



# REGIONAL MUNICIPALITY OF WATERLOO ADMINISTRATION AND FINANCE COMMITTEE MINUTES

Tuesday, September 6, 2011  
9:29 a.m.

Regional Council Chamber  
150 Frederick Street, Kitchener, Ontario

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Present were: Chair T. Galloway, L. Armstrong, J. Brewer, \*T. Cowan, D. Craig, R. Deutschmann, J. Haalboom, B. Halloran, R. Kelterborn, J. Mitchell, K. Seiling, S. Strickland, J. Wideman and C. Zehr

Members absent: G. Lorentz, C. Millar

## **DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT**

None declared.

## **REPORTS – Corporate Resources**

### a) CR-FM-11-018, WRPS North Division – Request for Additional Consulting Fees

Ellen McGaghey, Director, Facilities, provided an overview of the project and stated that the request is primarily related to the increased scope of the project as it relates to the parking structure. The additional consulting fees can be accommodated within the existing project budget, and the overall budget would not increase.

The Committee obtained clarification from E. McGaghey on the changes to the project scope resulting from the detailed site plan, and the resulting impact on the project.

\*T. Cowan entered the meeting at 9:32 a.m.

The Committee asked for details on normal consulting fees for this and other similar Regional capital projects. Mike Murray, Chief Administrative Officer, differentiated consulting costs between various classes of projects and E. McGaghey noted that building construction projects will typically range 7-10% of project expenditures for consulting services, depending on the size of the project; the WRPS North Division project will be 6% with the additional consulting fees. The Committee obtained further detail on contract administration fees for the Weber Street reconstruction and widening project.

The Committee asked if staff routinely conducts analysis on consulting fees for all Regional projects, with comparisons to benchmarks. Thomas Schmidt, Commissioner, Transportation and Environmental Services, responded in the affirmative, noting that data is drawn from both internal and external projects, and adding the caveat that the variance among projects makes direct analysis difficult to perform. The Committee requested a report on consulting fees for Regional projects with comparisons to benchmarks.

The Committee confirmed that the Region has worked with the contracted architectural firm, and also that the parking deck was not included in the original request for proposals for consulting services for the building's construction.

MOVED by J. Wideman  
SECONDED by K. Seiling

THAT the Regional Municipality of Waterloo approve an increase in consulting fees to an upset limit of \$230,000, to a total of \$950,000 plus applicable taxes to Rebanks Pepper Littlewood Architects Inc. (RPLA) for design and construction administration of the WRPS North Division construction project due to design scope increases as detailed in report CR-FM-11-018.

CARRIED  
(S. Strickland opposed)

b) CR-FM-11-019, Pre-Budget Approval for 2012 Vehicle Procurement

MOVED by K. Seiling  
SECONDED by R. Kelterborn

THAT the Regional Municipality of Waterloo approve the pre-budget expenditure not to exceed \$2,526,000 for the purchase of 24 vehicles and equipment to replace those listed in Appendix A of report CR-FM-11-019 dated September 6, 2011, which were scheduled for replacement in 2012 in the Ten Year Capital Plans of various departments, to be funded from the appropriate vehicle/equipment reserve funds.

CARRIED

## REPORT OF THE AUDIT COMMITTEE

a) Minutes of the Audit Committee – August 25, 2011

The Committee obtained clarification from E. McGaghey on the integration of maintenance and lifecycle cost considerations into the design process for new buildings.

Calvin Barrett, Director, Financial Services/Development Financing, explained that municipal financial statements were changed in 2009 with the implementation of tangible capital asset accounting, and that with municipalities having two years' experience with that accounting shift the province expects to examine possible changes to the *Municipal Act* with respect to budgeting in 2012.

MOVED by C. Zehr  
SECONDED by J. Wideman

THAT the Administration and Finance Committee approve the minutes of the Audit Committee dated August 25, 2011.

CARRIED

## OTHER BUSINESS

- a) Council Enquiries and Requests for Information Tracking Sheet was received for information.
- b) S. Strickland requested a report to follow up a memo received by Councillors on August 25<sup>th</sup> with regard to the risk of cancellation of the OPA FIT program, to clarify the validity of the business model going forward with consideration for a variety of future scenarios. M.

Murray observed that the Region does not undertake the capital costs of solar photovoltaic installations without a contract for generated power already in place.

- c) J. Haalboom clarified with Rick Ellig, Manager, Fleet Services, that the Region tracks the fuel usage of all vehicles in the Region's fleet, and that staff continuously carries out needs assessments when undertaking new vehicle purchases. This is done to ensure rightsizing in vehicle purchases. He explained the Region's usage of clean diesel technology in the Region's vehicles.
- d) D. Craig observed that fire chiefs have raised concerns about buildings with solar panels, specifically as it relates to insurance and the ability to fight fires in those buildings. He suggested that the Region examine the concerns raised.

### **NEXT MEETING – September 27, 2011**

### **MOTION TO GO INTO CLOSED SESSION**

MOVED by T. Cowan

SECONDED by J. Brewer

THAT a closed meeting of the Planning & Works and Administration & Finance Committees be held on Tuesday, September 6, 2011 immediately following the Administration and Finance Committee meeting in the Waterloo County Room in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

- a) proposed or pending litigation and receiving of legal advice and opinion that is subject to solicitor-client privilege related to a matter before an administrative tribunal
- b) proposed or pending acquisition of land in the City of Kitchener
- c) labour relations and receiving of advice subject to solicitor-client privilege

CARRIED

### **ADJOURN**

MOVED by C. Zehr

SECONDED by R. Kelterborn

THAT the meeting adjourn at 10:06 a.m.

CARRIED

**COMMITTEE CHAIR, *T. Galloway***

**COMMITTEE CLERK, *M. Grivicic***