



DEPARTMENT: Chief Administrative Officer

REPORT NO: A-027-17

COUNCIL DATE: November 13, 2017

TITLE: Boundary Adjustment Committee – Re-engagement

OBJECTIVE: To provide information and recommendations on whether the boundary adjustment committee should be authorized to reengage in discussions with South West Oxford, and suggested conditions under which to do so.

BACKGROUND: As Council is aware, at a special meeting of Council on August 14th 2017, Council considered a revised proposal provided by SWOX that primarily consisted of a series of maps, without any text accompaniment.

Council, by resolution directed staff to advise SWOX that no further meetings would be attended by the Ingersoll Boundary adjustment committee, until SWOX provided a detailed proposal. The proposal would then be reviewed by Ingersoll Council as a body, before it made the decision to reengage at a committee level with SWOX.

The Town has now received such proposal and will be considering whether to authorize the boundary adjustment committee for Ingersoll on whether it can rejoin discussion.

Additionally, Staff believe that although the proposal from SWOX is more comprehensive, and does more closely reflect the requests that have been put forward by Ingersoll over the past two and a half years, there are issues on which Council should provide specific and clear direction to the committee in advance of renewed discussions.

ANALYSIS: Staff have reviewed the proposal and have a number of concerns identified and will provide recommendations for Council's consideration.

Treasurer – Financial Considerations

Existing commercial and industrial base. Given the complexity and financial risks involved in the CAMI lands we need to have a separate arrangement. The Town must ensure that any reductions, write offs or potential loss of the entire assessments would be deducted from amounts owing to SWOX. Same would apply to other properties of significant value (e.g. Bell Camp). Every property of this type, Industrial or Commercial needs to be specifically identified and detailed in any agreement.

Ingersoll will remit payments to SWOX as follows: March 30th, June 30th, September 30th and December 15th. In the same manner we remit to the County and school boards.

Agricultural operations. Ability to expand livestock operations may negatively impact future development. In fact The Town needs to be clear to SWOX that any application will need to meet the Minimum Distance Separation regulations established by the Province, and no blanket approval can be provided in a boundary adjustment agreement.

Tax Phase In - The phase in for taxation should be 5 years for all classes.

Roadways. I disagree with assuming both sides of the roads that service both municipalities (Curry and Clarke). It could add thousands in operating costs and millions to capital budget. We need to understand what it means in financial terms before we agree.

Town Engineer – Roads

Having reviewed South West's proposal looking at the revised proposal that was submitted and taking into consideration the Treasurers comments, provide the following comments:

Clark Road - I agree with the Treasurer that this should be a boundary road. While the pavement is in fair to good condition and there is good drainage there is noticeable deterioration of the edge of pavement. This piece of road would need to see some capital costs in the 5 -10 year time frame. Operating costs would be about \$15,000 a year if Ingersoll had to do both sides.

Currie Road - this road should definitely be a boundary road. This road is gravel with fair to poor drainage. Staff have no idea what the Operating costs would be since the Town has no gravel roads but I have reached out to some of my colleagues to get an estimate. The capital cost to bring it up to a rural paved standard would be about \$1.2 M. The road has an uncontrolled railway crossing, with no stop signs (which is \$4800 per year to be maintain by the railway) and the road has very old wood hydro poles which will need to be replaced. There are intersection concerns at Union and Currie that will impact bringing the road up to a paved rural standard and there are mature trees on this length of road with at least 14 dead trees on the road right of way that need to be removed. There is also guiderail at the intersection of Currie and Hwy 19 that will need to be maintained.

Wallace Line - the first 500 metres of Wallace Line has transverse cracking about every 50 metres and the pavement is in fair condition. This section of road has wider shoulders that are mainly dirt not gravel and therefore will need funding to properly gravel the shoulders. After Robinson Road the pavement becomes fair to poor and will need some capital costs in the 5 - 10 year time frame. The hydro north of Robinson has two pole lines. New poles 2 metres off the edge of pavement and a line of old poles 50 metres off the edge of pavement. There are a number of culverts that cross the road (which I am unable to determine their integrity) and there is cable guiderail that will need to be replaced. Operating costs would be about \$48,000 a year.

Robinson Road - pavement and hydro is in good condition. There are some very mature trees along this section of road with one dead one. Operating costs about \$6000 a year.

Thomas Street - pavement from Town boundary to Wallace Line in fair to good condition. Capital costs in the 10 to 15 year time frame. There is a uncontrolled railway crossing with two tracks (which is \$770 per month to maintain and no stop signs). Operating cost for this section would be \$14,400 per year. The 400 m section of Thomas from Wallace Line to the railway crossing is a gravel road with drainage concerns and be about \$250,000 to bring to a rural paved standard. The proposal indicates the limits are to the railway crossing but because the railway line crosses on an angle the property ends on the other side of the railway meaning another uncontrolled railway crossing to maintain at \$4800 per month. Also because the railway crossing is on an angle, there are bad sight lines for vehicle traffic and no stop signs.

Right now there are only streetlights on a section of Wallace which would have to be converted to LED (if they already aren't).

This is just a cursory estimate of some of the costs the Town would incur.

A trade off on cost sharing for boundary roads that could be considered as a midpoint between a full 50/50 cost apportionment, could be a 76/24 cost share once the land is being developed (capital improvements) and ongoing maintenance costs at 76/24 (operating costs) as this reflects the revenue sharing proposed between the Town and SWOX.

Fire Chief – Fire services

South of 401 - This stretch of 401 is approximately 4 km and the call volume is hard to pin down but I do know that the stretch from Hwy 19 to Sweaburg road that is covered by the Beachville station currently gets about 50 calls for service annually. But I think that the stretch we are talking about only receives about 12-15 calls for service annually. Of course this is only an estimate but the point is it wouldn't really be a significant increase in volume.

I don't have any concerns with my staff responding out there as we already train for it and do occasionally respond out there as part of our mutual aid agreement. I also don't have any concerns with the type of incidents. To put it in perspective in town the more tragic calls we see are human vs train or human vs structure fire and on the 401 you see human vs car accident at higher speeds.

The type of calls will be mainly auto ex and our equipment is sufficient for that. In fact I am in the process of replacing the old set of hydraulics right now and we are in great shape equipment wise. I don't have any water concerns as we carry 1000 gallons roughly on the two pumpers and if there was any significant need for water we would just put in a mutual aid request from SWOX. Woodstock deals with their section of the 401 the same way and to date they have never needed to call in a tanker for help.

So to summarize we won't need to add any equipment at this point or change operationally to assume that portion of the hwy. I don't feel there is any need to enter into any service agreements with SWOX for the 401. The added bonus of 401 responses are that the MTO does pay \$460/hour per truck and that would be a 2 truck response.

As for the structures south of the 401 it looks like there are a few farms on Union and Currie and of course the Jet Set which we will need a water supply for. We could either enter into an automatic aid agreement with SWOX whereby they would respond at the same time as us for water support or we can put a tanker into service. If there is a significant need for water a mutual aid response would be needed anyway as 1 tanker can't keep up to a structure fire. The response time for water with an automatic aid agreement would be the same as a rural department response to begin with so there is no real decrease in service level for residents.

So to summarize we would either need an automatic aid agreement for water or a tanker to service those properties south of the 401.

West Side - There is water out there already with hydrants up to Robinson Rd. There would be no problem servicing anything along there up to the first property north of Robinson rd. on Wallace line. Once we get past there we are into the same situation with a lack of water. So either a tanker or an automatic aid agreement for water on those properties up to Hamilton rd. The properties that are clustered together on Hamilton rd. would not be as problematic (they could be reached with a long hose lay) but the two that are the farthest west we would need to provide a water source for. (Tanker or automatic aid agreement for water)

So really the only concern is Wallace line and the west portion of Hamilton rd.

East Side - The only problems I see in this area is the road across from Searles'. There are a few houses on that street and there is a culvert near Harris Street that from what I understand cannot hold the weight of a fire truck to pass over it. That would need to be investigated but SWOX would have the same issue. So from an operational stand point there is nothing to be gained by a service agreement from SWOX.

East side North of Clarke - There is one property there that is outside the limits of what we can reach so water support would be needed.

To summarize in each area there is a mix of property that we can service with existing equipment and property that we would need water support for. Hopefully we can accomplish this through an automatic aid agreement if not we would need to put a tanker in service. I feel that the need to cover the existing properties on all sides of town is the bigger concern than the 401. Traffic accidents on the hwy are relatively easy to deal with and much less time consuming than a structure fire.

The cost of an automatic aid agreement and the time lines of a response by SWOX would need to be explored but for a cost estimate - if we were charged for a truck at the MTO rates (which is standard) it would cost \$460/hour with at least 2 tankers needed for a structure fire. Plus their labour rate for 2 personnel. If we had our own tanker in service then we could ask for a second or third to help through the mutual aid agreement at no cost and that would be reciprocal.

The cost of a tanker is not known until investigated but a used unit would likely be between \$60,000 and \$100,000 to put in service. There would be some miscellaneous equipment that would need to be purchased - hose and a portable pond likely in the \$20,000 range.

On another note fire prevention inspections would also be increased slightly with the addition of a factory and a motel and a train yard but nothing significant.

Agricultural Operations

SWOX has proposed that all agricultural properties within annexation area maintain their ability to expand livestock operations in the future.

Ingersoll could not provide a guaranteed assurance that expansions would be permitted.

Ingersoll's current zoning by-law does not address Agricultural uses and MDS, so this is something that would need to be added through changes with the County Planning department.

In the event an existing agricultural use wanted to expand once inside the settlement area, compliance with MDS (minimum distance separation) It would still be required. Should the minimum distance separations not be able to be met, a minor variance is an option that is available for the land owner. A minor variance is a public process and subject to appeal currently to the Ontario Municipal Board.

Residential Development Green Energy Initiatives

SWOX has requested that solar ready roof tops as well as garages with conduit for EV charging units be required in all new residential development.

The Ministry of Municipal affairs is assessing proposed requirements to reduce greenhouse gas emission in the building sector to support the government's climate change action plan and is phasing them in to proposed code changes as they see fit.

Effective January 1, 2018 the installation of a conduit with a minimum 200 amp panel in the house to facilitate future installation of EV charging equipment will be a requirement in the Ontario Building Code.

According to the Ministry of Municipal Affairs the new addition of the Ontario Building Code proposed to be in-effect January 1, 2019 will require solar-ready roofs.

Ingersoll can only advise SWOX that the standards required by the building code at time of construction will be adhered to.

Other Implications

Ministry Checklist

THE RESTRUCTURING PROPOSAL PACKAGE

Restructuring proposals need to be complete when submitted to the Minister. This document is a summary of the materials that should be part of the restructuring proposal package. Please note that complete electronic copies are accepted (scanned images):

Letter to the Minister

The letter should be addressed to the Minister and report on how the municipalities have fulfilled their obligations under sections 171 to 173 of the *Municipal Act, 2001*.

Council Resolution

The package must include evidence in the form of a by-law that each council is in support of the restructuring proposal. It needs to be evident that each council, when voting, had the identical proposal before it as the other councils affected by the restructuring proposal. To ensure that occurs, it is recommended that the proposal be an attachment to the by-law and the by-law make specific reference to the attachment.

Restructuring Proposal

The proposal should describe details such as new boundaries, effective date, council/ward changes, disposition of assets and liabilities, and any transitional provisions. Previous Minister's restructuring orders may provide some guidance. The land identification must be part of the proposal and is usually provided as a schedule.

Land Identification

The land identification (description) must be in written form; a map alone is not sufficient. The description should be prepared by an Ontario Land Surveyor (OLS) retained by the municipality, either as a metes and bounds description or by making reference to regional plans and PIN numbers (PIN numbers are only sufficient if the land comprises the full PIN area). Reference plans must be provided to the Ministry for review along with the restructuring proposal. Description of new ward boundaries may also be required if 1) the municipality where the lands that are proposed to be annexed to has wards and/or 2) the boundaries of one or more wards of the upper-municipality would be changed as a result of the restructuring proposal.

Clerk's Declaration

A clerk's declaration stating that a public meeting was held and how consultation with Indigenous

Communities was undertaken should be submitted by each clerk as part of the proposal package. (A sample declaration is attached.)

Additional Materials

Additional materials that should be attached to the declaration to indicate that sufficient notice was provided and that consultation was conducted appropriately include:

- Copies of the meeting notice(s)
- Meeting minutes
- List of Indigenous groups that were consulted and any comments/concerns that were received or raised

Consultation with First Nations

Municipalities are expected to consult with Indigenous communities to determine if the proposed changes might adversely affect Aboriginal or treaty rights (e.g. hunting or fishing) or Aboriginal interests. A simple letter of notification is not considered sufficient to make this determination.

Changes related to municipal restructuring that Indigenous communities might be

Interested in include the potential for future land development and related servicing decisions.

Requirements for Complete Survey

As noted above, a complete survey of each and every parcel of land that is going to be transferred has to be surveyed and included in the submission to the Minister. Staff are currently seeking estimates on what this cost may be so it can be incorporated into the 2018 budget. This will be both a costly endeavor and could take a significant amount of time to complete.

Timing of Submission

Based on the requirements, even if discussions progress very well and quickly, there remains much work to do prior to make a submission to the Minister.

The issue is that the submission might not reach the Minister's will sufficient time for a decision before the writ for the Provincial election is called. It is expected that the election will be held in June of 2018 and in all likelihood, the Minister would not entertain approving a restructuring proposal if not received well in advance of the writ period, which is typically 5 to 6 weeks ahead of Election Day.

After the election, a new cabinet would be chosen, regardless of which party forms the government. It is normal that parliament would not convene until September. Staff are not sure whether a new Minister would deal with the restructuring proposal in advance of the convening of the legislature.

Municipal Councils will enter a lame duck period in mid- September whereby they will not be able to make significant decision, this too may become a concern.

Ministry staff have also provided the following for consideration. The current Councils' could continue to work on completing a restructuring proposal during 2017 and 2018. Ministry staff's preference is that the new Council taking office in 2018, support the restructuring proposal before submitting the proposal to the Minister for consideration. However, there is no legislative requirement for this to occur.

However a new Minister is likely going to heed advice from his ministry staff, and could well ask that the process for a triple majority be revisited.

Inherent Risks

1. Financial – With the prospect that the boundary adjustment might have to be re-approved by newly elected Councils in Ingersoll, SWOX and Oxford County, there is a risk in undertaking the costs of surveying the lands and the boundary agreement should it be quashed or modified significantly. Council might wish to wait on undertaking the surveying until that time.
2. Election Issue-Should the Councils wish to proceed, it will create a risk that should anti-boundary factions make it a successful election issue and rescind any agreement, costs incurred in the process may be lost.

3. It may be more prudent for Council to consider a pause at an agreement in principle with SWOX, if it can be negotiated in 2018, and move towards the finalization after the 2018 municipal elections.

INTERDEPARTMENTAL IMPLICATIONS: Undoubtedly a boundary adjustment, with the financial ramifications that will result will have significant impact across all departments within the organization.

FINANCIAL IMPLICATIONS: The most directly impacted areas will be planning, financial and public infrastructure expenditures as the Town moves to attract growth and development to the newly acquired lands.

RECOMMENDATION: THAT the Council of the Corporation of the Town of Ingersoll receives Report A-027-17 as information;

AND FURTHER authorizes the Boundary adjustment Committee to reconvene with its counter parts from Southwest Oxford with the following direction from Council;

1. All the lands as previously identified by Ingersoll, and the additional lands suggested by SWOX form the lands to be transferred in the boundary adjustment.
2. That SWOX's existing taxes on the day before boundary adjustment be paid in perpetuity, indexed annually by the Canadian Consumer Index from the previous year.
3. Notwithstanding recommendation 2 above, taxes on industrial properties, including CAMI and Bellcamp along with any others identified at the time of the agreement shall have taxes adjusted accordingly for any reductions caused by downsizing or closure or the cessation of operations.
4. That compensation for Industrial and Commercial lands and the provision for an upfront payment for residential development established at \$250 per unit based on lands proposed for residential development calculated at an average of 11 units per acre.
5. That Boundary Roads remain a shared cost between Ingersoll and SWOX or their successors. The shared costs will be calculated in the following manner:
 - a. Until the lands are developed maintenance shall be shared on a 50/50 basis
 - b. As the lands are developed capital costs shall be shared on a 76/24 Ingersoll/SWOX basis. (this reflex the revenue sharing component)
 - c. After development of the lands operating/maintenance costs shall be shared on a 76/24 basis. (Again this reflects the revenue sharing provision)

6. That SWOX agree to mutual aid, as well as automatic aid agreements for the provision of Fire suppression as determined necessary by the Fire Chief of the Town of Ingersoll.
7. The Town will enforce the requirements in place under the Ontario Building Code at the time of construction, which hopefully include capacity for electrical vehicle charging capabilities in 2018 and solar roof capabilities in 2019.
8. Livestock expansions within the settlement area would have to comply with provincial requirements under MDS and County Policies.

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