

NORTH BAY[®]

O N T A R I O • C A N A D A

Just North Enough to be PERFECT

Committee

Agenda

Committee Meeting of Council

December 3, 2012

at 7:00 p.m.

MEETINGS

**FOR THE WEEK OF
DECEMBER 3RD, 2012**

Monday, December 3, 2012	5:00 p.m.	Special Closed Meeting of Council Council will adjourn in-camera for training and educational purposes 5 th Floor Boardroom, City Hall
	7:00 p.m.	Committee Meeting of Council Council Chambers, 2 nd Floor, City Hall
Wednesday, December 5, 2012	4:00 p.m.	Engineering & Works Business Unit Budget Review 5 th Floor Boardroom, City Hall
Thursday, December 6, 2012	12:00 noon	Community Services Business Unit Budget Review 5 th Floor Boardroom, City Hall
Friday, December 7, 2012	9:00 a.m.	General Government Business Unit Budget Review 5 th Floor Boardroom, City Hall
	12:00 noon	Community Services Business Unit Budget Review (Fire Dept.) 5 th Floor Boardroom, City Hall

COMMUNITY SERVICES COMMITTEE

Monday, December 3, 2012

Page 1

Chairperson: Councillor Mendicino
Vice-Chair: Councillor Mayne
Member: Councillor Vaillancourt
Ex-Officio: Mayor McDonald

- CS-2001-35 Rezoning applications by Consolidated Homes Ltd. – Golf Club Road (D14/2001/CHLTD/GOLFCLUB).
- CS-2003-37 Condominium application by Rick Miller on behalf of New Era Homes Ltd. - McKeown Avenue (D07/2003/NEHL/ MCKEOWN).
- CS-2004-29 Rezoning and Plan of Subdivision applications by Rick Miller on behalf of Grand Sierra Investments Ltd. - Sage Road (D12/D14/2003/GSIL/SAGERD).
- CS-2011-04 Motion moved by Councillor Mayne on January 24, 2011 re Designated Off-Leash Dog Area (R00/2011/PARKS/DOGPARK).
- CS-2012-16 Report from S. Kitlar dated June 12, 2012 re Multi-Use Recreation Facility Study update (R05/2012/ MURF/GENERAL).
- CS-2012-19 Report from Steve McArthur dated September 11, 2012 re Rezoning application and Draft Plan of Condominium by Miller & Urso Surveying Inc. on behalf of Golden Estates Ltd. – Ski Club Road (D07/D14/2009/GEL/SKICLUB).

ENGINEERING & WORKS COMMITTEE

Monday, December 3, 2012

Page 1

Chairperson: Councillor Vrebosch
Vice-Chair: Councillor Koziol
Member: Councillor Campbell
Ex-Officio: Mayor McDonald

EW-2010-03 Report from A. Korell/J. Houston dated March 26, 2010 re Kate Pace Way west end bike route connection between Memorial Drive and Gormanville Road (R05/2010/KPWTR/WESTENDR).

GENERAL GOVERNMENT COMMITTEE

Monday, December 3, 2012

Page 1

Chairperson: Councillor Lawlor
Vice-Chair: Councillor Anthony
Members: Councillors Bain, Maroosis
Ex-Officio: Mayor McDonald

- GG-2011-04 Motion from Councillor Anthony dated January 10, 2011 re Council remuneration (F16/2011/CNB/COUNCIL).
- GG-2011-16 Report from C.M. Conrad dated August 2, 2011 re Election campaign signs (C07/2011/ELECT/GENERAL).
- GG-2012-06 Report from Margaret Karpenko dated August 29, 2012 re 2013 Operating Budget Timelines and Process (F05/2012/OPEBE/GENERAL).
- ▶ **GG-2012-08 Report from Lorraine Rochefort / Laura Boissonneault dated October 1, 2012 re 2013 Water and Sanitary Sewer Rates (F22/2012/TAXR/GENERAL).**
- ▶ **GG-2012-09 Report from Margaret Karpenko / Laura Boissonneault re 2013 General Capital Budget, 2013 Water and Sanitary Sewer Capital Budget, with the 2014-2022 Ten-Year Capital Forecasts, Long-Term Capital Funding Policy and Capital Reserves (F05/2012/2013/CAPBU/GENERAL).**
- GG-2012-10 Report from Laura Boissonneault / Margaret Karpenko dated November 21, 2012 re 2013 Administration Recommended Operating Budget (F05/2012/2013/OPEBU/GENERAL).

GG-2012-08

Recommendation:

- "That
- 1) in accordance with the direction contained in the *Safe Drinking Water Act, 2002*, the current policy of recovering all Water and Sanitary System operating, capital and financing costs from user rates be maintained;
 - 2) the Water and Sanitary Sewer rate increase be 4.45% effective January 1st, 2013;
 - 3) the Water Filtration Plant Capital Surcharge be reduced from 8% to 6.70% of water charges;
 - 4) the Sanitary Sewer Surcharge be reduced from 86% to 69.35% effective January 1st, 2013; and
 - 5) a one-time reduction in the Pay-As-You-Go Capital Levy is approved in the amount of \$311,576.00."

CITY OF NORTH BAY

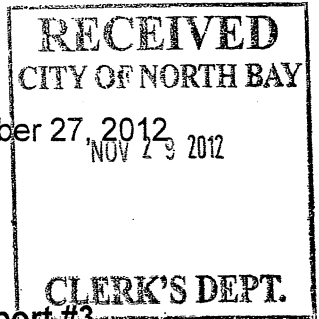
REPORT TO COUNCIL

Report No: CORP 2012-152

Date: November 27, 2012
NOV 29 2012

Originator: Margaret Karpenko

Subject: **Achieving 0.0% Water and Sanitary Sewer Rate Increase
2013 Water and Sanitary Sewer Rates – Supplemental Report #3**



BACKGROUND:

On November 19, 2012 the Public Meeting for water and sanitary sewer rates was held and as a result the General Government Committee requested that Administration prepare a 2013 Water and Sanitary Sewer budget with a rate increase of 0%.

Achieving 0.0%

In order to achieve a budget resulting in a 0.0% increase, rather than the current 4.45% rate increase a reduction of approximately \$878,000 is required. Administration has reviewed several actions that would be required to achieve a 0.0% rate increase.

When the LTFP was presented it was noted that the operating costs were projected to increase close to 5% annually. Several long term assumptions were made in order to complete the study however, the most significant assumption was that the City would continue to support its Long Term Capital Funding Policy. When we convert the increase in operating costs to a rate increase, the range for the next ten years would suggest a percentage between 5-7%.

All actions noted below would be required to achieve a 0% increase to the water and sanitary rates:

1. Remove Fluoridation from Water Treatment

Providing fluoridation of drinking water is not a regulatory requirement. In 2012, the City expects to incur chemical costs of approximately \$27,000 for fluoride. In addition to the chemical costs, discontinuing fluoridation would provide additional savings related to testing, monitoring, calibration and safety protection equipment. Fluoride is one the most dangerous chemicals used at the water treatment plant. Total annual savings of \$30,000 from the 2013 budget could be realized if fluoridation was discontinued.

Fluoridation is a controversial issue. Many municipalities have discontinued fluoridation. In October of 2010, Waterloo, Ontario shut down their 44 year fluoridation practice. The following web site provides many links to articles from the Waterloo "anti-fluoride" camp. <http://www.waterloowatch.com/home.html> The North Bay Parry Sound District Health Unit has been consulted and has taken a firm stand in favour of continued fluoridation. See attached letter from the Medical Officer of Health, Dr. J. Chirico. The fluoridation debate can be divisive, but there are costs associated with this practice which is not required by regulation and staff feel that it should be considered as a service reduction option.

2. Removal of Project 6149WS - Membrane Module Replacement

The water filtration plant was designed with replaceable membrane modules. The current replacement cost of the membrane modules is approximately \$3,730,000, plus installation. Pall, the manufacturer and supplier of the modules, has indicated that they have seen modules last as long as 13 years, however, this useful life is dependent on a number of factors including water quality, volume treated, cleaning schedule, strict compliance to the O&M manuals, etc. The Pall warranty for the North Bay facility provides a full 2 years and 8 years pro-rated thereafter.

The new facility began treating water in January of 2010 so the modules are now almost 3 years old but the Pall warranty, due to testing and various contractor deficiencies did not start until September 2011.

It can be expected that the modules would last at least another 9 years (to the end of the warranty period) and due to various modifications made, the expectation is that they will last longer.

Project 6149WS provides annual funding of \$270,000 for the expected replacement of membrane modules within 12 to 14 years. Staff is not recommending this project be removed as it would result in the deferral of the annual wear and tear cost of the filtration process to a one-time large cost that rate payers would have to bear in a future year. Additionally, should this option be accepted, in the year(s) in which these membranes are actually replaced, capital investment in the system will be limited.

3. Reduction of \$50,000 from Project # 6143WS – Flush Watermains 2013 On-going

Staff at Public Works is required to flush all municipal hydrants in the City annually. This forms part of the Drinking Water Quality Management System. In addition to the task of flushing, funds from this project are also used to complete watermain looping projects. Looping provides a permanent solution to dead end flushing and eliminates customer complaints of brown water and low chlorine residuals.

Currently, due to the age of the infrastructure, Public Works crews are called repeatedly to flush numerous dead ends in an attempt to temporarily improve water quality. In the event that repeated flushing does not work, crews are required to install permanent flushing lines which require excavation, restoration, and waste excessive amounts of water to ensure safe drinking water for the customer. Under this scenario, annual flushing would be completed however, watermain looping projects would be sacrificed, additional permanent flushing lines would need to be installed, and there would be additional call outs of staff to attend problematic areas.

4. Reduction of \$50,000 from Project # 6141 Hydrant & Valve Rehabilitation 2013 On-going

Staff at Public Works utilize specialty equipment for turning water valves on and off in the City's water distribution system. The City is divided into multiple sectors and valves are operated and directional flushing of the sector is undertaken using hydrants. This project is designed to increase the useful life of the infrastructure and was designed to have all valves in the entire City completed over a four year period. To date this has not been achievable due to the large number of deficiencies found in the aging infrastructure with valves and hydrants. This project has allowed staff to note deficiencies in a controlled situation rather than in the event of an emergency. Deficiencies are then scheduled for repair or replacement. From our experience, sections of the City which have been completed have become more reliable. With a \$50,000 reduction to this project, staff will continue to not meet our four year goal and many deficiencies with the distribution system will go undetected until needed in an emergency situation such as a watermain break.

5. Elimination of Two Summer Students

Elimination of two summer students is projected to save \$15,000, in the Water & Sanitary Sewer and/or Water & Sanitary Sewer Facilities operations. This reduction would reduce the number of students available to perform the smaller tasks during the summer months when vacation levels amongst regular staff is high. This reduction is to the operating budget. Although this may appear to be an insignificant amount, the work performed by these students is of extreme value for the cost.

6. Elimination of Four Part-Time Staff

Approximately \$100,000 reduction in expenses can be achieved by eliminating four part-time staff (summer construction). These employees currently supplement the water and sanitary sewer staff which allows Public Works to work on small capital works projects for the City.

As well, in times of unexpected high number of water and sanitary sewer breaks, these part-time staff provide a third crew to carry out repairs thus increasing response time, reducing potential claims, and providing staff time to conduct a proper renewals rather than spot repairs. This change will see smaller projects such as water and sanitary sewer main renewals, water and sanitary sewer service connection renewals, and watermain looping being deferred and staff focusing solely on spot repairs and temporary fixes to address outstanding breaks. Additionally, spot repairs will add to future costs as the condition of the infrastructure around the repair will ultimately fail resulting in further excavation and restoration costs. This reduction is to the operating budget.

7. Reduction in Growth Related Various Capital Projects Valuing \$500,000 Per Year

An annual reduction of \$500,000 in the 10 year Capital Budget forecast can be achieved by moving or eliminating growth related projects. This will have an effect on the City's growth in the future. Projects impacted include:

- the delay of Phase One of the Cedar Heights Project which is the replacement of the existing pumping station for the University and College;
- the elimination of Phase Two of the Cedar Heights Project which is the standpipe on Larocque Road;
- the delay of other growth related project such as the servicing of the Highway 11 North area with water and sanitary sewer and the sanitary sewer across the Ski Hill.

It should be noted that delaying the Cedar Heights project increases the City's risk of a significant failure occurring with respect to our current delivery of water to the Education complex. Many of the components in the Canadore pumping station and downstream watermain are past their useful life and are in very poor condition.

Other Considerations

It is the responsibility of the Operating Authority and Owner (as represented by Council) to ensure the Municipality's drinking water system is sustainable. Section 11 of the Safe Drinking Water Act details the duties of owners. It states, among other things, that the Owner shall ensure that, at all times, the drinking water system is operated in accordance with the requirements of the Act, is maintained in a fit state of repair, and satisfies the requirements of the Drinking Water Quality Management Standard.

The Owner (Council) must endorse a Quality Management System which meets the Drinking Water Quality Management Standard. This Quality Management System will facilitate the Municipalities ability to consistently produce and delivery drinking water and enhance consumer protection through effective application and continual improvement (Safe Drinking Water Act, O.Reg 188/07). The Owner must also approve a financial plan which indicates that the drinking water system is financially viable (Safe Drinking Water Act, O.Reg. 453/07).

The above actions reduce the Pay-As-You-Go (PAYGO) capital levy by an additional \$870,000 representing a 7.64% reduction in the target policy, and reduce operating costs by \$145,000. The PAYGO reduction is a significant change to the current Long Term Capital Funding Policy for Water and Sanitary Sewer. The reduction also causes a shift in the amounts funded by PAYGO and debt.

In the 2012 Capital plan, 70% is funded by PAYGO, 26% funded with debt and the balance 4% funded through other sources. The PAYGO/debt/other mix shift to 68% / 28% / 4% (2013) and moves to a 43% / 48% / 9% mix over the longer term (2023). This means that for the next several years the capital funding envelope will be reduced because of the principle and interest pressures. Generally, the City has targeted a 70% / 26% / 4% split.

It was noted in the recent Stantec State of the Infrastructure Report that the City's infrastructure renewal program has had positive results. The noted projects are renewal projects and growth related, therefore, the longer term impacts may compound and become significant to the operating budget in the future and may also limited the City's ability to attract new investment in the community.

Financial Services staff has been analyzing Moody's methodology to identify any opportunity to improve our Baseline Credit Assessment (BCA) which is the City's intrinsic credit strength. The exercise highlighted that the City scored full points in three of the six factors. The key message is that fiscal discipline means that the City has sufficient revenues to pay for expenses and when looking at business decisions we consider the long term. Our long-term funding policies and capital plans are viewed as sound, forward thinking tools that are a positive factor in ratings. If decisions are made that do not match the policy and plan, Moody's could take a negative view and possibly impact the city's

overall rate. Another key theme is that it is one thing to have savings through efficiencies and quite another to have savings through cuts which could have negative implications in the future.

For demonstration purposes, the impact in dollars for an average residential 'Flat Rate Water/Sanitary Sewer Bill' should the \$870,000 be removed from the capital levy and \$145,000 be eliminated from operations.

Description	Current Rates	Revised Rates @ 0.0%	% Rate change
Water Rate	\$36.16	\$39.78	10.00%
Water Filtration	\$2.89	\$2.79	-3.46%
Sanitary Sewer Rate	\$31.10	\$27.04	-13.05%
Total Flat Rate Bill	\$70.15	\$69.61	-.77%

Therefore, a typical monthly residential 'Flat Rate Water/Sanitary Sewer Bill' would decrease by approximately \$0.54 per month.

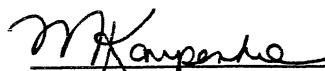
A minimum 'Metered Water/Sanitary Sewer Bill' would decrease by approximately \$0.52 per month.

ANALYSIS:

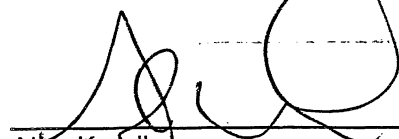
Appendix A to this supplemental report demonstrates the impact of the actions required to achieve 0.0%. This results in an operating budget decrease of \$283,282 or -1.51%% over 2012 which has a -0.77% impact on the actual flat rate bill:

- 1) Results in a net decrease on a typical 'Residential Flat Rate Water/ Sanitary Sewer' bill of -77% or approximately \$0.55 per month, effective January 1st, 2013.
- 2) Results in a reduction in the Water Filtration Plant Capital Surcharge from 8% to 7.01% of water charges.
- 3) Results in a reduction in the required Sanitary Sewer Surcharge from 86% to 67.98% effective January 1st, 2013.
- 4) Would implement a one-time reduction of \$311,576 in the Pay-As-You-Go Capital Levy. This adjustment is a re-establishment of the capital levy budget baseline.

Respectfully submitted,


Margaret Karpenko, CMA
Chief Financial Officer/Treasurer

We concur in this report and recommendation.


Alan Korell
Managing Director of Engineering,
Environmental, and Works



APPENDIX A Achieving 0.0% Water and Sewer Levy and Rate Calculation

Budget Year: 2013

	2012 Budget	2013 Dept Review	Variance	Variance %
Water System Budget				
Water Distribution	\$8,238,919	\$9,634,222	\$1,395,303	16.94%
Water Plant	\$1,876,600	\$2,007,526	\$130,926	6.98%
One time Adjustment		-\$515,000	-\$515,000	
Water Total:	\$10,115,519	\$11,126,748	\$1,011,229	10.00%
Sanitary Sewer System Budget				
Sewer Distribution	\$7,002,994	\$5,863,226	-\$1,139,768	-16.28%
Sewer Plant	\$1,674,840	\$2,020,097	\$345,257	20.61%
		-\$500,000	-\$500,000	
Sewer Total:	\$8,677,834	\$7,383,323	-\$1,294,511	-14.92%
Water & Sewer Budget Grand Total:	\$18,793,353	\$18,510,071	-\$283,282	-1.51%

Total Required Water Revenue	\$11,126,748
Less: Estimated revenue from water only	-\$430,009
Total Required Water Revenues:	\$10,696,739

Total Required Sanitary Sewer Revenue	\$7,383,323
Less: Estimated revenue from sewer only	-\$111,350
Total Required Sewer Revenues:	\$7,271,973

Sanitary Sewer as % of Water Revenues: 67.98%

Adjusted Combo Water/Sanitary Sewer Rates	2012	2013	Rate % Change
Water Rate	\$36.16	\$39.78	10.00%
Sewer Rate	\$31.10	\$27.04	-13.05%
	\$67.26	\$66.82	-0.66%
Water Filtration Rate	\$2.89	\$2.79	-3.46%
Final 2013 Water/Sanitary Sewer Rates:	\$70.15	\$69.60	-0.77%



November 1, 2012

Jerry Knox
Chief Administrative Officer
City of North Bay
200 McIntyre Street East
P.O. Box 360
North Bay, ON P1B 8H8

Dear Jerry:

Subject: Fluoridation of Municipal Drinking Water

Thank you again for asking public health to render an opinion on the importance of fluoridation in our drinking water in North Bay. While this controversial issue has recently received more attention as many municipalities struggle with diminishing revenues and escalating expenditures, public health overwhelmingly supports the continuation of fluoridation in our drinking water supply without hesitation or reservation.

When a proper systematic, not selective, statistical review of the scientific literature on water fluoridation is undertaken the conclusions reaffirm consistently that this practice is safe, reduces tooth decay and is cost-effective. Without inundating you with information and a lengthy list of references which I would be pleased to send you upon request, as well as questions and answers, I wish to highlight some important points:

Endorsements

- More than 90 national and international professional health organizations, including Health Canada, the Canadian Public Health Association, the Public Health Agency of Canada, the Canadian Dental Association, the Canadian Medical Association, the U.S. Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO), have endorsed the use of fluoride at recommended levels to prevent tooth decay.

Water Fluoridation as a Public Health Measure

- The use of fluoride in drinking water has been called one of the greatest public health achievements of the 20th century by the CDC. The WHO affirms that universal access to fluoride for dental health is a part of the basic human right to health.
- Tooth decay is the single most common chronic disease among Canadians of all ages and poor oral health is linked to diabetes, heart disease and respiratory conditions. Water fluoridation is, and must be recognized as, a very important public health measure.

- The fluoridation of drinking water has been used in Canada for over 40 years and between 1979 and 2009 the incidence of dental cavities for children, adolescents, and adults has dropped significantly; from 2.5% to 0.5% for children, from 9.2% to 2.5% for adolescents, and from 17.5% to 10.7% for adults. Approximately 70% of Ontarians have access to fluoridated water.
- While we have accomplished a great deal over the years locally with respect to oral health in large part due to water fluoridation, we have much to do. One in five children (20%) in the North Bay Parry Sound District Health Unit area has some form of tooth decay. In the Peel region it is one in three. Just over half of our elementary schools in our health unit district have been classified as medium or high risk for oral health problems. Eliminating water fluoridation will undoubtedly be regressive with significant human and financial consequences.
- The American Dental Association estimates that water fluoridation continues to be effective in reducing tooth decay by 20-40 per cent.
- The findings of several studies, including one from the CDC, suggest that tooth decay generally increases in a population after water fluoridation is discontinued. In addition, a 2007 report on water fluoridation by the Institut National de Santé Publique du Quebec reveals that the percentage of kindergarten children at high risk of developing tooth decay in Dorval, Quebec doubled in the two year period after water fluoridation was halted in 2003. Water fluoridation has since been reintroduced. Other cities and municipalities have recently reaffirmed decisions to fluoridate their water supplies (Ontario: Atikokan, Halton, Hamilton, London, Norfolk, Sarnia, Toronto, Tottenham; Nova Scotia: Cape Breton).

Cost-Effectiveness

- The CDC estimates \$38 in avoided costs for dental treatment for every \$1 invested in community water fluoridation.
- A 2004 report, Economic Evaluation across the Four Faces of Prevention: A Canadian Perspective, concluded that water fluoridation is a cost-saving intervention.
- Discontinuation of water fluoridation simply shifts the cost to those who are the least able to afford treatment and most vulnerable thereby putting more pressure on publically funded dental programs like Children in Need of Treatment (CINOT), Healthy Smiles Ontario (HSO), as well as our social support systems.

Health and Safety

- Water fluoridation is safe. Studies have not linked fluoride to cancer, bone fractures or intelligence levels. Studies have also found that water fluoridation is safe for the environment, and poses no risk to plants and animals.
- Most dental fluorosis, a condition that occurs when a child receives too much fluoride during tooth development, is mild and appears as white stains on the teeth. In this mildest form, fluorosis may affect the

look of a tooth, but will not affect its function. While moderate or severe fluorosis does occur, the Canadian Health Measures Survey: Oral Health Statistics 2007-2009 concludes that, "[so] few Canadian children have moderate or severe fluorosis that, even combined, the prevalence is too low to permit reporting. This finding provides validation that dental fluorosis remains an issue of low concern in this country." In Ontario, the greatest risk for dental fluorosis is from the ingestion of toothpaste by children.

- The most recent Health Canada review, undertaken in 2007, assessed the latest available evidence on the benefits and potential risks. This review concluded that there is no harmful health risk from the fluoridation of community drinking water at current levels and that fluoridation continues to be an effective public health strategy to prevent dental disease.

Position Statements on Water Fluoridation

World Health Organization, (WHO)

Call to Action to Promote Dental Health by Using Fluoride

Health Canada

Experts Confirm the Benefits of Fluoride for Dental Health

Findings and Recommendations of the Fluoride Expert Panel (January 2007)

Chief Medical Officer of Health (Ontario) (CMOH)

Value of Water Fluoridation

Ontario Medical Association

Ontario's Doctors Set the Record Straight On Fluoride in Drinking Water

The U.S. Centers for Disease Control and Prevention (CDC)

Community Water Fluoridation

Ontario Dental Association

The ODA Applauds Decision to Keep Fluoride in Toronto's Drinking Water

Canadian Dental Association

CDA Position Statement - Fluorides

Water fluoridation continues to play an important role in a comprehensive approach to good dental health which includes other sources of fluoride (such as toothpaste), better nutrition, better dental preventive care and treatment.

The value of drinking water fluoridation should not be underestimated –it is one of the greatest preventive measures we have in the fight against dental decay. It is an effective public measure that reduces health inequities. It helps to contain the costs of health care in our community and province. It benefits all residents.

We respectfully request that municipal cost savings be found in budget lines other than water fluoridation so that the health of our families in our community will not be adversely impacted.

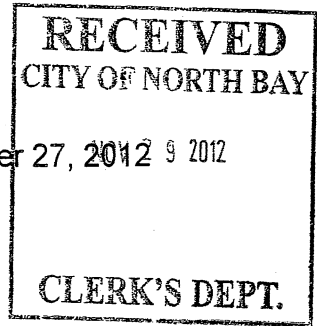
Most Sincerely,



James Chirico, H.BSc., M.D., F.R.C.P. (C), MPH
Medical Officer of Health/Executive Officer

CITY OF NORTH BAY

REPORT TO COUNCIL



Report No: CORP 2012-151

Date: November 27, 2012

Originator: Margaret Karpenko

Subject: **Achieving 2.5% Water and Sanitary Sewer Rate Increase
2013 Water and Sanitary Sewer Rates – Supplemental Report #2**

BACKGROUND:

On November 19, 2012 the Public Meeting for water and sanitary sewer rates was held and as a result the General Government Committee requested Administration prepare a 2013 Water and Sanitary Sewer budget with a rate increase of 2.5%.

As well, during the meeting it was identified that Ontario Regulation 244/02 was revoked and the Sustainable Water and Sewage Act, 2002 was not proclaimed by the Lieutenant Governor. It is correct that O.Reg. 244/02 was revoked, however, the requirements formerly under the regulation are now fulfilled under City By-Law 2007-190. It was also suggested that the City did not have to charge full cost recovery for water and sanitary sewer fees. In researching several reports as far back as 2002, it was found that the City of North Bay's practice to impose rates on the basis of full cost recovery for the water and sanitary sewer system dates back to 1998.

Further, O. Reg. 453/07 Section 1.(2) outlines the requirement for a Financial Plan in order for the City to obtain its municipal drinking water licence. The Financial Plan must be approved by Council resolution verifying the drinking water system is financially viable. The City's Long Term Financial Plan (LTFP) adopted by Council on October 3rd 2011 meets the provincial reporting requirement set out in Section 30(1) of the Safe Drinking Water Act, 2002 and O. Reg. 453/07.

The application for licence renewal was approved by the Ministry of Environment on March 30, 2011 as License No. 196-101.

In order to obtain this licence, the LTFP had to include details of the projected financial operations including annual surplus or deficit and demonstrate that the water and sanitary sewer systems were being run in a financially prudent and viable manner. A financially viable plan would focus on how to ensure operations deliver safe drinking water and identify revenues required to deliver those services. Therefore, as sound business practice, the City does not budget for a surplus or a deficit. Any annual surplus or deficit at year end is transferred or funded to/from reserve.

Also supporting the concept of total cost recovery is The Ministry of Environment guideline ("Towards Financially Sustainable Drinking-Water and Wastewater Systems") that provides possible approaches to achieving sustainability. The guideline identified nine principles; three of the principles relate to full cost recovery as follows:

- Principle #3 – Revenues collected for the provision of water and wastewater services should ultimately be used to meet the needs of those services;
- Principle #6 – A sustainable level of revenue allows for reliable services that meets or exceeds environmental protection standards, while providing sufficient resources for future rehabilitation and replacement needs;
- Principle #7 – Ensuring users pay for the services they are provided leads to equitable outcomes and can improve conservation. In general, metering and the use of rates can help ensure users pay for services received.

In conclusion the LTFP and the annual budget process ensures that the City's water and wastewater operations are in a sound financial position and services can be provided on a sustainable basis.

Achieving 2.5%

In order to achieve a budget resulting in a 2.5% increase rather than the current 4.45%, a reduction of approximately \$385,000 is required. Administration has reviewed several actions required to achieve a 2.5% rate increase.

When the LTFP was presented to council last year it was noted that the operating costs were projected to increase close to 5% annually. Several long term assumptions were made in order to complete the study however, the most significant assumption was that the City would continue to support its Long Term Capital Funding Policy. When we convert the increase in operating costs to a rate increase, the range for the next ten years would suggest a percentage between 5-7%.

All actions noted below would be required to achieve a 2.5% water and sanitary sewer increase:

1. Remove Fluoridation from Water Treatment

Providing fluoridation of drinking water is not a regulatory requirement. In 2012, the City expects to incur chemical costs of approximately \$27,000 for fluoride. In addition to the chemical costs, discontinuing fluoridation would provide additional savings related to testing, monitoring, calibration and safety protection equipment. Fluoride is one of the most dangerous chemicals used at the water treatment plant. Total annual savings of \$30,000 from the 2013 budget could be realized if fluoridation was discontinued.

Fluoridation is a controversial issue. Many municipalities have discontinued fluoridation. In October of 2010, Waterloo, Ontario shut down their 44 year fluoridation practice. The following web site provides many links to articles from the Waterloo "anti-fluoride" camp. <http://www.waterloowatch.com/home.html> The North Bay Parry Sound District Health Unit has been consulted and has taken a firm stand in favour of continued fluoridation. See attached letter from the Medical Officer of Health, Dr. J. Chirico. The fluoridation debate can be divisive, but there are costs associated with this practice which is not required by regulation and staff feel that it should be considered as a service reduction option.

2. Removal of Project 6149WS - Membrane Module Replacement

The water filtration plant was designed with replaceable membrane modules. The current replacement cost of the membrane modules is approximately \$3,730,000, plus installation. Pall, the manufacturer and supplier of the modules, has indicated that they have seen modules last as long as 13 years, however, this useful life is dependent on a number of factors including water quality, volume treated, cleaning schedule, strict compliance to the O&M manuals, etc. The Pall warranty for the North Bay facility provides a full 2 years and 8 years pro-rated thereafter.

The new facility began treating water in January of 2010 so the modules are now almost 3 years old but the Pall warranty, due to testing and various contractor deficiencies did not start until September 2011. It can be expected that the modules would last at least another 9 years (to the end of the warranty period) and due to various modifications made, the expectation is that they will last longer.

Project 6149WS provides annual funding of \$270,000 for the expected replacement of membrane modules within 12 to 14 years. Staff is not recommending this project be removed as it would result in the deferral of the annual wear and tear cost of the filtration process to a one-time large cost that rate payers would have to bear in a future year. Additionally, should this option be accepted, in the year(s) in which these membranes are actually replaced, capital investment in the system will be limited.

3. Reduction of \$50,000 from Project # 6143WS – Flush Watermains 2013 On-going

Staff at Public Works is required to flush all municipal hydrants in the City annually. This forms part of the Drinking Water Quality Management System. In addition to the task of flushing, funds from this project are used to complete water main looping projects. Looping provides a permanent solution to dead end flushing and eliminates customer complaints of brown water and low chlorine residuals.

Currently, due to the age of the infrastructure, Public Works crews are called repeatedly to flush numerous dead ends in an attempt to temporarily improve water quality. In the event that repeated flushing does not work, crews are required to install permanent flushing lines which require excavation, restoration, and waste excessive amounts of water to ensure safe drinking water for the customer. Under this scenario, annual flushing would be completed, however, watermain looping projects would be sacrificed, additional permanent flushing lines would need to be installed, and there would be additional call outs of staff to attend problematic areas.

4. Reduction of \$50,000 from Project # 6141 Hydrant & Valve Rehabilitation 2013 On-going
Staff at Public Works utilize specialty equipment for turning water valves on and off in the City's water distribution system. The City is divided into multiple sectors and valves are operated and directional flushing of the sector is undertaken using hydrants. This project is designed to increase the useful life of the infrastructure and was designed to have all valves in the entire City completed over a four year period. To date this has not been achievable due to the large number of deficiencies found in the aging infrastructure with valves and hydrants. This project has allowed staff to note deficiencies in a controlled situation rather than in the event of an emergency. Deficiencies are then scheduled for repair or replacement. From our experience sections of the City which have been completed have become more reliable. With a \$50,000 reduction to this project, staff will continue to not meet our four year goal and many deficiencies with the distribution system will go undetected until needed in an emergency situation such as a watermain break.

Other Considerations:

It is the responsibility of the Operating Authority and Owner (as represented by Council) to ensure the Municipality's drinking water system is sustainable. Section 11 of the Safe Drinking Water Act details the duties of owners. It states, among other things, that the Owner shall ensure that, at all times, the drinking water system is operated in accordance with the requirements of the Act, is maintained in a fit state of repair, and satisfies the requirements of the Drinking Water Quality Management Standard.

The Owner (Council) must endorse a Quality Management System which meets the Drinking Water Quality Management Standard. This Quality Management System will facilitate the municipalities ability to consistently produce and deliver drinking water and enhance consumer protection through effective application and continual improvement (Safe Drinking Water Act, O.Reg 188/07). The Owner must also approve a financial plan which indicates that the drinking water system is financially viable (Safe Drinking Water Act, O.Reg. 453/07).

The above actions reduce the Pay-As-You-Go (PAYGO) capital levy by an additional \$370,000 representing a 3.25% reduction in the target policy, and reduce operating costs by \$30,000. The PAYGO reduction is a significant change to the current Long Term Capital Funding Policy for Water and Sanitary Sewer. The reduction also causes a shift in the amounts funded by PAYGO and debt. In the 2012 Capital plan 70% is funded by PAYGO, 26% funded with debt and the balance 4% funded through other sources. The PAYGO / debt / other mix shifts to 69% / 27% / 4%. This means that for the next several years the capital funding envelope will be reduced because of the principle and interest pressures. Generally, the City has tried to aim for a 70% / 26% / 4% split.

It was noted in the recent Stantec State of the Infrastructure Report that the City's commitment to infrastructure renewal program has had positive results. The noted projects are renewal projects and not growth related, therefore, the longer term impacts may also compound and become significant in the future.

Financial Services staff has been analyzing Moody's methodology to identify any opportunity to improve our Baseline Credit Assessment (BCA) which is the City's intrinsic credit strength. The exercise highlighted that the City scored full points in three of the six factors. The key message is that fiscal discipline means the City has sufficient revenues to pay for expenses and when looking at business decisions we consider the long term. For this reason, the City's long-term funding policies and capital plans are viewed as sound, forward thinking tools that are a positive factor in ratings. If decisions are

made that do not match the policy and plan, Moody's could take a negative view and possibly impact the City's overall rating. Another key theme is that it is one thing to have savings through efficiencies and quite another to have savings through cuts which could have negative implications in the future.

For demonstration purposes, the impact in dollars for an average residential 'Flat Rate Water/Sanitary Sewer Bill' should the \$370,000 be removed from the capital levy and \$30,000 for elimination of fluoridation.

Description	Current Rates	Revised Rates @2.5%	% Rate change
Water Rate	\$36.16	\$40.19	11.13%
Water Filtration	\$2.89	\$2.79	-3.46%
Sanitary Sewer Rate	\$31.10	\$28.87	-7.17%
Total Flat Rate Bill	\$70.15	\$71.85	2.42%

Therefore, a typical monthly residential 'Flat Rate Water/Sanitary Sewer Bill' would increase by approximately \$1.70 per month.

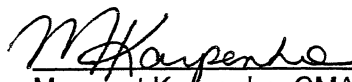
A minimum 'Metered Water/Sanitary Sewer Bill' would increase by approximately \$1.62 per month.

ANALYSIS:

Appendix A to this supplemental report demonstrates the impact of the actions required to achieve 2.5%. This results in an operating budget increase of \$331,718 or 1.77% over 2012 which has a 2.42% impact on the actual flat rate bill:

- 1) Results in a net increase on a typical 'Residential Flat Rate Water/ Sanitary Sewer bill of 2.42% or approximately \$1.70 per month, effective January 1st, 2013.
- 2) Results in a reduction in the Water Filtration Plant Capital Surcharge from 8% to 6.94% of water charges.
- 3) Results in a reduction in the required Sanitary Sewer Surcharge from 86% to 71.84% effective January 1st, 2013.
- 4) Would implement a one-time reduction of \$311,576 in the Pay-As-You-Go Capital Levy. This adjustment is a re-establishment of the capital levy budget baseline.

Respectfully submitted,



Margaret Karpenko, CMA
Chief Financial Officer/Treasurer



APPENDIX A

Achieving 2.5% Water and Sewer Levy

Budget Year: 2013

	2012 Budget	2013 Dept Review	Variance	Variance %
Water System Budget				
Water Distribution	\$8,238,919	\$9,634,222	\$1,395,303	16.94%
Water Plant	\$1,876,600	\$2,007,526	\$130,926	6.98%
One time Adjustment		-\$400,000	-\$400,000	
Water Total:	\$10,115,519	\$11,241,748	\$1,126,229	11.13%
Sanitary Sewer System Budget				
Sewer Distribution	\$7,002,994	\$5,863,226	-\$1,139,768	-16.28%
Sewer Plant	\$1,674,840	\$2,020,097	\$345,257	20.61%
Sewer Total:	\$8,677,834	\$7,883,323	-\$794,511	-9.16%
Water & Sewer Budget Grand Total:	\$18,793,353	\$19,125,071	\$331,718	1.77%

Total Required Water Revenue	\$11,241,748
Less: Estimated revenue from water only	-\$433,678
Total Required Water Revenues:	\$10,808,070
Total Required Sanitary Sewer Revenue	\$7,883,323
Less: Estimated revenue from sewer only	-\$118,891
Total Required Sewer Revenues:	\$7,764,432
Sanitary Sewer as % of Water Revenues:	<u>71.84%</u>

Adjusted Combo Water/Sanitary Sewer Rates	2012	2013	Rate % Change
Water Rate	\$36.16	\$40.19	11.13%
Sewer Rate	\$31.10	\$28.87	-7.17%
	\$67.26	\$69.06	2.67%
Water Filtration Rate	\$2.89	\$2.79	-3.46%
Final 2013 Water/Sanitary Sewer Rates:	\$70.15	\$71.85	2.42%



November 1, 2012

Jerry Knox
Chief Administrative Officer
City of North Bay
200 McIntyre Street East
P.O. Box 360
North Bay, ON P1B 8H8

Dear Jerry:

Subject: Fluoridation of Municipal Drinking Water

Thank you again for asking public health to render an opinion on the importance of fluoridation in our drinking water in North Bay. While this controversial issue has recently received more attention as many municipalities struggle with diminishing revenues and escalating expenditures, public health overwhelmingly supports the continuation of fluoridation in our drinking water supply without hesitation or reservation.

When a proper systematic, not selective, statistical review of the scientific literature on water fluoridation is undertaken the conclusions reaffirm consistently that this practice is safe, reduces tooth decay and is cost-effective. Without inundating you with information and a lengthy list of references which I would be pleased to send you upon request, as well as questions and answers, I wish to highlight some important points:

Endorsements

- More than 90 national and international professional health organizations, including Health Canada, the Canadian Public Health Association, the Public Health Agency of Canada, the Canadian Dental Association, the Canadian Medical Association, the U.S. Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO), have endorsed the use of fluoride at recommended levels to prevent tooth decay.

Water Fluoridation as a Public Health Measure

- The use of fluoride in drinking water has been called one of the greatest public health achievements of the 20th century by the CDC. The WHO affirms that universal access to fluoride for dental health is a part of the basic human right to health.
- Tooth decay is the single most common chronic disease among Canadians of all ages and poor oral health is linked to diabetes, heart disease and respiratory conditions. Water fluoridation is, and must be recognized as, a very important public health measure.

- The fluoridation of drinking water has been used in Canada for over 40 years and between 1979 and 2009 the incidence of dental cavities for children, adolescents, and adults has dropped significantly; from 2.5% to 0.5% for children, from 9.2% to 2.5% for adolescents, and from 17.5% to 10.7% for adults. Approximately 70% of Ontarians have access to fluoridated water.
- While we have accomplished a great deal over the years locally with respect to oral health in large part due to water fluoridation, we have much to do. One in five children (20%) in the North Bay Parry Sound District Health Unit area has some form of tooth decay. In the Peel region it is one in three. Just over half of our elementary schools in our health unit district have been classified as medium or high risk for oral health problems. Eliminating water fluoridation will undoubtedly be regressive with significant human and financial consequences.
- The American Dental Association estimates that water fluoridation continues to be effective in reducing tooth decay by 20-40 per cent.
- The findings of several studies, including one from the CDC, suggest that tooth decay generally increases in a population after water fluoridation is discontinued. In addition, a 2007 report on water fluoridation by the Institut National de Santé Publique du Quebec reveals that the percentage of kindergarten children at high risk of developing tooth decay in Dorval, Quebec doubled in the two year period after water fluoridation was halted in 2003. Water fluoridation has since been reintroduced. Other cities and municipalities have recently reaffirmed decisions to fluoridate their water supplies (Ontario: Atikokan, Halton, Hamilton, London, Norfolk, Sarnia, Toronto, Tottenham; Nova Scotia: Cape Breton).

Cost-Effectiveness

- The CDC estimates \$38 in avoided costs for dental treatment for every \$1 invested in community water fluoridation.
- A 2004 report, Economic Evaluation across the Four Faces of Prevention: A Canadian Perspective, concluded that water fluoridation is a cost-saving intervention.
- Discontinuation of water fluoridation simply shifts the cost to those who are the least able to afford treatment and most vulnerable thereby putting more pressure on publically funded dental programs like Children in Need of Treatment (CINOT), Healthy Smiles Ontario (HSO), as well as our social support systems.

Health and Safety

- Water fluoridation is safe. Studies have not linked fluoride to cancer, bone fractures or intelligence levels. Studies have also found that water fluoridation is safe for the environment, and poses no risk to plants and animals.
- Most dental fluorosis, a condition that occurs when a child receives too much fluoride during tooth development, is mild and appears as white stains on the teeth. In this mildest form, fluorosis may affect the

look of a tooth, but will not affect its function. While moderate or severe fluorosis does occur, the Canadian Health Measures Survey: Oral Health Statistics 2007-2009 concludes that, "[so] few Canadian children have moderate or severe fluorosis that, even combined, the prevalence is too low to permit reporting. This finding provides validation that dental fluorosis remains an issue of low concern in this country." In Ontario, the greatest risk for dental fluorosis is from the ingestion of toothpaste by children.

- The most recent Health Canada review, undertaken in 2007, assessed the latest available evidence on the benefits and potential risks. This review concluded that there is no harmful health risk from the fluoridation of community drinking water at current levels and that fluoridation continues to be an effective public health strategy to prevent dental disease.

Position Statements on Water Fluoridation

World Health Organization, (WHO)

Call to Action to Promote Dental Health by Using Fluoride

Health Canada

Experts Confirm the Benefits of Fluoride for Dental Health

Findings and Recommendations of the Fluoride Expert Panel (January 2007)

Chief Medical Officer of Health (Ontario) (CMOH)

Value of Water Fluoridation

Ontario Medical Association

Ontario's Doctors Set the Record Straight On Fluoride in Drinking Water

The U.S. Centers for Disease Control and Prevention (CDC)

Community Water Fluoridation

Ontario Dental Association

The ODA Applauds Decision to Keep Fluoride in Toronto's Drinking Water

Canadian Dental Association

CDA Position Statement - Fluorides

Water fluoridation continues to play an important role in a comprehensive approach to good dental health which includes other sources of fluoride (such as toothpaste), better nutrition, better dental preventive care and treatment.

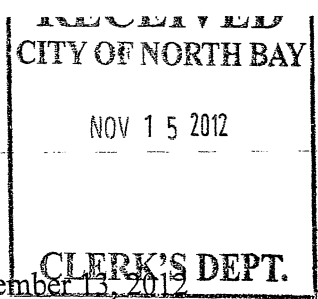
The value of drinking water fluoridation should not be underestimated –it is one of the greatest preventive measures we have in the fight against dental decay. It is an effective public measure that reduces health inequities. It helps to contain the costs of health care in our community and province. It benefits all residents.

We respectfully request that municipal cost savings be found in budget lines other than water fluoridation so that the health of our families in our community will not be adversely impacted.

Most Sincerely,



James Chirico, H.BSc., M.D., F.R.C.P. (C), MPH
Medical Officer of Health/Executive Officer



CITY OF NORTH BAY
REPORT TO COUNCIL

Report No: CORP 2012-145

Date: November 13, 2012

Originator: Margaret Karpenko

Subject: 2013 Water and Sanitary Sewer Rates - Supplemental

RECOMMENDATION:

- 1) That, in accordance with the direction contained in the Sustainable Water and Sewage systems Act, 2002, the current policy of recovering all Water and Sanitary System operating, capital and financing costs from user rates be maintained.
- 2) That the Water and Sanitary Sewer rate increase be 4.45% effective January 1st, 2013.
- 3) That the Water Filtration Plant Capital Surcharge be reduced from 8% to 6.70% of water charges.
- 4) That the Sanitary Sewer Surcharge be reduced from 86% to 69.35% effective January 1st, 2013.
- 5) That a one-time reduction in the Pay-As-You-Go Capital Levy is approved in the amount of \$311,576.

BACKGROUND:

On October 1, 2012 Council received Corporate Report 2012-128 that tabled the 2013 Water and Sanitary Sewer Rates. Since that time two committee meetings of General Government and Engineering, Environmental and Works have met. At these meetings the budget and business processes were thoroughly reviewed. As a result, the overall water & sewer budget increase has dropped from 4.37% to 3.89%. A copy of the revised water and sewer Levy rate calculation is attached as Appendix A.

For demonstration purposes, the impact in dollars for an average residential 'Flat Rate Water/Sewer Bill' is noted in the following table.

Description	Current Rates	Revised Rates	% Rate change
Water Rate	\$36.16	\$41.62	15.09%
Water Filtration	\$2.89	\$2.79	-3.46%
Sewer Rate	\$31.10	\$28.86	-7.19%
Total Water/Sewer Flat Rate	\$70.15	\$73.27	4.45%

Therefore, a typical monthly residential 'Flat Rate Water/Sanitary Sewer Bill' would increase by approximately \$3.12 per month.

A minimum 'Metered Water/Sanitary Sewer Bill' would increase by approximately \$2.99 per month.

ANALYSIS:

Administration has provided two scenarios for Council to consider. Appendix A to this supplemental report is a revision to Scenario #2 of the first report.

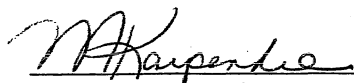
Approving an operating budget increase of \$731,718 or 3.89% over 2012:

- 1) Results in a net increase on a typical 'Residential Flat Rate Water/ Sanitary Sewer' bill of 4.45% or approximately \$3.12 per month, effective January 1st, 2013.
- 2) Results in a reduction in the Water Filtration Plant Capital Surcharge from 8% to 6.70% of water charges.
- 3) Results in a reduction in the required Sanitary Sewer Surcharge from 86% to 69.35% effective January 1st, 2013.
- 4) Would implement a one-time reduction of \$311,576 in the Pay-As-You-Go Capital Levy. This adjustment is a re-establishment of the capital levy budget baseline.

RECOMMENDATION:


- 1) That, in accordance with the direction contained in the Sustainable Water and Sewage systems Act, 2002, the current policy of recovering all Water and Sanitary System operating, capital and financing costs from user rates be maintained.
- 2) That the Water and Sanitary Sewer rate increase be 4.45% effective January 1st, 2013.
- 3) That the Water Filtration Plant Capital Surcharge be reduced from 8% to 6.70% of water charges.
- 4) That the Sanitary Sewer Surcharge be reduced from 86% to 69.35% effective January 1st, 2013.
- 5) That a one-time reduction in the Pay-As-You-Go Capital Levy is approved in the amount of \$311,576.

Respectfully submitted,



Margaret Karpenko, CMA
Chief Financial Officer/Treasurer

We concur in this report and recommendation.



Alan Korell
Managing Director of Engineering,
Environmental, and Works



APPENDIX A REVISED Water and Sewer Levy and Rate Calculation - (\$311,256) One-time Reduction to Capital Levy

Budget Year: 2013

	2012 Budget	2013 Dept Review	Variance	Variance %
Water System Budget				
Water Distribution	\$8,238,919	\$9,634,222	\$1,395,303	16.94%
Water Plant	\$1,876,600	\$2,007,526	\$130,926	6.98%
Water Total:	\$10,115,519	\$11,641,748	\$1,526,229	15.09%
Sanitary Sewer System Budget				
Sewer Distribution	\$7,002,994	\$5,863,226	-\$1,139,768	-16.28%
Sewer Plant	\$1,674,840	\$2,020,097	\$345,257	20.61%
Sewer Total:	\$8,677,834	\$7,883,323	-\$794,511	-9.16%
Water & Sewer Budget Grand Total:	\$18,793,353	\$19,525,071	\$731,718	3.89%

Total Required Water Revenue	\$11,641,748
Less: Estimated revenue from water only	-\$446,440
Total Required Water Revenues:	\$11,195,308

Total Required Sanitary Sewer Revenue	\$7,883,323
Less: Estimated revenue from sewer only	-\$118,891
Total Required Sewer Revenues:	\$7,764,432

Sanitary Sewer as % of Water Revenues:	69.35%
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Adjusted Combo Water/Sanitary Sewer Rates	2012	2013	Rate % Change
Water Rate	\$36.16	\$41.62	15.09%
Sewer Rate	\$31.10	\$28.86	-7.19%
	\$67.26	\$70.48	4.79%
Water Filtration Rate	\$2.89	\$2.79	-3.46%
Final 2013 Water/Sanitary Sewer Rates:	\$70.15	\$73.27	4.45%

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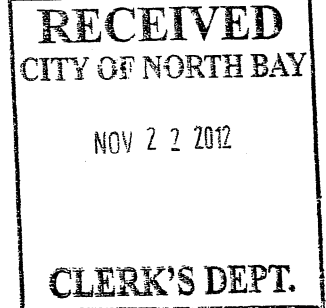
Recommendation:

- "That 1a) City Council adopt the 2013 General Capital Budget as presented in Schedule A for General Capital Projects to be funded from Debentures, Capital Levy, Development Charges, Federal and Provincial Government Grant Programs, Reserves and other contributions totaling \$22,851,860;
- b) City Council authorize the Chief Financial Officer to review and sign each Report to Council that requests approval of a Capital Project to ensure the approvals do not exceed the General Capital Proposed Capital Funding Policy Expenditure Limit of \$22,461,744;
- c) City Council adopt the Capital Forecast (2014-2022) for Capital Projects as presented in Schedule A, save and except for: Project 3900 RD (Cedar Heights Road - City Share of Cost);
- d) City Council adopt the 2013 Sewer and Water Capital Budget as presented in Schedule B for Sewer and Water Capital Projects to be funded from and Sanitary Sewer and Water Rates, Debentures, Development Charges, Federal and Provincial Government Grant Programs, Reserves and other contributions totaling \$10,296,000, save and except for: Project 2803WS (Cedar Heights: Phase 1 - BPS & Main);
- e) City Council authorize the Chief Financial Officer to review and sign each Report to Council that requests approval of a Capital Project to ensure the approvals do not exceed the Sewer and Water Proposed Capital Funding Policy Expenditure Limit of \$11,381,158;
- f) City Council adopt the Sewer and Water Capital Forecast (2014-2022) for Capital Projects as presented in Schedule B, save and except for: Project 2803WS - Cedar Heights: Phase 1 - BPS and Main; Project 3607WS Cedar Heights: Phase 2 - Larocque Standpipe and Main Extension; Project 3904WS - Cedar Heights: Phase 3 - Larocque BPS;
- g) City Council authorize the required transfers to and from the various funds in accordance with the 2013 Adopted Capital Budget;
- h) City Council authorize the Chief Financial Officer to process the budget transfers during the year, which do not change the overall approved Net Capital Budget.

- "That 2a) City Council adopt the General Capital Forecast (2014-2022) for Project 3900 RD being the Cedar Heights Road - City Share of Cost project as contained in Schedule 'A' to the General Capital Budget;
- b) City Council adopt the 2013 Sewer and Water Capital Budget for Project 2803WS being the Cedar Heights: Phase 1 - BPS & Main project as contained in Schedule 'B' to the Sewer and Water Capital Budget;
- c) City Council adopt the Sewer and Water Capital Forecast (2014-2022) for Project 2803WS - Cedar Heights: Phase 1 - BPS and Main project as contained in Schedule 'B' to the Sewer and Water Capital Budget;
- d) City Council adopt the Sewer and Water Capital Forecast (2014-2022) for Project 3607WS - Cedar Heights: Phase 2 - Larocque Standpipe and Main Extension project as contained in Schedule 'B' to the Sewer and Water Capital Budget;
- e) City Council adopt the Sewer and Water Capital Forecast (2014-2022) for Project 3904WS - Cedar Heights: Phase 3 - Larocque BPS project as contained in Schedule 'B' to the Sewer and Water Capital Budget.

CITY OF NORTH BAY

Report to Council



Report No: CORP 2012-142

Date: November 06, 2012

Originator: Margaret Karpenko and Laura Boissonneault

Subject: **2013 General Capital Budget and 2013 Water and Sanitary Sewer Capital Budget**, with the 2014 to 2022 Ten-Year Capital Forecasts, Long-Term Capital Funding Policy and Capital Reserves

RECOMMENDATIONS:

That City Council receive the 2013 General Capital Budget (Schedule A) and the 2013 Water and Sanitary Sewer Capital Budget (Schedule B), and refer the documents to the General Government Committee.

BACKGROUND:

The attached proposed 2013 General Capital Budget and 2013 Water and Sanitary Sewer Capital Budget, with the 2014 to 2022 Ten-Year Capital Forecasts, have been prepared after Senior Management Team meetings and are recommended for adoption by City Council.

The annual Capital Budget review meeting of the aforementioned budgets is scheduled to take place at the Committee Meeting on December 3, 2012. The proposed agenda is as follows:

- Presentation of Capital Project Highlights by Business Unit staff
- Review of projects requested by Mayor and Councillors
 - Please contact Margaret Karpenko to identify the projects you wish to have discussed in greater detail. There will not be a line-by-line review of the capital projects; only those requested for review will be discussed. At the start of the meeting, the Deputy Mayor will ask if there are any additions to the list of projects to be reviewed.

Long-Term Capital Funding Policies approved amendments

Report to Council CORP 2012-137 dated October 17, 2012, adopted by Council recommended the following changes to the Long-Term Capital Funding Policy:

- City Council approves a one million (\$1,000,000) one-time baseline adjustment to the pay as you go amount in the 2013 Capital and Operating Budgets; and
- City Council approves the Long-Term Capital Funding Policy amended with annual new debt being held at nine million (\$9,000,000).

The Water and Sanitary Sewer Operating Budget being forwarded to City Council after reviews with the General Government Committee and the Engineering, Environmental Services and Works Committee recommends a one time reduction of \$311,000 in the Pay-as-you-go amount in the 2013 Water and Sanitary Sewer Capital and Operating Budgets.

These recommended changes in the Long-Term Capital Funding Policies have been used to develop the 2013 Capital Budgets.

Capital Reserves & On-going Project Funding Status

The current Reserve balances consist of monies set aside for Capital, Operating, Tax Stabilization, Contingencies and Obligatory funds. The Reserve Policy states that the Capital Reserves target is equal to 40% of the yearly Capital Expenditure Limit outlined in the 'Capital' and 'Water and Sanitary Sewer Capital' Budgets.

Reserve Policy – Capital Reserve Target Level for 2013:

General Capital Expenditure Limit	\$22,461,744
Water and Sanitary Sewer Capital Expenditure Limit	<u>\$11,381,158</u>
	\$33,842,902
	X 40%
Reserve Policy - Capital Reserve Target	\$13,537,161

Estimated Capital Reserve balance as at September 30, 2012:

Capital Completed Project Reserves	\$1,326,469
Water & Sewer Completed Project Reserves	<u>\$1,125,326</u>
	\$2,451,795
Other Capital Reserves	<u>\$5,185,750</u>
Total Capital Reserves as at September 30, 2012	\$7,637,545

Reserve Policy - Capital Reserve Target Deficit **\$5,899,616**

The analysis demonstrates that the current Reserve levels are below the Reserve Policy targeted level for Capital Reserves and balances may not be sufficient should a major emergency require Reserve funding.

On-going capital project funding has been moving towards a balance between 'committed project' balances and 'funded project' balances as reported in the Semi-Annual Capital Project Status Reports. We have made a great effort over the past years to achieve this goal. As per the June 30, 2012 Capital Project Status Report, committed projects yet to be funded amount to \$4,660,528. These projects will be completed and funded in future years. Any projects initiated after June 30, 2012 and unfunded until future years will affect this amount. The primary goals of the aforementioned policy amendments are to reduce this amount of committed versus funded to a level below two million.

Presentation of Capital Project Highlights by Business Unit Staff

City staff will be making a presentation summarizing the most significant capital projects included in 2013 and the forecasted ten-year period. Following the presentation, questions identified by the Mayor and Council will be addressed.

Concerns and Issues

A 2012 State of the Infrastructure Report filed with City Council on October 15, 2012 (EW 2012-04) outlined the required level of funding to replace, rehabilitate and maintain the existing infrastructure networks at a sustainable level for a timeframe more than one typical lifecycle. Sustainability means having sufficient funding available to ensure that assets can be managed over the long-term. The report documented that the City of North Bay currently has an estimated 'annual' funding shortfall of \$ 13.3 Million (based on 2012 figures) for the City's water, sewer, water and sewer plants and roadway 'linear' infrastructure. This figure does not include any capital investment gap for buildings, facilities, parks, parking lots, trails, vehicles, and equipment.

This report is an update of the original report prepared in 2008. Since then it shows that the annual funding shortfall has been reduced, an indication that the City's plan to invest more in infrastructure has moved the City a little closer to sustainability. Council resolved that the report be accepted and to work towards maintaining increased capital budgets over time through further development of an Asset Management Program. Council recognized by not making a commitment, there would be a requirement to dramatically increase future operating budgets in order to react to more frequent emergency repairs and/or increased regular maintenance on fully depreciated infrastructure.

Proposed 2013 Capital Spending

The following is a summary of the funding of the City Capital Projects for 2013: (Schedule A)

Capital Budget	\$22,851,860
Less Other Funding Sources	(\$508,200)
Grants, developers, partners' contributions, reserves, land sales, etc...	_____
Net Construction / Acquisition Total	\$22,343,660
Target Funding Policy	\$22,461,744
Debt, Pay-As-You-Go Levy, Federal Gas Tax, Development Charges, etc...	_____
Estimated Required / (Available) Funding	(\$118,084)

The following is a summary of the funding of the Water and Sanitary Sewer Capital Projects for 2013: (Schedule B)

Water & Sanitary Sewer Capital Budget	\$14,396,000
Less Other Funding Sources	(\$3,100,000)
Grants, developers, partners' contributions, reserves, etc...	_____
Net Construction / Acquisition Total	\$11,296,000
Target Funding Policy	\$11,381,158
Debt, Pay-as-You-Go Levy, Development Charges, etc...	_____
Estimated Required / (Available) Funding	(\$85,158)

Pre-Committed Capital Projects

Throughout 2012, Council has received and approved reports to council requesting for the pre-commitment of 2013 capital funds. These projects were deemed having high priority or requiring schedule advancements, while others did not have sufficient funds within their current budget allowance. The following is a summary of the pre-committed and by-lawed 2013 capital dollars:

- By-law 2012-165 – July 3, 2012 – Street Reconstruction - Airport Road Resurfacing Program (O'Brien to Carmichael) – Project #3402RD - \$176,191
- By-law 2012-166 – July 3, 2012 – Street Reconstruction - College Drive, New Climbing Lane Widening & Pathway – Project #3602RD - \$133,333
- By-law 2012-216 – October 29, 2012 – Fire-Vehicle & Equipment Replacement Program (On-going) – Project #6113FD - \$110,024
- By-law 2012-217 – October 29, 2012 – Replacement of Lakeshore Drive Bridge over Lavase River – Project #3001RD - \$2,000,000
- By-law 2012-224 – November 12, 2012 – Street Reconstruction - Ferguson St. - McIntyre to Chippewa – Project #3104WS - \$1,700,000

The above 2013 approved dollars are included in the attached proposed 2013 General Capital and 2013 Water and Sanitary Sewer Capital Budgets.

OPTIONS:

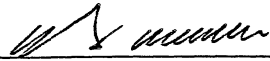
1. That City Council receives the proposed 2013 General Capital Budget and 2013 Water and Sanitary Sewer Capital Budget as presented in Schedules A and B, and refers the documents to the General Government Committee.
2. Do not receive the proposed 2013 General Capital Budget and 2013 Water and Sanitary Sewer Capital Budget as presented in Schedules A and B. This option is not recommended and may affect the capital work schedule for the 2013 construction season and/or increase projected costs.

RECOMMENDED OPTIONS:


That City Council receives the 2013 General Capital Budget (Schedule A) and the 2013 Water and Sanitary Sewer Capital Budget (Schedule B), and refer the documents to the General Government Committee.

If the proposed 2013 General Capital Budget and 2013 Water and Sanitary Sewer Capital Budget are recommended for adoption at the Committee Meeting on December 3, 2012, it will provide the authority for capital by-law preparation and the tendering and awarding of contracts. Earlier tendering should allow for better competitive bidding and scheduling of work for the 2013 construction season.

Respectfully submitted,

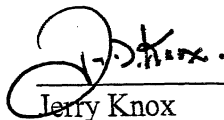
for: 

Laura Boissonneault, CGA
Supervisor of Budgets & Financial Reporting



Margaret Karpenko, CMA
Chief Financial Officer/Treasurer

I concur in this report and recommendation.



Jerry Knox
Chief Administrative Officer

Personnel designated for continuance: Chief Financial Officer

Attached: Capital Budgets (Schedules A and B)

Finserv/RonM/2013 Capital Budget Report -3

2013 GENERAL CAPITAL BUDGET SUMMARY

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Community Services										
3405PK - PARKING PROPERTY ACQUISITION PROGRAM	\$0	\$400,000	\$0	\$0	\$0	\$0	\$200,000	\$200,000	\$0	\$0
3508PR - PARKS & PLAYGROUNDS - NEW NEIGHBORHOOD PARKS	\$0	\$0	\$200,000	\$0	\$0	\$0	\$200,000	\$0	\$0	\$0
3509PZ - OFFICIAL PLAN, COMMERCIAL STUDY & DEVELOPMENT CHARGES UPDATES	\$0	\$0	\$0	\$150,000	\$0	\$0	\$100,000	\$0	\$0	\$0
3702PR - WATERFRONT BUILDING REHAB & DEVELOPMENT	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0
6114PK - PARKING VEHICLE & EQUIPMENT PROGRAM 2013 ON-GO	\$100,000	\$0	\$0	\$100,000	\$0	\$200,000	\$100,000	\$0	\$0	\$100,000
6115RF - MEMORIAL GARDENS REHAB PROGRAM 2013 ON-GO	\$300,000	\$250,000	\$250,000	\$250,000	\$250,000	\$400,000	\$400,000	\$1,100,000	\$400,000	\$300,000
6116RF - PALANGIO/WEST FERRIS REHAB PROGRAM 2013 ON-GO	\$350,000	\$250,000	\$300,000	\$300,000	\$1,100,000	\$200,000	\$250,000	\$200,000	\$650,000	\$900,000
6117MR - KINGS LANDING & MARINA REHAB PROGRAM 2013 ON-GO	\$150,000	\$150,000	\$125,000	\$200,000	\$150,000	\$150,000	\$80,000	\$80,000	\$80,000	\$150,000
6118PR - PARKS BUILDING REHAB 2013 ON-GO	\$305,000	\$300,000	\$310,000	\$300,000	\$350,000	\$400,000	\$300,000	\$315,000	\$325,000	\$350,000
6119RF - RECREATION FACILITIES REHAB & DEVELOPMENT 2013 ON-GO	\$345,000	\$375,000	\$415,000	\$475,000	\$500,000	\$550,000	\$600,000	\$650,000	\$700,000	\$750,000
6120PR - SPORTSFIELD COMPLEX DEVELOPMENT & REHAB 2013 ON-GO	\$60,000	\$0	\$0	\$0	\$50,000	\$50,000	\$50,000	\$700,000	\$800,000	\$100,000
6121PR - PARK & PLAYGROUND REHAB PROGRAM 2013 ON-GO	\$224,000	\$231,000	\$238,000	\$245,000	\$252,000	\$260,000	\$268,000	\$276,000	\$284,000	\$293,000
6122PR - WATERFRONT REHAB PROGRAM 2013 ON-GO	\$54,000	\$102,000	\$105,000	\$108,000	\$111,000	\$114,000	\$117,000	\$121,000	\$125,000	\$129,000
6123PR - CENTRAL CITY REHAB PROGRAM 2013 ON-GO	\$64,000	\$66,000	\$68,000	\$70,000	\$72,000	\$74,000	\$76,000	\$78,000	\$80,000	\$82,000
6124PR - CITY HALL GROUNDS REHAB PROGRAM 2013 ON-GO	\$64,000	\$66,000	\$68,000	\$70,000	\$72,000	\$74,000	\$76,000	\$78,000	\$80,000	\$82,000
6125PR - TRAIL SYSTEM DEVELOPMENT PROGRAM 2013 ON-GO	\$0	\$0	\$0	\$0	\$425,000	\$425,000	\$1,000,000	\$0	\$0	\$0
6126PR - TRAIL & SUPPORTING HARD SURFACES REHAB 2013 ON-GO	\$195,000	\$200,000	\$205,000	\$211,000	\$217,000	\$223,000	\$229,000	\$235,000	\$242,000	\$249,000
6127PR - PARKS VEHICLE & EQUIPMENT REPLACEMENT PROGRAM 2013 ON-GO	\$262,000	\$270,000	\$278,000	\$286,000	\$295,000	\$304,000	\$313,000	\$322,000	\$332,000	\$342,000
6128PR - AQUATIC CENTRE REHAB PROGRAM 2013 ON-GO	\$65,000	\$70,000	\$75,000	\$80,000	\$200,000	\$90,000	\$95,000	\$100,000	\$150,000	\$105,000
6129PK - PARKING LOT MAINTENANCE & IMPROVEMENT PROGRAM 2013 ON-GO	\$20,000	\$280,000	\$100,000	\$0	\$100,000	\$0	\$100,000	\$0	\$4,500,000	\$0
6130AT - NORTH BAY JACK GARLAND AIRPORT 2013	\$326,550	\$1,730,000	\$246,100	\$267,500	\$418,000	\$375,725	\$241,000	\$241,000	\$346,500	\$346,500
6131TR - TRANSIT BUILDING CAPITAL PROGRAM 2013 ON-GO	\$26,250	\$26,250	\$26,250	\$26,250	\$498,750	\$26,250	\$120,750	\$26,250	\$26,250	\$26,250
6132TR - TRANSIT COACH REPLACEMENT PROGRAM 2013 ON-GO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6148PR - TOURIST INFORMATION CENTRE & DIONNE HOME REHAB 2013 ON-GO	\$80,000	\$100,000	\$75,000	\$50,000	\$0	\$50,000	\$0	\$50,000	\$0	\$50,000
Total Community Services Budget	\$4,241,300	\$5,437,500	\$3,992,600	\$5,479,750	\$5,651,750	\$5,485,975	\$7,472,250	\$7,933,849	\$10,483,595	\$6,117,595
Corporate Services										
3205GG - INTEGRATED SOFTWARE SOLUTION	\$50,000	\$50,000	\$900,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
3320GG - SAN STORAGE MIRROR	\$110,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3321GG - CORPORATE DOCUMENT MANAGEMENT SYSTEM	\$26,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3414GG - SECOND FLOOR PUBLIC WASHROOM UPGRADE	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3706GG - CITY HALL - ROOF REPLACEMENT	\$0	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0
6133GG - CITY HALL BUILDING REHAB 2013 ON-GO	\$87,000	\$90,000	\$93,000	\$96,000	\$99,000	\$102,000	\$105,000	\$108,000	\$111,000	\$114,000
6134GG - SYSTEMS TECHNOLOGY PROGRAM 2013 ON-GO	\$294,250	\$360,590	\$515,740	\$349,890	\$339,190	\$649,490	\$307,090	\$307,090	\$466,890	\$339,190
Total Corporate Services Budget	\$568,250	\$650,590	\$1,508,740	\$1,445,890	\$688,190	\$751,490	\$412,090	\$415,090	\$567,890	\$453,190
Engineering, Environmental & Works										
2802RD - TROUT LAKE ROAD (ONR OVERPASS)	\$0	\$150,000	\$1,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2919RD - PEARCE (FRANCIS-GREENHILL) Phase II	\$0	\$0	\$0	\$1,600,000	\$0	\$0	\$0	\$0	\$0	\$0
2934ST - CHIPPEWA CREEK/AIRPORT HEIGHTS STORMWATER RETENTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3001RD - LAKESHORE BRIDGE-LAVASE RIVER-STUDY & REPAIRS	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3002RD - HAMMOND & STANLEY ST. BRIDGES - EA AND REMOVAL	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3102RD - FACILITIES MANAGEMENT - ROADS	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3104RD - FERGUSON ST. (MCINTYRE TO CHIPPEWA)	\$3,400,000	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3108GD - LANDFILL SITE (MERRICK) - LEACHATE TREATMENT	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3110ST-2 - SKI CLUB ROAD STORM SEWER	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3203RD - TRAFFIC SIGNALIZED PEDESTRIAN CROSSINGS-VARIOUS LOCATIONS	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3209RD - TRAFFIC COUNT DATA / TRAFFIC NEEDS STUDY	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3210ST - TRUNK SEWER REHAB - EASTVIEW-TRIBUTARY SYSTEM	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0
3300RD - JOHN ST - (JOHN ST. BRIDGE WATERMAIN CROSSING)	\$0	\$1,300,000	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3301RD - MTO EXPRESSWAY RELATED ROAD WORKS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3302ST - TRUNK SEWER REHAB - PINWOOD FINGERS CREEK	\$0	\$0	\$0	\$0	\$300,000	\$1,500,000	\$1,500,000	\$0	\$0	\$0
3305RD - MAIN ST PAVING STONE REPLACEMENT	\$0	\$0	\$50,000	\$750,000	\$50,000	\$750,000	\$50,000	\$750,000	\$50,000	\$0
3306GD - MARSH DRIVE LEACHATE PUMPING STATION	\$85,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3322SL - STREET LIGHTING UPGRADES	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Schedule A

2013 GENERAL CAPITAL BUDGET SUMMARY

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
3400RD - LAKESHORE DR. (ONR OVERPASS)	\$0	\$70,000	\$2,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
3401RD - LAMORIE BRIDGE NEEDS STUDY & REHAB	\$0	\$100,000	\$700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3402RD - AIRPORT RD RESURFACING PROGRAM (O'BRIEN TO CARMICHAEL)	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3403RD - FOUR MILE LAKE ROAD EXTENSION TO HWY 11	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0
3404ST - LAKESHORE DRIVE TRUNK STORMSEWER REHAB	\$0	\$600,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3407GD - LEACHATE MANAGEMENT-FUTURE CELLS-NEW METHANE	\$0	\$200,000	\$2,000,000	\$0	\$0	\$250,000	\$2,200,000	\$0	\$0	\$2,200,000
3409RD - RESURFACING LAKESHORE - JESSUPS CREEK TO SPORTS COMPLEX	\$0	\$2,600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500RD - LAKESHORE RESURFACING (JUDGE AVE TO MULLIGAN ST)	\$0	\$0	\$0	\$1,000,000	\$3,000,000	\$1,500,000	\$0	\$0	\$0	\$0
3501RD - ROADSIDE SAFETY INSPECTION & UPGRADES	\$0	\$0	\$100,000	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0
3502RD - SEYMOUR EXTENSION PHASE II - SOUTH BLOCK	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3503RD - STREET RECON - JANE ST	\$0	\$0	\$0	\$750,000	\$750,000	\$0	\$0	\$0	\$0	\$0
3504RD - PRINCE EDWARD DR. & GEORGIAN CRES.	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0
3505ST - GORMAN ST - STORMWATER OUTFALL REHAB	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3506ST - STORMWATER MANAGEMENT - OVERLAND FLOW CONTROL STUDY	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3507ST - STORMWATER OUTFALL MAINTENANCE	\$0	\$0	\$200,000	\$0	\$0	\$200,000	\$0	\$0	\$200,000	\$1,000,000
3600RD - DOWNTOWN COLLECTOR ROADS RESURFACING - MCINTYRE & WORTHINGTON	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
3601RD - ANN ST (LANSDOWNE AVE TO HIGH)	\$0	\$0	\$0	\$0	\$200,000	\$900,000	\$900,000	\$0	\$0	\$0
3602RD - COLLEGE DR. - PATHWAY FROM HOSPITAL TO UNIVERSITY	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3606RD - O'BRIEN STREET RECONSTRUCTION - AIRPORT TO HIGH	\$0	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0
3700RD - SEYMOUR WIDENING & SIGNALS-STATION TO WALLACE PHASE II	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3701RD - NORMAN / CHAPAIS CONNECTION WATERMAIN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$1,500,000	\$0
3800RD - CASSELLS - KING ST. TO HWY 11/17	\$0	\$0	\$0	\$0	\$0	\$1,500,000	\$2,000,000	\$1,500,000	\$0	\$0
3801RD - MCKEOWN AVE. (GORMANVILLE RD. TO FIRE STATION)	\$0	\$200,000	\$0	\$0	\$0	\$3,000,000	\$3,500,000	\$4,000,000	\$0	\$0
3802RD - TRAFFIC SIGNALS/INTERSECTION IMPROVEMENTS(MULLIGAN & LAKESHORE)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0
3900RD - CEDAR HEIGHTS RD. - CITY SHARE OF COST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,500,000
3901RD - CLARENCE STREET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000
3902RD - ROAD REALIGNMENT SOUTH TERMINAL(OAK AT FERRIS OVERPASS)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$2,000,000	\$0
3903RD - TRAFFIC STUDY/CONSTRUCTION-2ND ACCESS TO FERRIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000,000
6099RD - CITY SHARE OF NEW DEVELOPMENT COSTS 2013 ON-GO	\$215,000	\$225,000	\$240,000	\$255,000	\$270,000	\$285,000	\$300,000	\$309,000	\$318,000	\$329,000
6100FL - VEHICLE & EQUIPMENT REPLACEMENT PROGRAM 2013 ON-GO	\$1,000,000	\$1,000,000	\$824,000	\$849,000	\$874,000	\$900,000	\$927,000	\$955,000	\$984,000	\$1,014,000
6101RD - ASPHALT RESURFACING 2013 ON-GO	\$2,300,000	\$2,900,000	\$3,200,000	\$4,000,000	\$4,100,000	\$4,400,000	\$4,400,000	\$4,700,000	\$5,000,000	\$5,300,000
6102RD - ASPHALT SHEETING 2013 ON-GO	\$109,000	\$112,000	\$115,000	\$118,000	\$122,000	\$126,000	\$130,000	\$134,000	\$138,000	\$142,000
6103RD - RESIDENTIAL STREET REHAB 2013 ON-GO	\$274,000	\$282,000	\$290,000	\$299,000	\$308,000	\$317,000	\$327,000	\$337,000	\$347,000	\$357,000
6104RD - PEDESTRIAN SAFETY PROGRAM 2013 ON-GO	\$109,000	\$112,000	\$115,000	\$118,000	\$122,000	\$126,000	\$130,000	\$134,000	\$138,000	\$142,000
6105RD - ROAD CULVERT REPLACE/REHAB 2013 ON-GO	\$165,000	\$170,000	\$175,000	\$180,000	\$185,000	\$191,000	\$197,000	\$203,000	\$209,000	\$215,000
6106RD - RURAL ROAD REHAB 2013 ON-GO	\$600,000	\$562,000	\$579,000	\$596,000	\$614,000	\$632,000	\$651,000	\$671,000	\$691,000	\$712,000
6107SL - TRAFFIC CONTROL SIGNAL UPGRADE 2013 ON-GO	\$165,000	\$170,000	\$175,000	\$180,000	\$185,000	\$191,000	\$197,000	\$203,000	\$209,000	\$215,000
6108RD - SIDEWALK REPLACEMENT PROGRAM 2013 ON-GO	\$165,000	\$170,000	\$175,000	\$180,000	\$185,000	\$191,000	\$197,000	\$203,000	\$209,000	\$215,000
6109RD - BRIDGE REHAB 2013 ON-GO	\$109,000	\$112,000	\$115,000	\$118,000	\$122,000	\$126,000	\$130,000	\$134,000	\$138,000	\$142,000
6110RD - DOWNTOWN ROADS MAINTENANCE 2013 ON-GO	\$81,000	\$83,000	\$85,000	\$88,000	\$91,000	\$94,000	\$97,000	\$100,000	\$103,000	\$106,000
6147RD - DESIGN WORK NEXT YEAR'S PROJECTS 2013 ON-GO	\$56,000	\$58,000	\$60,000	\$62,000	\$64,000	\$66,000	\$68,000	\$70,000	\$72,000	\$74,000
Total Engineering, Environmental & Works Budget	\$15,683,000	\$15,876,000	\$17,198,000	\$14,643,000	\$16,042,000	\$17,595,000	\$18,201,000	\$24,403,000	\$22,306,000	\$29,662,000
Fire Department										
3603FD - FIRE DEPARTMENT FACILITIES	\$0	\$0	\$0	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0
6061FD - FIRE BUNKER GEAR REPLACEMENT PROGRAM	\$0	\$0	\$110,000	\$110,000	\$110,000	\$0	\$0	\$0	\$0	\$0
6062FD - FIRE FACILITIES MANAGEMENT PROGRAM 2013 ON-GO	\$55,000	\$55,000	\$55,000	\$55,000	\$55,000	\$50,000	\$60,000	\$60,000	\$65,000	\$65,000
6113FD - FIRE VEHICLE & EQUIPMENT REPLACEMENT 2013 ON-GO	\$515,000	\$400,000	\$1,100,000	\$0	\$0	\$300,000	\$680,000	\$80,000	\$0	\$0
Total Fire Department Budget	\$570,000	\$455,000	\$1,265,000	\$565,000	\$4,160,000	\$350,000	\$740,000	\$140,000	\$65,000	\$65,000
General Government										
3216GG - CAPITAL FINANCING (2% of Total Capital Financing Policy)	\$449,235	\$460,242	\$473,826	\$492,304	\$509,958	\$528,518	\$548,266	\$573,131	\$598,723	\$627,188
3516GG - CASSELLHOLME EXPANSION	\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
4101GG - ACCESSIBILITY BUILDING REHABILITATIONS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0
Total General Government Budget	\$449,235	\$460,242	\$1,473,826	\$1,492,304	\$1,509,958	\$1,528,518	\$1,548,266	\$1,573,131	\$2,598,723	\$1,627,188

2013 GENERAL CAPITAL BUDGET SUMMARY

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Local Boards & Commissions										
6135OC - CAPITOL CENTRE 2013 ON-GO	\$179,000	\$179,000	\$179,000	\$179,000	\$179,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
6136CA - NORTH BAY MATTAWA CONSERVATION AUTHORITY 2013 ON-GO	\$552,880	\$561,440	\$550,000	\$771,000	\$788,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
6137PD - NORTH BAY POLICE SERVICES 2013 ON-GO	\$347,795	\$348,600	\$479,850	\$446,250	\$294,000	\$294,000	\$294,000	\$294,000	\$294,000	\$294,000
6138LB - NORTH BAY PUBLIC LIBRARY 2013 ON-GO	\$260,400	\$200,000	\$200,000	\$500,000	\$500,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Total Local Boards	\$1,340,075	\$1,289,040	\$1,408,850	\$1,896,250	\$1,761,000	\$769,000	\$769,000	\$769,000	\$769,000	\$769,000
TOTAL GENERAL CAPITAL BUDGET	\$22,851,860	\$24,168,372	\$26,847,016	\$25,522,194	\$29,812,898	\$26,479,983	\$20,142,606	\$36,234,070	\$36,790,208	\$38,693,973

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GRANTS & OTHER FUNDING SOURCES										
2802RD - TROUT LAKE ROAD (ONR OVERPASS)	\$0	\$0	(\$1,350,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2934ST - CHIPPEWA CREEK/AIRPORT HEIGHTS STORMWATER RETENTION	\$0	(\$200,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3301RD - MTO EXPRESSWAY RELATED ROAD WORKS	\$0	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
3403RD - FOUR MILE LAKE ROAD EXTENSION TO HWY 11	\$0	\$0	\$0	\$0	(\$2,000,000)	\$0	\$0	\$0	\$0	\$0
3407GD - LEACHATE MANAGEMENT-FUTURE CELLS-NEW METHANE	\$0	\$0	(\$1,200,000)	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,600,000)
3502RD - SEYMOUR EXTENSION PHASE II - SOUTH BLOCK	\$0	\$0	(\$500,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3602RD - COLLEGE DR. - PATHWAY FROM HOSPITAL TO UNIVERSITY	\$0	(\$268,670)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3603FD - FIRE DEPARTMENT FACILITIES	\$0	(\$268,670)	\$0	\$0	(\$1,200,000)	\$0	\$0	\$0	\$0	\$0
3700RD - SEYMOUR WIDENING & SIGNALS-STATION TO WALLACE PHASE II	\$0	(\$500,000)	(\$500,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6130AT - NORTH BAY JACK GARLAND AIRPORT 2013	\$0	(\$433,333)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6131TR - TRANSIT BUILDING CAPITAL PROGRAM 2013 ON-GO	\$0	(\$1,200,000)	(\$1,200,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6132TR - TRANSIT COACH REPLACEMENT PROGRAM 2013 ON-GO	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
TOTAL GRANTS & OTHER FUNDING SOURCES	(\$508,200)	(\$1,689,003)	(\$3,473,800)	(\$596,400)	(\$3,846,400)	(\$838,000)	(\$1,642,000)	(\$6,684,600)	(\$6,795,138)	(\$7,295,138)
NET CAPITAL BUDGET TOTAL	\$22,343,660	\$22,479,369	\$23,373,216	\$24,925,794	\$25,966,498	\$25,641,983	\$27,500,606	\$28,549,470	\$29,995,070	\$31,398,835

CAPITAL FUNDING POLICY - SCENARIO 2 (DEBT HELD AT \$9M, ONE-TIME LEVY REDUCTION OF \$1M)										
Capital Levy In Operating Budget	(\$9,450,930)	(\$9,901,271)	(\$10,556,479)	(\$11,455,377)	(\$12,313,084)	(\$13,215,096)	(\$14,175,510)	(\$15,390,731)	(\$16,641,683)	(\$18,035,601)
Debtenture/Long-Term Debt	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)	(\$9,000,000)
Federal Gas Tax	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)	(\$3,310,814)
Development Charges	(\$700,000)	(\$800,000)	(\$824,000)	(\$849,000)	(\$874,000)	(\$900,000)	(\$927,000)	(\$955,000)	(\$983,650)	(\$1,013,000)
TARGET POLICY FOR NET EXPENDITURES	(\$22,461,744)	(\$23,012,085)	(\$23,691,293)	(\$24,615,191)	(\$25,487,898)	(\$26,425,910)	(\$27,413,324)	(\$28,656,545)	(\$29,936,147)	(\$31,359,415)

(\$ AVAILABLE) \$ FUNDING NEEDED	(\$118,084)	(\$532,716)	(\$318,077)	\$310,603	\$468,600	(\$783,927)	\$87,282	(\$107,075)	\$58,923	\$39,420
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2013 SEWER & WATER CAPITAL BUDGET SUMMARY

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Sewer										
3061SS - MAIN ST. (GORMANVILLE TO MEMORIAL DR.)	\$0	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$0	\$0	\$0	\$0
3206SS - ELIMINATE METCALFE AVE PUMPING STATION	\$0	\$0	\$0	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0
3212SS - FRANCIS ST SEWER UPSIZING	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3304SS - EXTENSION OF SANITARY SEWER TO PINWOOD PARK DR.	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AREA										
3307SS - WWTP - RETURN SLUDGE PUMPS AND CONTROLS - REPLACEMENT	\$75,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3308SS - WWTP - ELECTRICAL UPGRADES	\$175,000	\$175,000	\$200,000	\$200,000	\$175,000	\$0	\$0	\$0	\$0	\$0
3309SS - WWTP - RAW SEWAGE PUMPING STATION	\$225,000	\$100,000	\$225,000	\$500,000	\$200,000	\$0	\$0	\$0	\$0	\$0
3310SS - WWTP - UPGRADE AERATION SYSTEM	\$100,000	\$150,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3311SS - WWTP - METHANE GAS SYSTEM UPGRADES	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3312SS - WWTP - REDUNDANT TRANSFORMER SWITCH GEAR AND FEEDS	\$50,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3313SS - WWTP - MAJOR VALVE REPLACEMENT PROGRAM	\$30,000	\$30,000	\$40,000	\$40,000	\$30,000	\$0	\$0	\$0	\$0	\$0
3314SS - WWTP - STRUCTURAL REPAIRS	\$50,000	\$50,000	\$250,000	\$250,000	\$250,000	\$0	\$0	\$0	\$100,000	\$300,000
3315SS - WWTP - ASTHETICS, FENCING, BRICK VANEER	\$15,000	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3316SS - WWTP - BOILER ROOM UPGRADES	\$100,000	\$100,000	\$100,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0
3317SS - WWTP - BACKUP GENERATION	\$750,000	\$1,250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3318SS - MARSHALL - SEWAGE LIFT STATION	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3406SS - SANITARY SEWER UPSIZE - GERTRUDE / WHITNEY	\$75,000	\$1,700,000	\$1,700,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0
3411SS - INFILTRATION REDUCTION/ FLOW MONITORING PROGRAM	\$0	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
2014 (Phase II)										
3510SS - SANITARY SEWER SKI HILL TRUNK SEWER EXTENSION	\$0	\$0	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3513SS - WWTP - GRIT REMOVAL AT FRONT END	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3514SS - HILLVIEW TRUNK REHAB	\$0	\$0	\$0	\$0	\$0	\$500,000	\$3,500,000	\$0	\$0	\$0
3604SS - WWTP FACILITY CONDITION ASSESSMENT & EXPANSION	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$0	\$2,500,000	\$2,500,000
4001SS - SEWAGE TREATMENT PLANT REHAB	\$200,000	\$200,000	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0
6139SS - DIGESTER & GRIT REMOVAL 2013 ON-GO	\$81,000	\$83,000	\$85,000	\$88,000	\$91,000	\$94,000	\$97,000	\$100,000	\$103,000	\$106,000
6140SS - SEWAGE PLANT & PUMP STATION 2013 ON-GO	\$75,000	\$150,000	\$150,000	\$150,000	\$350,000	\$350,000	\$325,000	\$300,000	\$300,000	\$300,000
6142SS - WATER & SEWER REHAB 2013 ON-GO	\$54,500	\$56,000	\$57,500	\$59,000	\$61,000	\$63,000	\$65,000	\$67,000	\$69,000	\$1,071,000
Total Sewer Budget	\$5,530,500	\$7,479,000	\$6,467,500	\$5,287,000	\$6,157,000	\$6,007,000	\$6,487,000	\$487,000	\$3,072,000	\$4,477,000
Water										
2803WS - CEDAR HEIGHTS: PHASE 1 BPS & MAIN	\$2,000,000	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2919WS - PEARCE (FRANCIS-GREENHILL) PHASE II	\$0	\$0	\$0	\$1,100,000	\$0	\$0	\$0	\$0	\$0	\$0
3104WS - FERGUSON ST. (MCINTYRE TO CHIPPEWA)	\$1,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3207WS - WATERMAIN LOOPING - SAGE RD/LAKESIDE DR TO SABLE CR.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0
3301WS - MTO EXPRESSWAY RELATED ROAD WORKS	\$0	\$0	\$0	\$0	\$0	\$250,000	\$250,000	\$1,750,000	\$2,250,000	\$3,000,000
3319WS - ELLENDALE UPGRADES AS PER CONDITION ASSESSMENT	\$150,000	\$250,000	\$250,000	\$250,000	\$500,000	\$0	\$0	\$0	\$0	\$0
3410WS - ASSET MANAGEMENT 2014	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3412WS - WATERMAIN REPLACEMENT PROGRAM	\$0	\$200,000	\$0	\$200,000	\$200,000	\$0	\$0	\$0	\$0	\$0
3500WS - LAKESHORE RESURFACING (JUDGE AVE TO MULLIGAN ST)	\$0	\$0	\$0	\$500,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0
3503WS - STREET RECON - JANE ST	\$0	\$0	\$600,000	\$800,000	\$0	\$0	\$0	\$0	\$0	\$0
3504WS - PRINCE EDWARD DR. & GEORGIAN CRES.	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
3511WS - SANITARY & WATERMAIN-GOLF CLUB RD(COLLINS INDUSTRIAL AREA)	\$0	\$0	\$0	\$900,000	\$2,350,000	\$4,000,000	\$0	\$0	\$0	\$0
3512WS - WATERMAIN LOOPING - FERRIS TRUNK (MEMORIAL DR. & LEE PARK)	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3515WS - WATERMAIN - CATHODIC PROTECTION PROGRAM 2015	\$0	\$0	\$200,000	\$0	\$200,000	\$0	\$200,000	\$0	\$200,000	\$0
3517WS - STANDPIPE MAINTENANCE AND REHAB	\$0	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0	\$3,000,000
3601WS - ANN ST (LANSLOWNE AVE TO HIGH)	\$0	\$0	\$0	\$200,000	\$1,300,000	\$0	\$0	\$0	\$0	\$0
3605WS - WATERMAIN LOOPING - ELLENDALE RESERVOIR SECOND FEED	\$0	\$0	\$0	\$0	\$100,000	\$0	\$1,250,000	\$1,750,000	\$5,500,000	\$750,000
3607WS - CEDAR HEIGHTS: PHASE 2 - LAROCQUE STANDPIPE & MAIN EXTENSION	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
3700WS - SEYMOUR WIDENING & SIGNALS-STATION TO WALLACE	\$0	\$500,000	\$1,100,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PHASE II										
3701WS - NORMAN / CHAPAIS CONNECTION WATERMAIN	\$0	\$0	\$0	\$0	\$150,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0
3800WS - CASSELLS - KING ST. TO HWY 11/17	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$0
3802WS - TRAFFIC SIGNALS/INTERSECTION IMPROVEMENTS(MULLIGAN & LAKESHORE)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$400,000	\$0
3901WS - CLARENCE STREET	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$0	\$0
3904WS - CEDAR HEIGHTS: PHASE 3 - LAROCQUE BPS	\$0	\$0	\$0	\$0	\$0	\$0	\$2,800,000	\$0	\$0	\$0
4002WS - WATERMAIN LOOPING-MARSHALL PARK TO GERTRUDE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,500,000	\$500,000	\$0

Schedule B

2013 SEWER & WATER CAPITAL BUDGET SUMMARY

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
6099WS - CITY SHARE OF NEW DEVELOPMENT COSTS 2013 ON-GO	\$160,000	\$180,000	\$200,000	\$220,000	\$240,000	\$260,000	\$280,000	\$300,000	\$320,000	\$340,000
6100WS - VEHICLE & EQUIPMENT REPLACEMENT PROGRAM 2013 ON-GO	\$800,000	\$600,000	\$618,000	\$637,000	\$656,000	\$676,000	\$696,000	\$717,000	\$739,000	\$761,000
6101WS - ASPHALT RESURFACING 2013 ON-GO	\$218,000	\$225,000	\$232,000	\$239,000	\$246,000	\$253,000	\$261,000	\$269,000	\$277,000	\$285,000
6103WS - RESIDENTIAL STREET REHAB 2013 ON-GO	\$274,000	\$282,000	\$290,000	\$299,000	\$308,000	\$317,000	\$327,000	\$337,000	\$347,000	\$357,000
6134WS - SYSTEMS TECHNOLOGY PROGRAM 2013 ON-GO	\$99,000	\$102,000	\$105,000	\$108,000	\$111,000	\$114,000	\$117,000	\$121,000	\$125,000	\$129,000
6141WS - HYDRANT & VALVE REHAB 2013 ON-GO	\$165,000	\$170,000	\$175,000	\$180,000	\$185,000	\$191,000	\$197,000	\$203,000	\$209,000	\$215,000
6142WS - WATER & SEWER REHAB 2013 ON-GO	\$54,500	\$58,000	\$67,500	\$69,000	\$81,000	\$83,000	\$65,000	\$67,000	\$69,000	\$71,000
6143WS - FLUSH WATERMAINS 2013 ON-GO	\$218,000	\$225,000	\$232,000	\$239,000	\$246,000	\$253,000	\$261,000	\$269,000	\$277,000	\$285,000
6144WS - WATER PLANT MAINTENANCE 2013 ON-GO	\$274,000	\$282,000	\$290,000	\$299,000	\$308,000	\$317,000	\$327,000	\$337,000	\$347,000	\$357,000
6145WS - WATERMAIN REPLACE/REAM/RELINE 2013 ON-GO	\$165,000	\$170,000	\$175,000	\$180,000	\$185,000	\$191,000	\$197,000	\$203,000	\$209,000	\$215,000
6146WS - WATERMAIN LOOPING 2013 ON-GO	\$109,000	\$112,000	\$115,000	\$118,000	\$122,000	\$126,000	\$130,000	\$134,000	\$138,000	\$142,000
6147WS - DESIGN WORK NEXT YEAR'S PROJECTS 2013 ON-GO	\$109,000	\$112,000	\$115,000	\$118,000	\$122,000	\$126,000	\$130,000	\$134,000	\$138,000	\$142,000
6149WS - MEMBRANE MODULE REPLACEMENT	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000	\$270,000
Total Water Budget	\$8,885,500	\$7,736,000	\$7,224,500	\$13,366,000	\$8,860,000	\$9,407,000	\$9,758,000	\$14,861,000	\$13,315,000	\$12,319,000
TOTAL WATER & SEWER CAPITAL BUDGET	\$14,396,000	\$15,215,000	\$13,692,000	\$18,653,000	\$15,017,000	\$15,414,000	\$16,245,000	\$15,328,000	\$16,387,000	\$16,796,000

GRANTS & OTHER FUNDING SOURCES										
2803WS - CEDAR HEIGHTS: PHASE 1 BPS & MAIN			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3317SS - WWTP - BACKUP GENERATION	(\$200,000)	(\$300,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3510SS - SANITARY SEWER SKI HILL TRUNK SEWER EXTENSION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3604SS - WWTP FACILITY CONDITION ASSESSMENT & EXPANSION	\$0	\$0	\$0	\$1,670,000	\$1,670,000	\$1,670,000	\$1,670,000	\$0	\$0	\$0
3607WS - CEDAR HEIGHTS: PHASE 2 - LAROCQUE STANDPIPE & MAIN EXTENSION	\$0	\$0	\$0	(\$3,670,000)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL GRANTS & OTHER FUNDING SOURCES	(\$3,100,000)	(\$3,200,000)	(\$1,150,000)	(\$5,540,000)	(\$1,670,000)	(\$1,670,000)	(\$1,670,000)	\$0	\$0	\$0
NET CAPITAL BUDGET TOTAL	\$11,296,000	\$12,015,000	\$12,542,000	\$13,113,000	\$13,347,000	\$13,744,000	\$14,575,000	\$15,328,000	\$16,387,000	\$16,796,000

CAPITAL FUNDING POLICY - SCENARIO 1 (STATUS QUO)										
Capital Levy in Operating Budget	(\$7,969,158)	(\$8,644,000)	(\$9,038,000)	(\$9,474,000)	(\$9,955,000)	(\$10,485,000)	(\$11,264,000)	(\$12,090,000)	(\$12,782,000)	(\$13,820,000)
Debtenture/Long-Term Debt	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)	(\$3,000,000)
Development Charges	(\$412,000)	(\$424,000)	(\$437,000)	(\$450,000)	(\$464,000)	(\$478,000)	(\$492,000)	(\$507,000)	(\$522,000)	(\$538,000)
TARGET POLICY FOR NET EXPENDITURES	(\$11,381,158)	(\$12,068,000)	(\$12,475,000)	(\$12,924,000)	(\$13,419,000)	(\$13,963,000)	(\$14,756,000)	(\$15,597,000)	(\$16,304,000)	(\$17,358,000)

(\$ AVAILABLE) \$FUNDING NEEDED	(\$85,158)	(\$53,000)	\$67,000	\$189,000	(\$72,000)	(\$219,000)	(\$181,000)	(\$269,000)	\$83,000	(\$562,000)
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ITEMS REFERRED BY COUNCIL FOR A REPORT

<u>DATE</u>	<u>ITEM</u>
March 29, 2005	Backflow Prevention Program survey of all industrial, commercial and institutional buildings (due September 2005) .
September 21, 2009	Review, update and consolidation of Noise By-Law (due June 30, 2010) .
March 8, 2010	Comprehensive Long-Term Financial Plan (due April 30, 2010) .
May 3, 2010	Track the net financial benefits created through increased assessment as a result of the Airport Industrial Community Improvement Plan sites being developed.
December 30, 2010	Quarterly report on progress of WSIB appeal, error corrections and cost projections for 2011.
January 24, 2011	Comprehensive review of City owned Lake Nipissing accesses.
July 4, 2011	Comprehensive Status Report relating to BCIP (due July 2014) .
August 2, 2011	Review of smoking at City facilities and commercial establishment patios.
August 15, 2011	Effectiveness of the Residential Rental Housing By-Law (due May 2013) .
July 16, 2012	Review of water and sewage rates for the dispensing facility on Patton Road (due March 2013) .
October 15, 2012	Effectiveness of a pilot area for traffic calming – (McIntyre & Copeland Street area between Harvey & Bell Streets) (due May 2013)