



**FIFTH MEETING OF THE
2019 BUDGET COMMITTEE
COUNCIL CHAMBER, MARKHAM CIVIC CENTRE
February 5, 2019
9:00 AM**

MINUTES

Attendance:

Members Present: Councillor Amanda Collucci, Budget Chief Councillor Andrew Keyes, Vice-Chair Deputy Mayor Don Hamilton Councillor Karen Rea Councillor Keith Irish Councillor Reid McAlpine Councillor Khalid Usman Guests: Mayor Frank Scarpitti Regional Councillor Jack Heath Regional Councillor Jim Jones Councillor Isa Lee Regrets: None	Staff Present: Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner of Corporate Services Brenda Librecz, Commissioner of Community & Fire Services Arvin Prasad, Commissioner of Development Services Catherine Conrad, City Solicitor Dave Decker, Fire Chief Phoebe Fu, Director of Environmental Services Morgan Jones, Director of Operations Brian Lee, Director of Engineering Joel Lustig, Treasurer Graham Seaman, Director of Sustainability Regan Hutcheson, Manager of Heritage Planning Andrea Tang, Senior Manager of Financial Planning Bryan Frois, Chief of Staff George Duncan, Senior Planner Veronica Siu, Senior Business Analyst Laura Gold, Council/Committee Coordinator
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The Budget Committee convened at 9:02 am with Councillor Amanda Collucci in the Chair.

1. Approval of the Minutes

Moved by Andrew Keyes

Seconded by Khalid Usman

That the Minutes from the January 22, and 29, 2019 Budget Committee Minutes be approved as presented.

Carried

2. Review of the Capital Budget

Operation-Fleet Capital Budget Items

Morgan Jones, Director of Operations was in attendance to answer questions on the Operations-Fleet Capital Budget Items.

Item	Total Cost	Discussion
19204 Corporate Fleet Growth-Non-Fleet	\$10,200	
19205 Fleet Refurbishing	\$37,000	
19206 Corporate Fleet Replacement – Fire	\$1,911,700	<p>Committee inquired if Fire Fleet can be purchased from a Canadian Supplier and if the City is protected against the supplier going out of business.</p> <p>Staff advised that fire vehicles are purchased from the United States due to favourable pricing. It was noted that many of the Canadian suppliers have gone out of businesses.</p> <p>Staff also advised that the City pays for fire vehicles in installments.</p>
19207 Corporate Fleet Replacement – Non-Fire	\$2,883,300	<p>A Committee Member asked for an overview of the process staff undertake to determine if a vehicle needs to be replaced. They also asked for the percentage of the City's fleet that is typically replaced each year.</p> <p>Staff provided an overview of the process they undertake to determine if a vehicle needs to be replaced, noting the condition assessment confirms the need for replacement. Government grants and incentives are also taken into consideration when determining the optimal time to replace a vehicle.</p>
19208 Green Fleet Business Plan and Strategy	\$101,800	<p>A Committee Member inquired why a consultant is needed to determine which vehicles to purchase.</p> <p>Staff advised that a consultant is required to determine which vehicles and handheld devices (e.g. lawn mowers) to purchase to meet the City's net zero target. Specialized expertise is required to conduct the study.</p>
19209 Ice Resurfacing Machine Replacement	\$98,300	<p>A Committee Member inquired if the ice resurfacing machine needs replacement.</p> <p>Staff advised that a condition assessment was done and confirmed the need for replacement in 2019.</p>
19211 New Fleet –Fire (Ground Cover Firefighter)	\$44,800	
19212 New Fleet (Markham Centre)	\$1,420,200	This item was removed from the 2019 Capital Budget. The item will be re-introduced when plans for the Markham Centre Fire Station are presented to the General Committee.

Item	Total Cost	Discussion
		Committee requested that staff's plans for the Markham Centre Fire Station be presented to the General Committee early on in the planning process so that Members of Council can provide input and feedback.
19213 New Fleet –Parks	\$140,100	A Committee Member asked if outsourcing parks work has been a success. Staff advised that they continue to outsource some of the parks work, but that they continue to make improvements to the pilot project. Currently, the boulevard work is being outsourced so that staff can focus on the maintenance of the sports fields. The savings derived are from not having to purchase the equipment.
19215 New Fleet – Water works	\$32,000	This item was removed from the 2019 Capital Budget, as the truck will now be rented for the summer months.

Moved by Councillor Don Hamilton

Seconded by Councillor Khalid Usman

That the Budget Committee approve Operations-Fleet Capital Budget Items (excluding 19212 and 19215).

Carried

Operation- Utility Inspection & Survey

Item	Total Cost	Discussion
19216 German Mills Meadow – Northern Header Upgrade	\$456,800	
19217 – Survey Monument Replacement	\$28,600	

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Khalid Usman

That the Budget Committee approve the Operation-Utility Inspection & Survey Capital Budget Items.

Carried

Operations – Business & Technical Services

Morgan Jones, Director of Operations was in attendance to answer questions and on the Operations-Business & Technical Services Capital Budget Items.

Item	Total Cost	Discussion
19219 Growth Related Parks Improvements	\$167,900	<p>A Committee Member requested that a volley ball net be installed at Alma Walker park.</p> <p>Staff advised that it has not been the City's practice to provide volleyball nets.</p> <p>It was also requested to place more benches at a park in Ward 8.</p> <p>A Committee Member also advised that there is a demand from residents to include tennis courts at new parks.</p> <p>Staff advised that data have been collected through the update of the Integrated Leisure Master Plan. Results will be brought forward to General Committee.</p>
19220 Public Realm – Markham's Shared Places our Places	\$55,200	<p>Committee suggested the cost of the little libraries is too high.</p> <p>After some discussion it was agreed to pilot one little library to see how it functions prior to purchasing any additional units.</p>

Moved by Deputy Mayor Don Hamilton

Seconded by Councillor Andrew Keyes

That the Budget Committee approve the Operations-Business & Technical Services Capital Budget Items.

Carried

Environmental Services – Infrastructure

Phoebe Fu, Director of Environmental Services was in attendance to answer questions on the Environmental Services –Infrastructure Capital Budget Items.

Item	Total Cost	Discussion
19222 Small Culverts Replacement (12 Structures)	\$349,200	
19223 Large Culverts Rehab (3 Structures) – Design & Const.	\$442,270	

Item	Total Cost	Discussion
19224 - MNRF Monitoring for Capital Projects at Water Crossings	\$16,200	<p>A Committee Member asked if a consultant is required to prepare this report.</p> <p>Staff advised that there is a legislative requirement from the Ministry of Natural Resources and Forestry (MNRF) to submit a report every year for 5 years following the completion of capital works at water crossings.</p> <p>Staff do not have the expertise (ecology and fishery) to prepare the report.</p>
19226 - Stormwater Pumping Stations- Maintenance	\$20,700	
19227 - Miscellaneous Requests	\$152,600	
19228 Streetlights – Poles Replacement Program	\$121,800	
19229 Streetlights – Underground Cable Replacement	\$1,178,775	
19230 Structures Program-FTE	\$140,800	Staff explained the funding model for this position. Replacement of structures are funded from the Life Cycle Replacement and Capital Reserve Fund; therefore the dedicated staff responsible for overseeing the program is funded from the same reserve.

Moved by Councillor Andrew Keyes

Seconded by Keith Irish

That the Budget Committee approve the Environmental Services-Infrastructure Capital Budget Items.

Carried

Environmental Services -Stormwater

Phoebe Fu, Director of Environmental Services was in attendance to answer questions on the Environmental Services –Stormwater Capital Budget Items.

Item	Total Cost	Discussion
19231 Don Mills Channel-Flood Education Proofing Program	\$152,600	<p>A Committee Member was interested in the education program.</p> <p>Staff advised that more information on the education program will be provided after the budget is approved.</p>

Item	Total Cost	Discussion
		<p>The program will educate local businesses in the area on how to protect their offices from floods.</p> <p>Other measures are also being taken to prevent flooding in the area such as widening the channel to add more capacity.</p> <p>It was noted that the funding for this project comes from the stormwater fee.</p>
19232 Erosion Restoration Program	\$663,900	
19233 Oil Grit Separators (OGS) – Inspection and Cleaning	\$211,300	Staff clarified that this capital budget item is to clean oil that gets into the storm sewers from roadways (such as oil leaks from cars). Staff clarified that oil / fat from residential homes goes to sanitary sewers.
19234 Sewer Invert Data Quality Assurance Year 5 of 5	\$54,000	
19235 Stormwater Facility – Condition Inspection	\$54,000	
19236 SWM Pond Cleaning – Ponds ID#43 & ID#70	\$753,036	<p>A Committee Member inquired about the cost of this project.</p> <p>Staff advised that it is a costly process to remove the sediment from a pond. The cost is based on the volume of the pond. Ponds need to be cleaned approximately every 20 years to avoid a build-up in sediment.</p> <p>Staff advised that the two ponds included in the 2019 Capital Budget are Carlton Village Pond and Civic Centre Pond.</p> <p>A Committee Member inquired if the City collects development charges for the maintenance of stormwater ponds.</p> <p>Staff advised that development charges are collected for the initial construction of the stormwater management pond, and the City is responsible for the maintenance of the pond once the developer transfers it to the City. There is no future development charges collected for the maintenance of the stormwater management ponds.</p>

Item	Total Cost	Discussion
19237 Water Quality Improvements and Geese Control	\$27,000	Committee discussed the City's geese control program. It suggested that staff reach out to other municipalities to research different/new ways to mitigate the impact of geese and report back to the General Committee.
19238 Water Quality Monitoring	\$27,000	

Move by Councillor Keith Irish

Seconded by Councillor Reid McAlpine

That the Budget Committee approve the Capital Budget Environmental Services – Stormwater Capital Budget Items.

Carried

Environmental Services – Waste

Phoebe Fu, Director of Environmental Services was in attendance to answer questions on the Environmental Services –Waste Capital Budget Items.

Item	Total Cost	Discussion
19240 Incremental Growth Related Waste Management Vehicles	\$100,000	<p>A Committee Member asked for clarification on this item.</p> <p>Staff advised that the City charges a portion of the waste contract to development charges as a portion of the contract increase is due to growth. This will alleviate the tax funded operating budget.</p> <p>Staff pointed out if the service is done in-house, the City would need to buy additional vehicles, funded from development charges, in order to accommodate growth.</p>

Moved by Councillor Reid McAlpine

Seconded Councillor Karen Rea

That the Budget Committee approve the Environmental Services-Waste Capital Budget Items.

Carried

Waterworks

Phoebe Fu, Director of Environmental Services was in attendance to answer questions on the Waterworks Capital Budget Items.

Item	Total Cost	Discussion
19241 Cathodic Protection of Cat Iron Watermains	\$427,800	
19243 CI Watermain and Sanitary Sewer Replacement	\$13,730,800	<p>A Committee Member asked if sewer work is coordinated with other utility work being done.</p> <p>Staff advised that coordination of work is done internally with other departments' work to minimize disruption. External utility companies are advised when the City is doing work.</p>
19244 Water System Improvement –Langstaff Area	\$35,600	
19246 – Curb Box Inspection and Replacement Program	\$392,200	
19247 – Fat Oil and Grease (FOG) Program	\$75,300	<p>A Committee Member questioned if this program duplicates the York Region program.</p> <p>Staff advised that this program is an extension of the York Region Program. It complements the Region's program at the local level (e.g. creating local brochures) and it's not a duplicate.</p>
19249 – Sanitary Sewers - Rehabilitation	\$1,130,600	
19250 – Sewer Push Camera Replacement	\$22,700	
19251 – Wastewater Flow Monitoring – Annual Program	\$152,600	
19254 – Water System Instruments Replacement	\$40,700	
19255 – Watermain Leak Detection Program	\$36,600	

Moved by Councillor Karen Rea

Seconded by Deputy Mayor Don Hamilton

That the Budget Committee approved the Environmental Services-Waterworks Capital Budget Items.

Carried

Corporate Wide

Joel Lustig, Treasurer was in attendance to answer questions on the Corporate Wide Capital Budget Item.

Item	Total Cost	Discussion
19256 Corporate Capital Contingency	\$3,539,400	<p>A Committee Member asked for clarification on this item.</p> <p>Staff advised that contingencies on individual capital projects have been consolidated into this project. Once the budget is approved, contingency amounts will be transferred back to individual projects.</p>

Moved by Councillor Khalid Usman

Seconded by Councillor Andrew Keyes

That the Budget Committee approve the Corporate Wide Capital Budget Item No. 19256.

Carried

Capital Budget Item No. 19088 Stabilization of Structures

Graham Seaman, Director of Sustainability & Asset Management provided a presentation on Capital Budget Item No. 19088 Stabilization of Structures. A history of the properties on the site was provided.

Committee discussed the following:

- Whether the barn needs to be demolished or if a fence can be put around the barn;
- Move the house to another location now or in the future;
- Sell the house to a resident or business for a nominal amount who will restore the house at their cost;
- Spend more and make the structure usable for the community;
- Spend the minimum to stabilize the heritage home on the property, so that it can be revitalized in the future;

Staff responded to Committee inquiries, advising the following:

- The house requires stabilization now to be in compliance with the City's Keep Markham Beautiful By-Law;
- a fence around the barn will not prevent trespassers from entering the barn ;
- It will cost the City more to restore the house later if the house is not stabilized at this time;

- The cost of restoring the house now for municipal use would be substantially more than stabilizing the home;
- The City may not be able to move the house to the Heritage Estates or another location at this time;
- A Developer would be required to restore the house to a usable state, but not necessarily at this time.

Moved by Mayor Frank Scarpitti

Seconded by Councillor Khalid Usman

That the presentation by Graham Seaman, Director of Sustainability & Asset Management on Capital Budget Item No. 19088 on the Stabilization of Structures be received.

That the Budget Committee approve Capital Budget Item 19088, as a placeholder; and

That staff report back with options on the stabilization of the structures/ plans for the structures on the property prior to spending the funds.

Carried

Capital Budget Item No. 19035. Hwy 404 Midlock Crossing

Brian Lee, Director of Engineering provided a presentation on Capital Budget Item No. 19035. Hwy 404 Midlock Crossing.

Committee provided the following feedback on the Capital Budget Item:

- Negotiate the cost sharing agreement further, as Markham's share is too high considering the project benefits everyone (York Region, Richmond Hill; and Markham)
- Accelerate the Markham portion of the project, so that it is completed before growth in the area occurs;

Moved by Mayor Frank Scarpitti

Seconded by Councillor Khalid Usman

That staff investigate the following with respect to Capital Budget Item No. 19035. Hwy 404 Midlock Crossing and report back to the Development Services Committee:

- 1) **Accelerating the Markham portion of the project prior to growth in the area; and,**
- 2) **Negotiating a better cost sharing deal with York Region and Richmond Hill.**

Carried

Capital Budget Item 19031 Bike Sharing Implementation Plan

Brian Lee, Director of Engineering advised that Capital Budget Item No. 19031 Bike Sharing Implementation Plan has been removed from the 2019 Capital Budget. Capital Budget Item No. 19037 John Street Multi Use Pathway (MUP) Construction

Staff will meet with Councillor Keith Irish prior to the Feb. 8 Budget Committee meeting to discuss this Capital Budget Item. A decision on the item was deferred until after this meeting occurs.

Capital Budget Item No. 19042 Miller Pond Site Preparation and Property Acquisition

Brian Lee, Director of Engineering provided a presentation on Capital Budget Item No. 19042 Miller Pond Site Preparation and Property Acquisition. The funds being requested is for the maximum amount the project will cost.

Moved by Councillor Reid McAlpine

Seconded by Councillor Khalid Usman

That the Budget Committee approve Capital Budget Item No. 19042 Miller Pond Site Preparation and Property Acquisition subject to cost sharing with White Owl.

Carried

3. Next Steps

Staff requested an additional meeting and that the time of Friday's Budget Committee meeting be extended to complete the review of the 2019 Budget.

Moved by Councillor Keith Irish

Seconded by Councillor Reid McAlpine

That the time of the Budget Committee on February 8, 2019 change to 9:00 am – 12:00 pm; and,

That a 7th Budget Committee meeting be scheduled the week of February, 11, 2019 (3 hours).

Carried

4. Adjournment

Moved by Councillor Khalid Usman

Seconded by Councillor Andrew Keyes

That the Budget Committee adjourn at 12:43 pm

Carried