

**THE THIRTY-FIFTH MEETING OF THE PRIORITIES COMMITTEE
OF THE CITY OF GREATER SUDBURY**

**Council Chamber
Tom Davies Square**

**Wednesday, October 26, 2005
Commencement: 4:10 p.m.**

Chair

COUNCILLOR CALDARELLI, IN THE CHAIR

Present

Councillors Berthiaume; Bradley; Callaghan (A6:50pm); Craig (D5:30pm); Dupuis; Gainer; Gasparini; Kett; Reynolds; Rivest; Thompson (A4:50pm); Mayor Courtemanche

City Officials

C. Matheson, Acting Chief Administrative Officer; D. Nadorozny, General Manager of Growth & Development; A. Stephen, General Manager of Infrastructure & Emergency Services; C. Hallsworth, Executive Director of Administrative Services; P. Thomson, Director of Human Resources & Organization Development; L. Hayes, CFO/Treasurer; S. Jonasson, Special Advisor for Financial Services; G. Clausen, City Engineer; G. Lamothe, Manager of Corporate Communications & French Language Services; I. Davidson, Chief of Police, Greater Sudbury Police Service; C. Mahaffy, Manager of Financial Planning & Policy; D. Dumontelle, Acting Co-ordinator/Capital Budgets & Risk Management; S. St. Onge, Acting Co-ordinator, Current Accounting Operations; J. Van de Rydt, Co-ordinator of Capital Budget and Risk Management; E. Stankiewicz, Co-ordinator of Current Budget; L. Valle, Manager of Quality, Financial and Administrative Services; B. Falcioni, Director of Roads & Transportation; C. Mathieu, Director of Solid Waste; B. Mangiardi, Chief Information Officer; B. Lautenbach, Director of Planning Services; R. Hotta, Director of Pioneer Manor; J. Cunningham, Deputy Police Chief, Greater Sudbury Police Services; S. Baiden, Director of Administration, Greater Sudbury Police Services; P. Demers, Community Relations and Policy Advisor; R. Henderson, Director of Citizen Services; R. Carré, Director of Leisure, Community & Volunteer Services; M. O'Callaghan, Materials & Resource, Greater Sudbury Police Services; M. Gibbons, Director of Strategic Support Services; J. Cappadocia, Assistant Manager of Municipal Arenas/Community Centres; R. LeBouthillier, Assistant Manager/Arenas & Community Centres; A. Haché, City Clerk; F. Bortolussi, Planning Committee Secretary; CJ Caporale, Council Secretary

Others

Gord McIntosh, Facilitator, Local Government Leadership Institute

News Media

Sudbury Star; CIGM; Channel 10 News; Le Voyageur, Northern Life; CBC Radio-Canada

Declarations of
Pecuniary Interest

None declared.

PRESENTATIONS/DELEGATIONS

Item 2 LTFP - Capital Needs & Financing

Report dated 2005-10-19 from the CFO/Treasurer regarding an Update to the Capital Component of the Long Term Financial Plan - Forecasting Capital Needs and Financing for Fiscals 2006 to 2015 was received.

Ms. Lorella Hayes, CFO/Treasurer advised the Committee that this meeting was dedicated to capital planning and the development of a capital framework or tool to prioritize capital projects. She indicated that a ten year forecast has been developed to identify and plan for future expected fiscal pressures.

Ms. Hayes then reviewed the overall capital forecasted needs, financing sources and capital gap for the years 2006 to 2015. She indicated that the capital forecasted needs focuses on the current state of infrastructure, future remedial work, vehicle and building renewal needs, new capital facilities and growth related projects and reflected an annual inflation factor of 2%. She stated that the forecasted needs for 2006 are approximately \$111 million.

Ms. Hayes indicated that the projected revenue for the next ten years has been categorized into three key areas, capital envelopes, reserve and reserve fund contributions, and external sources such as grants and gas tax rebates. The annual available financing is approximately \$60 million per year. She then outlined the projected 2006 allocation of the capital envelope, key changes to the 2003 Long Term Financial Plan, and the growth of the capital envelope.

Ms. Hayes indicated that with available financing totaling \$630 million and needs identified as slightly over \$1 billion, the capital financing gap over the next ten years will be approximately \$417 million.

Mr. Nadorozny, General Manager of Growth & Development, outlined infrastructure renewal initiatives (transit fleet and buildings; parking areas) for Growth and Development. He stated that the growth initiatives are projects that advance the economic engines and igniters for the City of Greater Sudbury (mining, arts & culture, tourism, renewable/alternate energy, GIS, technology). He advised the Committee that the total needs for 2006 to 2015 was \$51.5 million, funding would be \$36.8 million, creating a gap of \$14.7 million.

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Ms. Hallsworth, Executive Director of Administrative Services, indicated that the infrastructure renewal initiatives for Administrative Support is the information technology infrastructure, such as telephone systems, print shop, mailing equipment, computers (hardware & software), etc. She outlined the growth initiatives such as Provincial Offences courtrooms, new software applications, IT capacity, training staff for new products/applications.

Ms. Matheson, General Manager of Community Development, outlined services delivered by Community Development. She outlined infrastructure renewal initiatives in areas such as recreation, parks, health and social services, libraries and citizen services, housing, and cemeteries. The growth initiatives would be the development of a skate park and splash pad, community trail and bike path, multi-pad sports complex, Laurentian University track, seniors, Bell Park redevelopment, etc. Ms. Matheson indicated that the needs for 2006 to 2015 is approximately \$123.7 million, with funding at \$27 million, leaving a gap of \$96.7 million.

Chief of Police, Ian Davidson, provided the Committee with an overview of the Greater Sudbury Police Services' mission, vision and strategic directions and priorities. He identified the infrastructure renewal initiatives developed in a multi-year spending plan, such as vehicle purchases, police equipment/supplies, automation, facilities, communications, and security. Chief Davidson listed a number of growth and development initiatives, such as the policing of the annexed northeast area, Taser weapon deployment, and full development of the Lionel E. Lalonde Centre, with a total needs of \$14 million. Funding in the same amount will ensure key capital goals and objectives are achieved during the next ten years.

Mr. Stephen, General Manager of Infrastructure & Emergency Services, stated that three key projects were identified which fall to infrastructure renewal initiative and growth; police, infrastructure and emergency services, and proactive collaborative approach to common public safety infrastructure requirements (communications and an emergency command vehicle, automation). He indicated that the needs identified totals \$11.7 million with funding of \$1.3 million, leaves a gap of \$10.4 million for 2006 to 2015.

Mr. Stephen then provided the Committee with an overall outline of Infrastructure and Emergency Services and what it entails. He indicated that the renewal initiatives cover many areas, surface improvements, water/wastewater, waste diversion, fleet, assets, fire and EMS stations. He outlined the average life span of various assets and detailed why the City of Greater Sudbury's IES infrastructure was in a deficit. Mr. Stephen stated that the growth initiatives would meet the needs of a growing community totaling \$812 million, with funding of \$528 million, leaving a gap of \$283.5 million for 2006 to 2015.

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Ms. Hayes outlined the financing sources and demonstrated how the capital gap of \$417 million could be reduced. She stated that if the 2.3% capital levy was continued until 2015, this would generate an additional \$185 million. Ms. Hayes also stated that the Federal Gas Tax Revenue must be allocated towards “environmentally sustainable municipal infrastructure” and “capacity building projects”. She provided additional information on continued applications to the senior levels of governments, use of debt financing, and LTFP capital related principles and policies. She indicated that the Capital Financing Gap could be potentially reduced to \$159 million at the end of 2015.

Recess

At 5:30 p.m., the Priorities Committee recessed.

Reconvene

At 6:13 p.m., the Priorities Committee reconvened.

Item 3
Council's Capital
Framework

Mr. Gord McIntosh, Facilitator, Local Government Leadership Institute gave an electronic presentation and held a workshop to develop Council's Capital Framework. Discussions were held regarding the following:

- Capital Priority Process (capital inventory, criteria, long term capital plan)
- Capital Priority Types (essential, opportunity, strategic, discretionary)
- Capital Funding (current revenue, new sources, cost efficiency, delivery options)

New Release:
Evacuees from
Kashechewan First
Nation

Mayor Courtemanche along with Mr. Alan Stephen, General Manager of Infrastructure & Emergency Services, advised that his office received a call from Emergency Management Ontario requesting help with the evacuation of 60% of the Kashechewan First Nations' community. They indicated that the Emergency Operations Centre was put into place in order to facilitate the arrival of seventy-five evacuees this evening at 7:30 p.m. and indicated that a medical assessment team was assembled to accommodate some residents requiring treatment. They stated that the remaining evacuees will be sent to the dormitories at the Lionel E. Lalonde Centre, which is well equipped for such an occasion. Mr. Stephen advised that staff is currently assessing whether or not Greater Sudbury can accommodate an additional eleven hundred evacuees.

The Manager of Corporate Communications & French Language Services indicated that a press conference was scheduled at 8:30 p.m. in Committee Room C-10 and that a news release will be issued within the hour.

Item 3
Council's Capital
Framework
(continued)

Criteria and Indicators

Council discussed the following criteria and established indicators for each:

CRITERIA	INDICATORS (SCORE)		
	High (3)	Medium (2)	Low (1)
Public Health (impact on people)	life or death	good health	well being
Legislative Requirement (legal obligation)	shall	should	may
Community Commitment (degree of expressed intent)	Public referendum	Council resolution	Councillor statement
Public Benefit (who will use it)	all	many	few
External Commitment (degree of obligation to other agency)	contractual	agreement	moral obligation
Liability Exposure (legal risk)	remedial	preventive	maintain
Strategic Importance (linkage to strategic plan)	Council priority	multiple goals	important for a goal
External Funding (level of commitment)	received	promised	eligible
Opportunity (frequency of occurrence)	unique	infrequent	frequent
Economic Impact (relationship to jobs & tax base)	hi impact	medium impact	low impact
Environmental (impact on natural assets)	remedial	preventive	neutral
Economics of Scale (linkage to the timing of other projects)	multiple projects	another project	stand alone
Long Term Impact (community sustainability)	catch up	stability	growth
Cost Benefit (longer term operational impact)	immediate savings	longer term savings	stabilize costs

Item 3
Council's Capital
Framework
(continued)

Criteria and Indicators
(continued)

CRITERIA	INDICATORS (SCORE)		
	High (3)	Medium (2)	Low (1)
Cultural Fabric	City	Community	Neighbour
Cultural Lifestyle	City	Community	Neighbour
Service Delivery	maintain	improve	new
Service Type	maintain	improve	new

The following recommendation was presented:

RECOMMENDATION 2005-64: Moved by Councillor Bradley :

WHEREAS the City of Greater Sudbury Council held a strategic planning session in June 2005 to set corporate priorities;

AND WHEREAS the development of a comprehensive capital plan was established as Council's top priority;

AND WHEREAS the October 26th 2005 Priorities Committee meeting was reserved for:

- 1) a review of the City's 10 year capital needs, capital financing and capital financing gap
- 2) a review of capital financing options and
- 3) the development of a capital priorities framework;

THEREFORE BE IT RESOLVED THAT staff prepare a 2006 Capital Budget based on the capital priorities framework established by Council on October 26th, 2005;

AND THAT staff prepare a 10 Year Capital Financing Plan which will include existing capital revenues, a capital levy and federal gas tax revenues, with the Plan being updated annually to reflect new capital needs and financing sources;

AND THAT the 2006 Capital Budget and 10 Year Capital Financing Plan be presented to Council in December as part of the 2006 Capital Budget process;

AND THAT formal asset management plans be developed to assist in the projection of future years' capital needs.

CARRIED

Adjournment

RECOMMENDATION 2005-65: Moved by Councillor Dupuis:

THAT this meeting does now adjourn. Time: 9:02 p.m.

CARRIED

Councillor Caldarelli, Chair

Angie Haché, City Clerk