in the near future.
- The December 13, 2011 inspection of the Highway 6 Bridge indicated that repairs/rehabilitation were required in the next 1 to 5 years in excess of \$1 million at that time.
- Queen Street (Highway 89) will require significant work over the next few years. The township has not pursued any costing estimates with our engineers at this time but they will clearly dwarf the above noted bridge costs.
- During the recent Association of Municipalities of Ontario conference, the Mayor and Acting CAO were part of a delegation that included representatives from North Perth, Minto and MPP Randy Pettapiece. The delegation met with Kevin Flynn the Parliamentary Assistant to the Minister of Transportation, Minister of Infrastructure. During this meeting Mr. Flynn made reference to the Municipal Infrastructure Investment Initiative fund that the Township of Wellington North was not successful in receiving (Frederick Street Project). Additionally, Mr. Flynn asked if the Township had been part of the consultation with the Province on how the new \$100 million fund announced in the 2013 Provincial Budget is to be allocated. This fund is to be dedicated to small/rural municipalities but is not dedicated to Connecting Links.

Both the Town of Bancroft and the Township of Centre Wellington have passed resolutions asking the Province to consider reinstatement of the Connecting Link program.

Recommendation:

WHEREAS the Province of Ontario has cancelled the Connecting Links Program and said cancellation will have significant financial impacts on current and future capital budgets of all municipalities with Connecting Link Roads and Bridges;

AND WHEREAS roads and bridges in small rural municipalities are our sole transit system;

AND WHEREAS the Rick Hopkins Bridge Highway 6, Mount Forest, which is part of the Connecting Link network that serves Wellington North and the surrounding area requires significant capital funding for necessary repairs in order to remain open;

BE IT RESOLVED that the Township of Wellington North calls on the Provincial Government to reinstate the Connecting Link Funding program;



Township of Wellington North

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BE IT FURTHER RESOLVED THAT the Council of the Township of Wellington North distribute this resolution to the Honourable Premier Kathleen Wynne, Honourable Minister of Transportation and Infrastructure Glen Murray; the Honourable Minister of Rural Affairs Jeff Leal; the Honourable Minister of Municipal Affairs and Housing Linda Jeffrey; the Honourable Minister of Finance Charles Sousa, Provincial Member of the Ontario Legislature Randy Pettapiece and the Association of Municipalities of Ontario.



Township of Wellington North

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ACTING CAO/TREASURER'S REPORT TR2013-28

TO: Council

FROM: Mike Givens, Acting CAO/Treasurer

DATE: September 9, 2013

RE: Purchasing and Procurement Policy

Background:

On June 24th a Draft version of the Purchasing and Procurement Policy was reviewed by the Finance Committee. Subsequent to that Senior Staff reviewed the policy on July 22nd.

Following those meetings, I have made amendments to the policy to best suit the needs of the Township. I have highlighted the changes within the attached Final Version of the Policy for Council's review.

The policy is much more comprehensive than the existing policy in place. It is however acknowledged that the policy may not capture every possible purchasing scenario. It is felt that Senior Staff and Council can rely on the policy as a tool to protect and best serve the Township when making purchasing decisions.

A by-law will be included in the Agenda in order for Council to formally adopt the new purchasing and procurement policy.

Recommendation:

THAT report TR2013-28 is received;

AND FURTHER THAT the Council of the Township of Wellington North accept the Purchasing and Procurement Policy as presented.

PURCHASING AND PROCUREMENT POLICY

1. LEGISLATIVE AUTHORITY

The Municipal Act, 2001, c. 25 Part VI, s. 271 states that before January 01, 2005 a municipality shall adopt policies with respect to its procurement of goods and services.

2. PURPOSE OF THE POLICY

- a) To promote the most cost effective and efficient use of municipal funds and resources by acquiring the goods and services at the optimum quality, quantity, price, delivery and performance;
- b) To encourage open competitive bidding on all acquisition and disposal of goods and services where practical;
- c) Unless otherwise approved by Council, to purchase goods and services only as approved in the annual budgets;
- d) To obtain the most competitive offers from the most responsible and responsive vendors. To use vendors who comply with the provisions of the bid solicitation, including specifications and contractual terms and conditions. To use vendors who can be expected to provide satisfactory performance based on reputation, references, past experience, and sufficiency of financial and other resources;
- e) To structure specifications that do not exclude certain vendors or manufacturers unless there is documented evidence to warrant exclusion;
- f) To always think about the "total acquisition cost" rather than the lowest bid. This includes, but is not limited to such factors as repairs, staff training, suitability, compatibility, warranty, trade-in-values, recycling and disposal concerns. **To consider "value for money";**
- g) To acquire goods and services with regard to preservation of the natural environment. This gives reference to the method of manufacture and the method of disposal;
- h) To delegate the appropriate level of authority to enable departments to meet service requirements. To ensure that employees who are responsible for requisitioning and purchasing goods and services are accountable for their actions and decisions;
- j) **Township staff will acknowledge that they are utilizing the public's money and will be held to the highest possible standard when making purchasing decisions;**
- i) To participate with other publicly funded bodies in cooperative purchasing activities where they are in the best interest of the municipality.

3. APPROVAL LEVELS

All purchases of goods and services must be approved in the annual budgets. Formal approval of the budget constitutes financial approval to proceed with the procurement process. Budget amendments, capital expenditures not yet approved in the budget or special expenditures must be supported by Council resolution which shall specify the purpose of the expenditure and the funding source. The ability to incur the actual expenditure is delegated to the appropriate Department Head based on the following approval levels:

Up to \$20,000.00	Department Heads or Designate
Greater than \$20,000.00 but Less than \$75,000.00	Management Committee
\$75,000.00 or Greater	Council

The dollar limits above refer to gross invoice cost inclusive of applicable taxes.

Between the last regular meeting of Council in any year and the adoption of budgets for the next year, the Treasurer is authorized to pay the accounts of any ordinary business transaction of the Township of Wellington North that are required to maintain services. This shall include accounts or the payment of previously approved capital items and projects.

4. CO-OPERATIVE PURCHASING

The Township encourages participation in co-operative purchasing arrangements amongst departments, with other municipalities (upper and lower tier), local boards and public agencies within the Province. Co-operatives afford the Township the opportunity to take advantage of economies of scale and the purchasing expertise of larger publicly funded organizations. Examples of acceptable co-operatives include but are not limited to the Guelph Co-operative Purchasing Group (GCPG), Ontario Education Collaborative Marketplace (OECM) and the Provincial Vendor of Record programs.

5.

GENERAL PURCHASING PROCEDURES

The following are authorized procedures for the procurement of goods and services.

Procedure	Project Cost
Petty Cash	\$100.00 or less
Purchasing Card/Direct Purchase	\$2,000.00 or less
Informal Quotation Process	Greater than \$2,000.00 but less than \$20,000.00
Request for Quotation Process (Written)	\$20,000.00 but less than \$75,000.00
Request for Tender (Written)	\$75,000.00 or greater
Request for Proposal (when deemed appropriate)(Written)	\$75,000.00 or greater

The dollar limits above refer to invoice cost inclusive of applicable taxes.

Departments shall be responsible for appropriately forecasting their requirements for materials, goods and services in the preparation of their departmental budgets.

No requisition, purchase or contract shall be divided in order to avoid the requirements of the dollar value limits of this section.

Where goods and services of a similar type are to be supplied on a repetitive basis from one or more suppliers either over a period of time in a calendar year or over the course of a season, those goods and services shall be purchased in accordance with the provisions of this policy applicable to goods and services to be supplied in the whole calendar year or during the course of the entire season as the case may be. The appropriate procedure above will be utilized according to the total dollar value.

Purchases may only be made by agents of the Township if authorized by the responsible Department Head. Agents will give reference to and be bound by the requirements of this policy.

A brief description of each procedure is outlined below. Where more detail is required, separate schedules are contained in the Appendices. In addition, refer to Appendix B – Methods of Purchasing Permitted under Policy.

a) Petty Cash – \$100.00 or Less

A petty cash fund will be maintained in the Treasury Department to meet the requirements of acquisitions of goods and services having a value of \$100.00 or less.

Petty cash should only be used when it is not feasible to use a purchasing card.

Petty cash purchases shall be made from the competitive marketplace where practical.

All petty cash disbursements shall be evidenced by a receipt and Petty Cash Summary Slips. The slips must accompany the receipt in order to replenish the fund.

b) Purchasing Card or Direct Purchase – \$2,000.00 or less

Purchases not exceeding \$2,000.00 may be made using a purchasing card or direct purchase.

The Purchasing Card or Direct Purchase Process, as defined in that specific policy, has been established as a method of making small dollar purchases. The process still adheres to the General Purchasing Procedures and should expedite the acquisition of goods and services.

The acquisition of goods and/or services having a value of up to \$2,000.00 per transaction, including taxes, shall be carried out by the Department Head in accordance with the Policy.

Where it is in the interest of the municipality to obtain one or two informal quotes by phone or in writing, that process should be followed.

Notwithstanding the procedure chosen, it shall be demonstrated that fair market value was achieved.

- c) Informal Quotation Process – Greater than \$2,000.00 But Less than \$20,000.00
Purchases with an estimated value greater than \$2,000.00 but less than \$20,000.00 shall be obtained using a competitive process.

The Department Head must solicit **a minimum of two (2)** quotes without formal advertising or receipt of sealed bids. The requirements of the competitive process may only be waived under the authority of the Management Committee. In this case, the competitive process will be replaced by the negotiated method. The circumstances in which the negotiated method would be appropriate and the associated procedures are outlined in Appendix C – “Purchase by Negotiation”.

- d) Request for Quotation (Written) –\$20,000.00 but less than \$75,000.00

Purchases with an estimated value of \$20,000.00 but less than \$75,000.00 shall be obtained using a competitive process.

The Department Head shall prepare a Quotation document which provides prospective bidders with clear instructions, specifications, terms and conditions. The Quotation document shall be approved by the Management Committee (where the Department Head deems it appropriate). The Quotation document shall provide a Quotation Form on which a bidder can make his /her quotation.

The Department Head shall cause a notice of “Request for Quotation” to be published in at least one local newspaper or on the Township Website.

The Quotation document shall clearly indicate the final time and place for the receipt of quotations. The quotations will be received and opened by the appropriate Department Head. There will be no requirement for a formal opening of the quotations.

The Department Head shall prepare a report to be reviewed with the Management Committee (where applicable) and shall make a recommendation to accept one of the quotations.

e) Request for Tender (Written) – \$75,000.00 or Greater

The acquisition of all goods and/or services having an estimated value of \$75,000.00 or greater, shall be obtained using a Request for Tender process and may require vendor pre-qualification.

The process for issuing Tenders will be governed by the procedures detailed on Appendix D.

The tender documents will be received, opened and summarized as outlined in the aforesaid Appendix.

Tender criteria:

- i) two or more sources are considered capable of supplying the requirements;
- ii) the requirement is adequately defined to permit the evaluation of tenders against clearly stated criteria;
- iii) the market conditions are such that tenders can be submitted on a common pricing basis;

Tenders shall be accepted without negotiation.

f) Request for Proposal (Written) – \$75,000.00 or Greater

A request for Proposal should be issued where one or more of the criteria for issuing a Request for Tender cannot be met, such as:

- i) Owing to the nature of the requirements, suppliers are invited to propose a solution to a problem, requirement or objective and the selection of the supplier is based on the effectiveness of the proposed solution rather than on price alone or,
- ii) It is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement.

The process for issuing Request for Proposal will be governed by the procedures detailed on Appendix F.

In general the Request for Proposals process encourages different solutions from vendors and actively searches for better and more creative ideas for supply of goods and services. It provides a process whereby the negotiation and award is based on demonstrated competence, qualifications and the technical merits of the Proposal at a fair price.

6. EMERGENCY PURCHASES

Where a situation arises requiring the immediate procurement of goods and services essential to prevent serious delays in the work of any Department or which might involve danger to life, health or safety of employees, or the public, or to prevent damage to property, a Department Head may purchase the required goods or services notwithstanding any other provision of this policy. The appropriate Department Head shall notify Council with a written report detailing the circumstances at the next regular meeting of Council.

7. DISPOSAL OF SURPLUS OR OBSOLETE ASSETS

Disposal of surplus assets is the responsibility of the CAO subject to Council's authorization.

Where any goods, equipment or inventory stock are surplus to a particular department, consideration must first be given to other departments as to whether another department might make use of the item. If no other department can use the item, the CAO shall submit a report to Council requesting that the item be declared surplus.

Sale of surplus assets shall be made to the highest responsive bidder. This may be by sealed bid or by offering the goods at public auction or public notice in a newspaper. The sale shall be made in accordance with the provisions of this policy where applicable. No surplus asset will be sold directly to a Township employee. This does not prohibit any Township employee from purchasing surplus assets being sold through public auction or public notice.

The department having control of the item will be credited with the net proceeds from the sale of their surplus assets.

Where the assumed value of the asset to be disposed of is less than \$2000.00, the CAO will determine the most appropriate method to dispose of the asset.

8. CONFLICT OF INTEREST

No requisition, vouchers, petty cash funds or any other order, written or verbal, shall be issued for personal goods and/or services for employees of the Township, any member of Council, or the public.

No purchase of goods or services shall be made from any employee of the Township, or from any company in which an employee of the Township has an interest. A contract for goods and services placed with a relative of an employee of the Township shall be declared and that employee shall not be placed in a position to supervise or approve the execution of that contract.

No employee or elected official shall purchase surplus assets except by bidding on the same at public auction or by sealed bid.

9. LOCAL PREFERENCE

In accordance with the Discriminatory Business Practices Act, Revised Statutes of Ontario, 1990, Chapter D.12 there shall be no local preference for purchases. **All else being equal**, preference will be given to purchase goods and/or services firstly from Township of Wellington North based businesses, secondly from businesses located in the County of Wellington, and thirdly from Canadian owned businesses.

10. SPECIFICATIONS

It is Township policy to structure specifications that do not exclude certain vendors or manufacturers unless there is documented evidence to warrant exclusion.

Specifications are the responsibility of the using department with support of outside professional assistance as deemed necessary (e.g. consulting engineers, solicitors).

In many instances a department may not be aware that another department uses a similar or identical item. The CAO and Treasurer will work with the department heads to develop common standards that all using department will find acceptable.

11. AWARD CONSIDERATIONS

In addition to price, consideration may be given to the following in determining the lowest responsible bidder:

- a) The ability, capacity, and skill of the bidder to provide the goods and services requested,
- b) The ability of the bidder to perform the contract or provide the services promptly or at the time specified without delay or interference,
- c) The character, integrity, reputation, experience and efficiency of the bidder,
- d) The quality and performance of previous contracts, goods or services,
- e) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the goods and services.
- f) The quality, availability, adaptability of the goods or contractual services to the particular use required.

- g) The ability of the bidder to provide future maintenance and services for the items acquired, and
- h) The number and scope of conditions attached to the bid.

In the event of tie bids being received the names of those firms involved in the tie bid will be put in a hat and a draw will be held. The firm whose name is drawn will be awarded the contract.

12.

ACCESSIBILITY FOR ONTARIANS WITH DISABILITIES ACT, 2005

In accordance with the Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c.11, the Township shall have regard to the accessibility for persons with disabilities in respect to goods and services purchased by the Township.

- When it is not practicable to incorporate accessibility criteria and features when procuring or acquiring goods, services or facilities, the Township shall provide, upon request, an explanation.
- Documents created, adapted or presented on behalf of the Township or to Township employees will be made available in alternate formats to the public and employees upon request. Contracted suppliers must agree in the contract to provide documents in the formats requested for the lifespan of the document. The contracted supplier could provide the materials in a text version (that is compatible with software that is easily available) for Township staff to produce alternative format requests that may be made in the future.
- Consultants/Facilitators must have the ability to produce deliverables in accessible formats and make sure that all communication, equipment, venues and materials take into account a person's disability so that all in attendance may participate equally.

13.

ONTARIO REGULATION 429/07 (Accessible Standards for Customer Service)

In accordance with section 6 of Ontario Regulation 429/07, Accessible Standards for Customer Service, the contractor is responsible to ensure that all of its employees, volunteers and others for which the contractor is responsible are adequately trained as per the Township of Wellington North Occupational Health and Safety Policy.

14.

EXEMPTIONS

The Procurement Policy establishes the purchasing policies and practices applying to the purchase of all types of goods and services with the exception of the following:

- a) The borrowing and investing of money
- b) The rental, lease, purchase and sale of property, land or accommodation
- c) The admission or registration for conferences, conventions, courses, workshops and seminars
- d) Memberships in professional and vocational associations and their publications
- e) Utilities including hydro, gas, basic telephone, postage
- f) Employee benefits
- g) Insurance
- h) The hiring of contract employees
- i) Information technology-desktop computers, laptop computers, servers and associated software
- j) Licenses, certificates and other approvals required.

As the above are exempted from the procurement policy, those purchases do not require quotes or bids to be submitted. The chart below indicates the method of payment and approval requirements for these types of expenditures.

Item	Approvals and Requirements
Training education and staff development ▪ conferences, courses, seminars, including related travel expenses etc.	Conference Registration not to exceed \$1000.00 per employee/councillor without Council approval. Expense Claim Form to be submitted along with registration form.
Memberships, subscriptions, publications	No approval required provided that expenditure is related to township business. Invoice to be submitted by Department Head to CAO for approval.
Licenses and Regulatory Fees	Approvals not required. Invoice to be initialed by Department Head.
Advertising Services	Approvals not required. Invoice to be

▪ newspaper, radio	initialed by Department Head
Bailiff or Collection agencies	No approval required. Invoice to be initialed by Department Head
Employee deduction remittances	No approval required.
Utility payments ▪ gas, hydro, phone	Finance department is authorized to submit payment without Council approval. A listing to be supplied to Council for all pre-payments with the Accounts Payable Listing
Information technology	Every effort will be made to ensure a competitive process is followed but given the complex nature of these items and the need to maintain compatibility with our existing network, exemptions may need to be given on a case by case basis

The CAO in consultation with Council will determine the most appropriate procedures related to engaging consulting engineers, counseling services, instructors, planners, solicitors, arbitrators and auditors.

15. **EXCLUSION OF BIDDERS DUE TO POOR PERFORMANCE**

The Department Head shall document evidence and advise the CAO in writing where the performance of a supplier has been unsatisfactory in terms of failure to meet contract specifications, terms and conditions or for Health and Safety Violations.

The CAO may, in consultation with the Township's solicitor, prohibit an unsatisfactory supplier from bidding on future contracts.

16. **COUNCIL AUTHORIZATION**

Subject to statutory requirements and except as herein provided, no Committee established by Council, no member of Council and no employee of the Township shall enter into any contract on behalf of the Township without express authority from Council.

17. **GENERAL**

1. This policy shall be read with all necessary changes of genders and changes of singular to plural which may be required in its context.
2. Where situations arise that are not covered by this policy, staff of the Township of Wellington North will refer to the most current Procurement Guideline for Publicly Funded Organizations in Ontario.

3. Resolutions approving budget amendments or capital expenditures not originally approved in the budget; shall contain the purpose of the expenditure, cost estimate and the fund/account (reserve or otherwise) where the monies are to be appropriated from. All staff reports recommending such resolutions shall contain the Department Head endorsement.

Appendix A - Definitions

In this policy

Acquisition means the process for obtaining goods and services

Agent means an individual or corporation working on behalf of the Township to provide municipal services

Authority means the legal right to conduct the tasks outlined in this policy

Bid means an offer or submission received from a vendor, contractor, or consultant in response to a request, tender or proposal, which may be subject to acceptance or rejection.

CAO means the Chief Administrative Officer

Competitive means vendors are given an equal opportunity to compete for Township business.

Contract means a legally binding agreement between two or more parties.

Council means the Municipal Council of the Township of Wellington North

Clerk means the Township Clerk and includes his/her designate.

Department Head means the individual accountable for the department and services assigned to each municipal department thereof. For the purposes of this policy it will include the CAO, Treasurer, Fire Chief, Chief Building Official, Clerk, Director of Public Works, Director of Recreation, Roads Superintendent and Water/Sewer Superintendent.

Designate means a person authorized by the Department head to act on his/her behalf, for the purposes of this policy.

Disposal means the selling, trading, assigning and/or scrapping of surplus assets.

Goods mean all materials, equipment, fixtures and structures to be delivered, installed, or constructed.

Management Committee means a committee comprised of Department Heads, Senior Staff and Elected Official(s) as determined by the CAO and approved by Council.

Negotiated Method means the acquisition method whereby the Township may negotiate with one or more vendors to acquire goods or services without using the Competitive Process.

Proposal means an offer to provide goods or services to the Township where the requirements cannot be definitely specified and may be subject to further negotiation.

Procurement Process means the process by which goods and/or services are obtained.

Purchasing Card means a charge card approved by the Township that can be used by authorized Township employees to acquire low dollar value items as outlined in this policy.

Quotation means a request for prices on specific goods and/or services from selected vendors, which are submitted verbally or in writing as required by the policy.

Responsible Vendor means a vendor whose reputation, past performance, and business and financial capabilities are such that the vendor would be judged as capable of satisfying the need for a specific contract.

Responsive Vendor means a vendor whose bid does not vary from the specifications and terms and conditions set out in the quotations, bids, or requests for proposal.

Request for Proposal means the method of purchase as described as such in Appendix B – Methods of Purchase permitted under Policy.

Request for Quotation means the method of purchase described as such in Appendix B – Methods of Purchase permitted under Policy.

Request for Tender means the method of purchase described as Appendix B – Method of Purchase permitted under Policy.

Requisition means a written request to purchase goods and/or services that includes a detailed list or specification of requirements with the appropriate signatures as requested in this policy.

Total Acquisition Cost means the sum of all costs, including such matter as purchasing price, all taxes, warranties, local services, life cycle costs, inventory carrying costs, operating and disposal costs incurred for determining the lowest acceptable bid meeting specifications.

Township means The Corporation of the Township of Wellington North.

Appendix B – Methods of Purchasing Permitted

Direct Purchase

This method of purchase refers to the direct ordering and purchases of goods and services from a supplier with or without negotiation. This method of purchase will be used primarily for the purchase of low value goods where the cost and administrative burden of other methods of purchase may be equal to or greater than the price or value of the goods purchased. Employees are encouraged to use their own judgment to promote the principles of this policy in any direct purchase.

Negotiated Method

This method of purchase refers to the negotiation of an agreement for the purchase of goods and services from a supplier where there is no open competition. It is used in the case where the conditions listed in Appendix C – Purchases by Negotiation are present

Request for Quotation/Informal Quotation

This method of purchase is a competitive method. The specifications for the goods and services and terms of purchase will be established with sufficient particularity to permit comparable quotations to be made by supplier. A sufficient number of suppliers shall be requested to submit quotations on the specifications and terms of purchase so that at least three responsive quotations are received, where practical.

The procedures differentiating the Request for Quotation from the Informal Quotation process are detailed within Section 5 of the Procurement Policy. In general the Information Quotation process does not involve advertising and receipt of sealed bids or the preparation of formal quotation.

Request for Tender

This is a competitive method of purchase, which may include supplier or contractor pre-qualification. The tender process follows the general procedures set out below.

- Contractor and Supplier Qualification (if applicable)
- Development of Specifications and Contract Terms
- Publication and Solicitation of Tenders
- Receiving and Opening of Bids
- Bid Evaluation and Selection

The specifications and contract terms are detailed within the tender documents in such a degree that there is no prospect of negotiations between the parties. It is intended to accept the lowest priced compliant bid, as all the terms, conditions and specification must be met by the bidders.

See Appendix D – Request for Tender Policy

Request for Proposals

This method of purchase involves the solicitation of proposals. It may or may not include prequalification. In this method of purchase, some or all of the specifications and contract terms may not be finally determined with sufficient certainty to form the basis of a final contract before proposals are solicited and submitted. It may be expected that there will be some variation in the final specification and contract terms among and between responsive proponents. The process may involve negotiations subsequent to the submission of proposals on any or all of the specifications, contract terms and price.

See Appendix F – Request for Proposal Policy

Appendix C – Purchase by Negotiation

All purchasing of goods and services shall be by a competitive method except for the following where the negotiation method would apply:

- a) when goods or services are available from only one source;
- b) where compatibility within an existing product or process is the overriding consideration;
- c) when, due to market conditions, goods are in short supply;
- d) when all acceptable bids exceed the amount budgeted and re-tendering would not be beneficial;
- e) when the extension or reinstatement of the existing contract would be the most cost effective or beneficial method and is in the best interest of the Township;
- f) when an emergency, where goods and services are deemed necessary and time and safety concerns reasonably limit the use of any other prescribed procurement process;
- g) when no bids are received on a formal quotation, tender or request for proposal;
- h) when goods are required for resale and thus an important factor in choosing a successful bidder is marketability and profitability;
- i) where the best interest of the Township would be served through negotiations.

Authority to incur expenditures of Township funds through the negotiation method shall be subject to the same spending approval levels as outlined in Section 3 of the policy.

In accordance with the negotiation method, the requirements for inviting tenders and quotations will be waived. The methods of negotiation shall be those accepted as standard negotiating procedures that employ fair and ethical practices. The information pertinent to and the results of all such negotiations shall be reported to the Treasurer.

Appendix D – Request for Tender Policy

The following is a procedure for issuing, receiving and awarding tenders as issued by the Township.

Tender Limits

As outlined in the policy all purchases over \$75,000.00 shall use the Request for Tender or Request for Proposal process. The criteria for determining which process to use are contained in Section 5 of the policy.

General Process

In all cases, tenders shall be coordinated by the Department Head prior to being advertised. The Department Head shall ensure:

- a) completeness of documentation
- b) advertisements are arranged
- c) closing dates and tender opening are scheduled
- d) vendor contact for information is appropriate

Tender Document Preparation

As per Section 10 of the policy, the specifications contained within the tender documents are the responsibility of the using department. Standard bidding documents of the construction industry will be employed whenever possible, when changes are made to these documents which pertain to procedures detailed within this policy.

Contents of the Tender Document

The tender document will consist of a number of sections. They are described below. When considered in its entirety, the document must contain the appropriate information so that staff evaluating the bids can determine that;

- a) the bidder understands the full scope of the tender for which bids have been invited and
- b) the bidder is capable and willing to perform all of the required work or provide all of the required goods/services and
- c) the bidder is capable and willing to enter into a legal agreement with the municipality for the provision of the required goods/services and
- d) the bidder offers financial guarantees that a formal agreement will be executed, and that all goods/services will be provided following the terms of the executed agreement.

Tender documents will contain at least the following:

- a) A cover sheet with the name of the tender, the closing date and time, and the issuer or contact person within the appropriate Department.
- b) Information to Bidders. This contains non-technical information that advises the bidders of the general terms and conditions that apply to the tender of goods and/or services.
- c) Performance Guarantee/Financial Guarantee. To ensure proper execution of the work, a performance guarantee in the form of cash, certified cheque, irrevocable letter of credit, or bond (performance, labour, and/or material) may be required. All requirements must be clearly outlined in the Information to Bidders.
- d) Specifications. The specification section will provide details to describe accurately and precisely the nature, scope and extent of the goods and/or services required. As outlined in the policy, specifications may **not** be structured to exclude certain vendors or manufacturers unless there is documented evidence to warrant exclusion.
- e) Form of Tender. The tender form when properly completed and signed is a legal offer by the bidder to carry out the tendered work. The tender form should include an acknowledgement from the bidder that he has reviewed and understands all of the tender documents, and that he is prepared and capable of carrying out the contemplated work. Proper and clear identification of the bidder as well as clear bid prices must appear on the completed tender form.
- f) Tender envelope. A standardized tender envelope or envelopes are provided to all bidders where appropriate.

Advertising

The Department Head is responsible for ensuring that proper notice of the Tender is in the newspaper or other applicable publication and on the Township of Wellington North web site. Electronic tendering networks, as available may also be employed (e.g. OBPA, OGRA).

All tenders shall be open for bid by vendors for a minimum period of fifteen (15) days unless critical or exceptional time constraints limit the period available for bidding.

Pre-qualification

Pre-qualification of bidders may be desirable to ensure that prospective bidders have the necessary knowledge, experience, and financial resources to complete the work.

If pre-qualification is required for a particular tender, no Form of Tender or Tender Envelope is to be issued to any prospective bidder until he has pre-qualified. However, during the prequalification process, certain of the documents (i.e. specifications) may be made available.

Release of Information to Prospective Bidders

Upon the request of a prospective bidder, the Department Head or designate shall supply the following material for each contract:

- a) one copy of the official tender form
- b) one standard tender envelope, if applicable
- c) tendering materials, including specifications, plans etc
- d) In the case of tender documents for Construction contracts (municipal services and buildings) the documents may be distributed by the Township engineers or consultants.

A fee may be charged for the specifications. This fee shall be non-refundable.

A list of prospective bidders shall be maintained by the Clerk or designate. Names and addresses shall be recorded when tender documents are released to facilitate distribution of addenda and when necessary to extend or cancel a request for tender under call. However, where a pre-qualification requirement exists and the prequalification process is complete, the release of the Tender documents will be to qualified bidders only.

Changes to Tenders Under Call

Preparation of Addenda

Addenda will be issued under the following circumstances:

- a) Interpretation of tender documents as a result of queries from prospective bidders.
- b) Revisions, deletions, additions or substitutions of any portion of the tender documents.

The appropriate Department Head in consultation with CAO shall approve the issuance of any addenda.

Notification of Addenda to Prospective Bidders

A copy of all addenda shall be sent by registered mail, email or by fax confirmed by a telephone call or by electronic correspondence when appropriate, to each prospective bidder who obtained tender documents. All remaining tender documents not yet distributed shall have the addenda appended.

Where an addendum must be issued later than two days prior to the specified closing date, the closing date may be extended to allow four working days between the issuance of the addendum and the revised closing date. This extension is optional and shall be used as required.

Closing Date Extension or Tender Cancellation

When it becomes necessary to extend the closing date or to cancel the tender, all prospective bidders who received tender documents shall be notified of the cancellation using the method for notification of addenda detailed above.

When the closing date for receiving tenders has been extended, tenders already received shall be handled as follows:

- a) If the extension of time is two weeks or less, the bidder shall be advised that his tender will be returned upon request.
- b) If the extension of time is more than two weeks, all tenders shall be returned unopened.

When a tender is cancelled, no bid will be accepted. All bids received shall be returned unopened to the bidders by hand or by registered mail with a covering letter.

Submission Requirements

All tenders shall be received by the CAO or designate. They will be time and date stamped and placed in a secure location until after the closing time. Any tenders received after the closing time and date will not be received and will be returned unopened to the submitting vendor.

Tenders are required to conform to the conditions listed below:

- a) The correct Tender Form, as supplied by the Township, must be used and in the possession of the Clerk or her duly authorized representative, on or before the tender closing date and time.
- b) The tender must be legible, completed in a non-erasable medium and all items must be bid, unless the tender specifically permits otherwise, with the unit price on every item and other entries clearly shown.
- c) Adjustments by telephone, letter, fax, or electronic correspondence to a tender already submitted will not be considered. A bidder desiring to make adjustments to a tender must withdraw the tender. See section within this Appendix titled "Withdrawal of Tender Bids" for the relevant procedures.
- d) The official Tender Return Envelope supplied by the Township must be used to submit the bid without any extra exterior covering.

Provision shall be made on the Tender Envelope for the contract number and the name and address of the Contractor or Supplier. Should a bidder feel that the envelope is insufficient in size to accommodate his submission, he should contact the Clerk for instructions.

- e) The Tender Form shall be signed in the space provided on the form. All specified signatures and company seals or specified signatures duly witnessed must be provided. A seal need not be provided if the signer indicates authority to bind the corporation in writing and the signature must be witnessed. If a joint bid is submitted, it must be signed on behalf of each of the bidders and if the signing authority for both bidders is vested in one individual, he shall sign separately on behalf of each bidder.
- f) Erasures, overwriting or strike-outs must be initialled by the person signing on behalf of the bidder.
- g) Agreement to bonding and/or bid deposits may be required at the discretion of the CAO and the appropriate Department Head or his designate.

If any of the tender requirements have not been met, the tender shall be considered to be an "Improper Bid" and dealt with as set out in Appendix E – Acceptance or Rejection of Improper Bids.

Receiving of Tender Bids

Care and Control

All tenders are under control of the CAO. It is the responsibility of the staff of the Clerk's department to ensure that all tenders are clearly identified as to contents and contract number. Should a submission be received without proper contract identification, it will be returned unopened. In the case where the submission was not hand delivered, reasonable efforts will be made to inform the bidder of their error. The tender opening will not be delayed by these efforts as it is the responsibility of the vendor to correctly identify their submission. Fax submissions will not be accepted.

Time and Date Stamping and Recording of Tenders

When a tender is received, the sealed envelope shall be marked with the time and date of receipt and initialed by the person receiving the tender. Receipt of the tender shall be recorded on a list of tenders received.

Late Submissions

Regardless of the time a bid is received, the envelope shall be time and date stamped. If the bid is received after the time of closing, it shall be refused and returned unopened to the bidder. If a tender is to be returned by mail, it shall be accompanied by a covering letter stating that the tender

could not be accepted due to late arrival. If a late bid is received without a return address on the envelope, it shall be opened, address obtained and then returned. The covering letter should state why the envelope could not be returned unopened.

Action on Correspondence pertaining to Adjustments, Corrections or Restrictions to a Tender

Any correspondence pertaining to adjustment, corrections or restriction to a tender, which is received with a tender but outside the tender envelope or is received after a tender has been submitted but prior to closing time, shall not be considered, and the bidder shall be advised by mail or phone of the withdrawal procedures if possible and practical.

Withdrawal of Tender Bids

Prior to Opening

The withdrawal shall be allowed if the request is made before the closing time for the tender. Withdrawal request must be directed to the CAO by letter. Telephone requests shall not be considered. Tenders confirmed as withdrawn prior to being placed in the tender box shall be returned unopened to the bidder.

The withdrawal of a tender does not disqualify a bidder from submitting another tender for the proposed contract.

Withdrawal requests received after the tender closing time will not be allowed. The bidder shall be informed that the withdrawal request arrived too late for consideration. However, when the bids are read out at the bid opening, and if it is the lowest bid on a proposed contract, the bidder may then proceed in accordance with the following section titled "During the Opening".

During the Opening

During a tender opening at the conclusion of the reading out of bids on a proposed contract, the low bidder may withdraw any of his remaining tenders on other contracts prior to the opening of bids thereon. He shall attest in writing to his identity and state the contract or contracts on which he desires to withdraw. The Notice of Withdrawal of Tender must be signed by the bidder. This Notice must be handed to the CAO before the opening of the first tender on the proposed contract to which it applies. The CAO shall attach it to the applicable tender. The CAO shall read out the bidder's name and announce that the tender has been withdrawn in accordance with established procedure. He shall not open the withdrawn tender. Tenders withdrawn under this procedure shall not be reinstated. If more than one tender is read out under the same name for the same contract and no withdrawal notice has been received, the tender contained in the envelope bearing the latest date and time stamp shall be considered the intended bid. The first tender received shall be considered withdrawn and returned to the bidder in the usual manner.

Opening of Tenders

Tenders will be opened publicly by the issuing Department Head and Treasurer or designate and recorded by the Treasurer or Consultant.

Action on Correspondence found enclosed in Tender Envelope

If correspondence is found enclosed with a tender which, in the opinion of the purchasing agent, could qualify the bid in any way, the tender shall initially be considered as an "Improper Bid" and shall be so noted in the record of tenders opened and the tender read out in the normal manner. This correspondence and the tender shall be referred to the appropriate Department Head for decision as to acceptance or rejection. See Appendix E – Acceptance or Rejection of an Improper Bid.

All Tenders Received must be Accounted For

When tenders have been opened and sorted, the clerk shall check the Listing of Tenders received, and the numbers of tenders opened to ensure that all tenders received are accounted for. If a discrepancy occurs, the tender opening proceeding shall be delayed until all tenders have been accounted for.

Reading out of Bid Amount and Listing of Information

Every tender received within the specified time shall be opened in full view of those attending and each bidder's names and the total tendered amount read aloud by the Treasurer or designate, and recorded by a staff member or consulting engineer.

Should the reading aloud of all prices be impractical due to a large number of individual prices or options or for reasons where a total price is not stated on the Form of Tender, only the company names of the bidders will be read out at the time of the tender opening.

More than One Submission Under the Same Name

During the reading out of tenders, staff shall check for more than one tender under the same name (without a notice of withdrawal). If this situation occurs, it shall be dealt with as detailed in the section titled "Withdrawal of Tender Bids – During the Opening". If two tenders for the same contract are received in the same tender envelope, the signed copy or, if both are properly executed and prices differ, the lower price shall be considered the intended bid.

Checking Tenders

The tenders will be checked by the Consulting Engineer, Treasurer and by the appropriate Department Head as soon as possible following the public tender opening in order to determine that:

- a) All tender requirements have been met as stated in the tender documents and this policy

- b) All unit prices have been correctly extended and totaled.

Tenders which do not conform to the tender requirements or which require mathematical corrections shall be deemed "Improper Bids" and shall be dealt with as set out in Appendix E – Acceptance or Rejection of Improper Bids.

Improper Bids

Following completion of the checking procedures any bids deemed "Improper bids" shall be so noted on the Record of Tenders Opened. This notation shall clearly state the reason the bid has been considered improper. The appropriate Department Head shall then decide on the acceptance or rejection of all tenders noted as improper pursuant to the provisions of Appendix E – Acceptance or Rejection of Improper Bids.

Evaluation of the bids will be made by the Treasurer and Department Head. Where necessary, the consulting engineer's or solicitors may review bids and provide advice to the Township.

Recommendation to Award

Any recommendation to award will be in favour of a bidder meeting specifications, terms and conditions and whose tender offers the lowest cost considering "total acquisition cost".

A written report will be forwarded to Council for ratification. If the lowest bid is not accepted the report must clearly state the reasons why.

Award

When the necessary approvals have been received, the CAO may use the appropriate documents to contract for the supply of the tendered goods and/or services.

Where the recommended bid amount is within the approved budget for the project and is the lowest cost tender, the notification of award may precede the report to Council, as approved by the CAO.

The Clerk or designate shall notify each of the unsuccessful bidders thanking them for their participation.

Disposition of Deposit Cheques

Following the recommendation to award of the contract to a specific bidder, bid deposits of all bidders other than the two (2) low bidders shall be returned to the applicable bidders by registered mail to the last known place of business or by personal delivery. If a deposit cheque is returned by personal delivery, a letter acknowledging receipt must be signed by the bidder. The bid deposit cheque of the successful bidder shall be held until the contract is executed.

Action when Successful Bidder does not finalize Contract

If contract has been awarded and the successful bidder fails to sign the contract or provide the necessary security within the time specified in the tender documents, the CAO may grant additional time to fulfill the necessary requirement or may recommend one of the following:

- a) that the contract shall be awarded to the next low bidder
- b) that the contract shall be cancelled

In either case, the Tender Bid Deposit of the low bidder shall be forfeited.

All tenders shall be confirmed by executed contract or letter of award. The Township Solicitor will determine which is appropriate

Appendix E – Acceptance or Rejection of Improper Bids

Extreme care shall be exercised to ensure that Improper Bids are handled in a manner, which is fair to other bidders as well as the public.

The decision as to whether an improper bid shall be accepted or rejected shall be based upon the following general considerations;

- a) Is the intention of the bidder clear?
- b) Has the bidder made a conscientious attempt to comply with the submission requirements?

The following are guidelines only, intended to illustrate some of the discretion allowed.

	IRREGULARITY	RESPONSE
1.	Late bids	Automatic rejection and returned unopened
2.	Unsealed envelopes	Automatic rejection
3.	Not completed in non-erasable medium	Automatic rejection
4.	Incomplete Bids <ul style="list-style-type: none">▪ Part bids – all items not in bid	Automatic rejection except where the tender form clearly states that an award may be made for individual items or where in the opinion of the CAO and the Department Head the incomplete nature is trivial or insignificant
5.	Qualified Bids <ul style="list-style-type: none">▪ Qualified or restricted by an attached statement	Automatic rejection except where the change is requested by the Township or where, in the opinion of the CAO and the Department Head, the change is trivial or insignificant
6.	Financial security not submitted or insufficient	Automatic Rejection
7.	Bid not properly signed or corporate seal missing	48 hours to rectify
8.	Mathematical errors	May be accepted if corrected in the checking procedure. Unit prices shall ordinarily be used to correct extensions.
9.	Agreement to bond insufficient or not submitted	Automatic Rejection
10.	Bids received on documents other than those provided by the Township	Automatic rejection unless, in the opinion of the Department Head, the matter is trivial or insignificant

	IRREGULARITY	RESPONSE
11.	Erasures, Overwriting or Strikeout Not Initialed	
a.	Changes which are minor i.e. address, clerical error	May be accepted, 48 hours given to initial
b.	Unit prices have been changed by not initialed and the contract totals are consistent with the price as amended	May be accepted, 48 hours given to initial
c.	Unit prices have been changed but not initialed and the contract totals are not consistent with the prices as amended	Automatic rejection
12.	Minor clerical errors	May be accepted, time limit given to correct and initial
13.	Documents, in which all necessary Addenda, which have financial implication, have not been acknowledged	May be accepted, only if omission of the acknowledgment is insignificant. The CAO and Department Head shall determine if the omission is significant
14.	Other Minor irregularities	May be accepted. The CAO and Department Head shall have authority to waive irregularities which they jointly consider to be minor

Appendix F – Request for Proposal Policy

A Request for Proposal is issued in cases where the exact specifications are not predetermined. See Section 5 of the policy wherein the criteria for choosing between issuance of a Request for Tender or Request for Proposal are detailed.

Requests for Proposals will follow the general procedures found in Appendix D – Request for Tender Policy

This includes the overseeing of the process, the date and time-stamped receipt of Proposals in the Clerk's office, and the opening of proposals.

The procedures will differ from the Request for Tender policy in the following aspects:

Specifications

Exact specifications are not predetermined but the outcomes expected are reasonably stated. By issuance of a Request for Proposal, the Township is soliciting creative input and inviting suppliers to propose a solution to a problem, requirement or objective.

Form of Proposal

Since the exact specifications are not predetermined, so the form of proposal will also be less specific. However, it should clearly indicate those needs which have been determined and which will have to be fulfilled by the successful proponent.

Opening of Proposal Submissions

The opening follows the general procedures for the opening of tenders, except that no prices will be read out. The receipt of the submissions and by whom they were submitted will be read aloud and recorded. People wishing to submit shall be advised of the time and location of the meeting.

Evaluation Process

The selection of the successful proponent is based on the effectiveness of the proposed solution rather than on the price alone. As the evaluation process will be more complex, the process should be clearly outlined in the Request for Proposal documents. All criteria used to evaluate proposals should be listed.

The Department Head shall review all Proposals with the Management Committee and then make a recommendation to Council. The Committee will review proposals against the established criteria and reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept in the procurement file.

In some instances, where the workload to evaluate proposals may be excessive due to their complexity, length, number or any combination

thereof, a multi-step procedure may be used that would include a reducing of the proposals to a 'short list'. It is this 'short list' of proposals which would receive the in depth evaluation and rating by the Management Committee. The process could then include requests for further clarification or presentations from the 'short list' proponents. The initial Request for Proposal should indicate the possibility of this multi-step process.

It is usual that the evaluation process will encompass a longer time frame than the evaluation process for a tender. For this reason, the Request for Proposal documents should indicate the expected time frame for completion of the process up to and including the anticipated presentation of a recommendation to Council.

It is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirements. This differs significantly from Request for Tenders where the Form of Tender of the successful bidder becomes the basis of the eventual contract for goods and/or services.