

**THE CORPORATION OF THE TOWNSHIP OF WELLINGTON NORTH
MINUTES OF SPECIAL COUNCIL MEETING – OCTOBER 29, 2025 AT 7:00 P.M.
VIA WEB CONFERENCING ONLY**

[October 29, 2025 Township of Wellington North Council Meeting \(youtube\)](#)

Members Present: Mayor: Andrew Lennox
Councillors: Sherry Burke
Lisa Hern
Steve McCabe

Member Absent: Penny Renken

Staff Present: Chief Administrative Officer: Brooke Lambert
Director of Legislative Services/Clerk: Karren Wallace
Deputy Clerk: Catherine Conrad
Director of Finance: Jeremiah Idialu
Manager Environment and Development Services: Corey Schmidt
Compliance Analyst: Sara McDougall

CALLING TO ORDER

Mayor Lennox called the meeting to order.

ADOPTION OF THE AGENDA

RESOLUTION: 2025-295

Moved: Councillor McCabe

Seconded: Councillor Hern

THAT the Agenda for the October 29, 2025 Special Meeting of Council be accepted and passed.

CARRIED

DISCLOSURE OF PECUNIARY INTEREST

PRESENTATIONS

1. Derek Ali, MBA, P,Eng., President, DFA Infrastructure
John Murphy CPA, CMA, AMCT, Consultant DFA
 - Water & Wastewater Rates and 2025 O. Reg 453/07 Water Financial Plan

John Murphy reviewed the following:

- Background
- Current Situation
 - Current rate structure
 - Estimated 2025 customers
 - Estimated 2025 consumption
 - 2026 draft water and wastewater budgets
- Full Cost Assessment
 - Study approach
 - Projected capital needs
 - Projected operating expenditures
 - Projected Reserve Fund balances

- Capital Reserve Fund target balances
- Projected debt
- Customer and consumption growth
- Calculated Rates
- Wastewater Rate Mitigation Options
 - Phasing in of the additional asset replacement requirement options
 - Capital Reserve Fund Projections
 - Rate Study Recommendations
- O. Reg 453/07 Financial Plan 113-301A
 - Drinking water license renewal
 - Water and Wastewater Financial Plan O.Reg. 453/07
 - Financial position
 - Cash Flows
 - Statement of Operations

Council questions and comments:

- Why is no long-term debt to be incurred for either option presented regarding wastewater?
 - The full amount of the asset replacement provision is phased in to provide relief. These rates will generate funds that will be available to address asset replacement needs. There will be debt components in the next two years, but they will be paid for directly through growth and covered through development charges.
- Clarification that the asset management roll was included previously, but it was done internally.
- Was external grant funding factored in the rates?
 - We have applied for grants but have been unsuccessful. This study focused on what we have control over, so no grant funding has been factored in.
- Was there consideration to phase in this large increase over 10 years? Water has been consistent with 2%. The options presented for wastewater are a huge increase for residents. Is there consideration for a more phased in approach?
 - It is phased in over the 10-year period in equal installments vs. 5%, 10%, 15%, 20%. It is the amount divided by ten. The provision was increased so that at the end of 2035 the full amount will be funded from rates. The 5% increase provides the opportunity to have a financially sustainable wastewater system. With a lower rate you run the risk of not being in that position over the 10-year period and there may be gaps in the financial sustainability of the wastewater system.
- Regarding the replacement of existing linear infrastructure, has anything been put in the budget for road rehabilitation? We tend to do this work during road rehabilitation so it doesn't add to the cost of road rehabilitation.
 - There are a number of capital projects that are related to linear infrastructure replacement. Road projects and projects with elements of water and wastewater are factored across the years through the capital forecast that

was presented. Projects identified for full reconstruction were considered, in consultation with the roads and infrastructure teams, and have factored in some of the cost of road reconstruction, including resurfacing.

- The plan looks at full cost of rehabilitation of existing infrastructure and dealing with the infrastructure gap, and related infrastructure for water and wastewater. We are not in a position to be able to fund that from our own resources on non-water and wastewater projects over the 10 years. There is potential for these projects to be delayed and that infrastructure life may be extended beyond its useful life because we don't have the resources to rehabilitate roads at the same rate. What is the possibility of that in this analysis?
 - It is a concern if some of the road reconstruction projects are delayed, and probably means the water and wastewater infrastructure will not be restored at that time either. Projects identified were previously identified and are in different states of just being discussed, to the engineering phase, to going to issue for construction. Historically they have looked at a block of replacement per construction season. They are looking at one block per year of full reconstruction, including water, wastewater, storm sewers, road surface, curb, gutter, and sidewalk over the next 10 years. That may not happen some years.
- Regarding the wastewater capital requirements, we are coming into a period where there is a higher degree of capital replacement requirement. What do the next 10 years look like? Is that the down part of the cycle? We do see the asset consumption ratio declining, which is an indicator that we are more than keeping up with our infrastructure, and in fact, making a gain on it at the same time as building our reserves.
 - The reduction in the consumption ratio reflects that you are investing more in your infrastructure than you are consuming but also includes growth projects that currently don't exist. If you take that out later your consumption ratio would not be declining as quickly. The intent is you are taking out older assets, older historical costs, and replacing them with new assets at inflated costs. So, you are keeping up with replacement needs. You should never see that consumption ratio increase if you are looking at presenting a strong, financially sustainable water and wastewater system.

Council was in agreement with the water rate increase of 2%. The Township is legally required to have a financial plan for the water system to be self-financing for maintaining the Township licence. Approval of the water rate is time sensitive in regard to the Township's licence. Council agreed to separate the water and wastewater financial plans.

Council expressed concern regarding the 5% wastewater rate and its negative impact on residents. The consensus was that the Provincial and Federal governments need to provide funding and that we should keep pursuing grants with a financial plan that shows the need for external funding.

ITEMS FOR CONSIDERATION

1. FINANCE

- a. Report TR 2025-009, Township of Wellington North O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031) and Wastewater System Financial Plan

RESOLUTION: 2025-296

Moved: Councillor McCabe

Seconded: Councillor Burke

THAT the Council of the Corporation of the Township of Wellington North receive Report TR 2025-009 being a report on the Township of Wellington North O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031);

AND FURTHER THAT Council approve the O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031) prepared by DFA Infrastructure International Inc. dated October 24, 2025;

AND FURTHER THAT Council direct staff to post a copy of the O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031) and dated October 24, 2025, on the Township website;

AND FURTHER THAT Council direct staff to submit a copy of the O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031) dated October 24, 2025, to the Ministry of Municipal Affairs and Housing;

AND FURTHER THAT the resolution of Council approving the O.Reg.453/07 Water System Financial Plan No.113-301A (2026-2031) dated October 24, 2025, be submitted to the Ministry of Environment, Conservation and Parks on or before November 13, 2025 as required as part of the municipal drinking water licence renewal application.

CARRIED

Council directed staff to bring a wastewater system financial plan to a future meeting of Council that shows the gap that we need our partners to fill from a capital grant perspective.

CONFIRMING BY-LAW

RESOLUTION: 2025-297

Moved: Councillor Burke

Seconded: Councillor Hern

THAT By-law Number 068-2025 being a By-law to Confirm the Proceedings of the Council of the Corporation of the Township of Wellington North at its Special Meeting held on October 29 be read and passed.

CARRIED

ADJOURNMENT

RESOLUTION: 2025-298

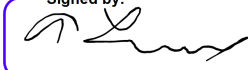
Moved: Councillor McCabe

Seconded: Councillor Burke

THAT the Special Council meeting of October 29, 2025 be adjourned at 8:25 p.m.

CARRIED

Signed by:



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MAYOR

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Karren Wallace

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CLERK