

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD

Bradford
west
Gwillimbury

A Growing Tradition



MINUTES

MEETING DATE: Tuesday, September 1, 2009

TIME: 2:00 p.m.

LOCATION: Town of Bradford West Gwillimbury, St. Mary's Hall "A"
31 Frederick Street, Bradford, ON

ATTENDANCE RECORD:

MEMBERS PRESENT: John McCallum, Councillor – BWG
Doug White, Mayor – BWG
Margaret Black, Mayor – King
William Eek, Appointee
Jack Rupke, Councillor – King
Jim Verkaik, Member-at-Large

REGRETS: Dan Sopuch, Appointee
Brian Visser, Appointee

STAFF PRESENT: Jay Currier, CAO – BWG
Scott Somerville, CAO – King
Chris Somerville, Clerk – King
Frank Jonkman, Drainage Superintendent
Sarah Murray, Secretary Treasurer

REGRETS:

OTHERS: Ian Goodfellow, Treasurer – BWG
Sue Bragg, Gaviller & Co.

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD

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| 1. | <u>Call to Order</u> | <i>John McCallum</i> |
| 1.1 | HM-2009-068
Moved by: J. Rupke
Seconded by: D. White

"That this meeting of the Holland Marsh Drainage System Joint Municipal Services Board come to order at 2:12 p.m."
CARRIED. | |
| 2. | <u>Declaration of Pecuniary Interest</u> | <i>John McCallum</i> |
| 2.1 | Chairman McCallum reminded Members of the Board of the Municipal Conflict of Interest legislation and requirements thereunder.

There were no declarations of Municipal Conflict of Interest declared. | |
| 3. | <u>Approval of Agenda / Changes</u> | <i>John McCallum</i> |
| 3.1 | Chairman McCallum asked if there were any errors or omissions to the Agenda. There were no changes and declared the Agenda adopted and signed same.

HM-2009-069
Moved by: J. Rupke
Seconded by: D. White

"That the Board approve the Agenda, dated Tuesday, September 1, 2009, as printed and circulated."
CARRIED. | |
| 4. | <u>Adoption of Board Minutes</u> | <i>John McCallum</i> |
| 4.1 | Chairman McCallum asked if there were any errors or omissions to the Minutes. There were no changes and declared the Minutes adopted and signed same.

HM-2009-070
Moved by: J. Verkaik
Seconded by: D. White

"That the Minutes of the Holland Marsh Drainage System Joint Municipal Services Board meeting held on Thursday, August 6, 2009, be approved, as printed and circulated."
CARRIED. | |
| 5. | <u>Comments by the Chairman</u> | <i>John McCallum</i> |
| | Chairman McCallum began by introducing and welcoming Sue Bragg of Gaviller & Company to the Board. | |

The Chairman also reminded meeting attendees of the final tree planting which will occur at 6pm on the 3rd of September. The cedars have yet to be planted and the remainder of the trees will also be added that evening. This area is an excellent demonstration of what can be done in the long run in relation to the canal project.

Thanks were extended to staff that had assisted in maintaining the trees to-date.

6. **Presentations / Deputations**

John McCallum

7. **Correspondence / Reports**

John McCallum

Sue Bragg began running through the draft 2008 financial statements for the board. This is the first year for the services board, as it is a new entity and that explains why there are no comparative figures for years prior.

This report is a clean audit report and the majority of work was completed by the 8th of April, 2008.

The Balance sheet shows the assets and liabilities of the services board. It was noted that the figures were netted as opposed to showing gross figures. However, it was requested the statements reflect the gross figures, specifically under Assets and Liabilities as opposed to "netting" the figures as was provided in the draft. It was agreed this change will be reflected in the amended version of the 2008 financial statement.

Accounts Payable and Accrued Liabilities were all strictly invoices related to capital works, which took place in 2008 but not paid for until 2009.

The report is also showing deferred revenue for MIII as these funds haven't been spent yet. There was some emergency work completed in 2008 and that is reflected in the deferred revenue figures here.

The ending municipal position rounded, is \$1.6M. Drawing your attention to Note 3 and how that is broken down, the majority of that is comprised of the Holland Marsh and small surpluses for drains and superintendent grants. This also shows the percentage breakdown between King and BWG. Once the S.78 work is complete, the debt associated will be levied out to the landowners. The board isn't in a position to set that money up as a receivable just yet which is why it shows here as a liability.

The auditor also made note of a few errors to the Notes in the statements which were an oversight. For instance, Note 7 should actually read Note 6 and things like this which will be corrected in

the final draft.

There was a question on the proportion of MIII expenditures spent to-date and how they show accounted for in the draft financial statement. Is the project funded 100% by the MIII grant or should it be a portion? It was confirmed that the MIII funds are to cover a percentage of the total costs to-date and therefore should be accounted for as such in the 2008 financial statement. The effects will include a reduction in the MIII expenditures to-date, the deferred revenue will go up and current fund deficit will also increase.

There was a question raised as to whether the receivables on the S.78 Report should be accounted for as well but it was clarified that the levy re: the report fees can not be collected until the report is formally adopted by BWG Council. Therefore, the receivable will not have occurred in 2008.

The Auditor listed in detail the Capital expenditures that were accounted for including the vendors relating to the S. 78 Report, the Aqua Barriers, the Barge, and other capital items.

Attention was brought to Note 5 regarding tangible capital assets. There has been an inventory of tangible capital assets, and more back up is required in order to be in a position to report on tangible capital assets under requirements set out by the Public Sector Accounting Board (PSAB).

The schedules which are located at the back, on page 8 show the day to day operations.

The following schedule on page 9 shows the capital work and the last page shows a separate schedule for each of KING and BWG. The auditor advised that both corporations require this schedule in order to consolidate with their respective 2008 financial statements.

Obviously next year, there will be an opportunity for more discussion but until the project receives approval, the expenditures next year will look something similar to 2008.

Regarding the PSAB, it was advised that Gaviller and Co. will work with the board to develop a reporting method for the new reporting requirements and accordingly, tangible capital assets will come off the financial statements to be reported separately.

Further to this discussion, assets are equipment but as the board cannot own land, which includes the lands upon which the structures and equipment are situate, this will be reported on by the Town of BWG. However, it was made clear that the land ownership issue should not be a concern when the board is reviewing proposed repairs to the buildings and/or structures such as pumphouses.

The auditor clarified the figure that will go on the tangible capital assets report will not be the "value" but the historical cost and that this will take some time to arrive at.

There was some impromptu discussion on building ownership and possible routes to take in order to ease the method of maintenance, etc. This discussion also referred to the tangible capital assets reporting, the various structures in the Holland Marsh and the reporting thereof. It was made clear that if the structures were broken down by equipment situate inside, then the process can get complicated if that is the decided route. Alternatively, another route is to consider the building itself as the equipment.

The issue arose relating to the billing for auditing work, and whether Gaviller is going to work on a contractual or per hour basis. The question was raised as to where the board is when we are looking at accounting fees; contractual v. hourly basis. Sue Bragg advised Gaviller is willing to provide a quote for the next three years, for the Board to approve or look elsewhere.

The Chairman interjected to advise this is related to New Business and can be addressed after the financial statement is approved.

Finally, a question relating to the materiality breakdown was raised. The auditor spoke to the matter advising this figure reflects that the Marsh had an interest expense in 2007 that did not get included in that fiscal year's financial statement. It was reported late and relates to the marsh from the previous year which was carried forward to 2008.

The auditor then concluded and the Chairman confirmed there were no more questions relating to the draft financial statements.

7.1

HM-2009-071

Moved by: M. Black

Seconded by: J. Verkaik

"That the Holland Marsh Drainage System Joint Municipal Services Board DRAFT Financial statement prepared by Gaviller & Company for the year ending December 31, 2008, be approved, as amended and circulated."

CARRIED.

7.2

Report of the Drainage Superintendent/Project Manager

A verbal account of the written report of the Drainage Superintendent and Project Manager commenced.

The Drainage Superintendent met with the Conservation Authority to discuss the Holland river drain. They indicated the board would

require a Letter of Advice from the CA in order to repair the drain. It was suggested that a Section 76 report be prepared in order to properly assess the work out to landowners. The most current Drainage Report is from 1931 which poses a problem when trying to levy the related costs to the respective landowners. A report is going before Council this evening on town municipal drains and once this is ratified by council we can move forward on repairing this drain. A large majority of the data needed to complete the Section 76 report has been acquired by KSAL as a result of the HMDSCIP, Section 76 report form 2002.

The Drainage Superintendent attended a DSAO executive meeting where they are most concerned with deadlines with MNR when dealing with Municipal Drain agreements which would be standing agreements. If agreements are not established by the prescribed deadline, the alternative which is a one time permit per drain, could take up to 8 months to acquire in order to proceed with scheduled maintenance.

The Marsh is very unique in that it has scheduled maintenance done. If environmental evaluations are required as a result of the agreement process lapsing, a large cost overhead will be incurred as a result.

Tree maintenance was completed but as a result of the storm of August 9th this has been extended by a few extra weeks. Significant amount of trees were damaged during this storm and caused many to fall into the perimeter canal, and across Canal Road.

Simcoe County has repaired their portion of Canal Road which included sink holes and areas where the shoulder was undermined

At the Art Janse Pumphouse, gravel has been placed onto the northerly side for the purposes of using it as a staging area for equipment and material used in the regular maintenance and in anticipation of the project. .

A storage container was p[purchased recently for the purposes of storing materials such as silt fencing and the aqua barriers which are currently scattered around the marsh.

The Drainage Superintendent met with town staff and engineering consultants regarding the south east arterial bypass. Collaboration with public works occurred to repair the Morris road drain. Similar to the Holland Rover Drain however, in this case there are no records but the Public Works dept. has maintained this drain since the 1950's. It was suggested tht the Roads Superintendent approach Lake Simcoe Region Conservation Authority (LSRCA) and apply for the LSCUF, possibly acquiring funding to repair that area.

The problem this board has is a result of the drainage report being far outdated and as a result no assessment can be done, as we are unable to recover the costs. This maintenance effort was prompted by landowner inquires on the town side of the drain. Residents were complaining of the smell, appearance and erosion issues affecting the drain..

Regarding the Duga drain, no work has been done to-date in order to mitigate the issue of the hydro pole which is obstructing this drain. However, the public works dept. has advised this work is scheduled to take place in the near future.

There is a problem with a fuse at the Charlie Davis Pumphouse. An electrical contractor will be scheduled shortly to repair this.

In reference to the storm of August 9th, multiple pump failures occurred at the Art Janse Pumphouse. All the failures were a result of plastic debris, pails, etc being jammed into the conveyor belts. Please advise your neighbours of the due diligence needed to avoid this issue in future. This could have been more serious if the problem wasn't addressed as quickly as it was.

The LSRCA is now requiring that all dredging of the Main drain occur in the fall from now on. This is due to time restrictions with the Fisheries Act. We will have to comply however, it does not appear to be a problem as of yet.

Tile loan applications have come forward to King Township.

Zweep inlet is now fully operational.

Peterman Pumphouse requires a reconnection fee to the hydro line as it was damaged during the storm of August 9th. Discussions around fully disconnecting took place however; there are heat lamps inside which require electricity in order to keep the sump pump operational in the winter. We will have an electrical contractor investigate and obtain the required ESA approvals in order for Barrie Hydro to reconnect the hydro at this Pumphouse. .

The Drainage Superintendent attended the Kedra property with the engineer regarding the appeal coming forward to the Ontario Drainage Tribunal and have since supplied some cross sections to the panel.

A storage site for fill is being proposed by this board to the LSRCA at the 5th line and Canal Rd. for the Project. Further discussions are required before a fill permit can or will be issued.

Reference to a memo to the Board by KSAL regarding the tree plantings at Interval #1 which prompted further discussions on the

issue of restoration, The area restored was predominately courtesy of South Simcoe Streams Network and their respective partners.

Interval #15 is now completed, leveled and seeded. There are no trees scheduled for planting on this site yet. However, there is a landowner back there who insists on using the newly constructed berm as a site for burning waste. It was advised that the by-law department for King Township has been on site for this issue.

The verbal account of the written report of the Drainage Superintendent and Project Manager then concluded and a motion to receive followed.

7.2

HM-2009-072

Moved by: J. Verkaik

Seconded by: J. Rupke

"That the written report of the Drainage Superintendent and Project Manager dated August 31, 2009, be received, for information."
CARRIED.

8.

New Business

The question of future accounting expenses in relation to the audit fees and if the board is the appointing body for the task.

From a budgeting perspective, it would be helpful and therefore a motion was proposed and carried.

8.1

HM-2009-063

Moved by: J. Rupke

Seconded by: D. White

"That the Board request of Gaviller & Company a quote for fees relating to auditing for the Holland Marsh Drainage System Joint Municipal Services Board, for the year's 2010, 2011, and 2012."
CARRIED.

John McCallum

8.2

The Drainage Superintendent raised the idea of acquiring a thumb for the long reach excavator for the 2010 budget year. It is his opinion that this would expedite the work which this equipment performs in the marsh.

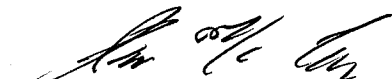
In terms of recovering funds on the machine time spent on Town activities, a billing process will be carried out. Although Bradford West Gwillimbury has been the sole municipality utilizing the excavator, King Township is also able to utilize the equipment as needed at a per hour cost.

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9.	<u>Future Meeting Schedule</u>	<i>John McCallum</i>
9.1	HM-2009- Moved by: Seconded by: Motion deferred. The next meeting of the Holland Marsh Drainage System Joint Municipal Services Board will be at the call of the Chair.	
10.	<u>Adjournment</u>	<i>John McCallum</i>
10.1	HM-2009-074 Moved by: J. Verkaik Seconded by: J. Rupke "That this meeting of the Holland Marsh Drainage System Joint Municipal Services Board adjourn at 3:33 p.m." CARRIED.	



Sarah Murray, Secretary Treasurer



John McCallum, Chairman