

Council Chamber
City Hall, Saskatoon, Sask.
Monday, October 21, 1996,
at 7:00 p.m.

MINUTES OF REGULAR MEETING OF CITY COUNCIL

PRESENT: His Worship Mayor Dayday in the Chair;
Councillors Atchison, Birkmaier, Heidt, Langford,
Langlois, Postlethwaite, Roe, Steernberg and Waygood;
City Commissioner Irwin;
City Solicitor Dust;
City Clerk Mann;
City Councillors' Assistant Kanak

Moved by Councillor Heidt, Seconded by Councillor Langford,

THAT the minutes of the regular meeting of City Council held on October 7, 1996, be approved.

CARRIED.

COMMUNICATIONS TO COUNCIL

The following communications were submitted and dealt with as stated:

A. REQUESTS TO SPEAK TO COUNCIL

- 1) **Lisa M. Hill**
Equity Capital One Corporation, dated September 26

Requesting permission to address Council regarding a discretionary use application for a gas bar at 101 20th Street West. (File No. CK. 4355-1)

RECOMMENDATION: that a representative of Equity Capital One Corporation be heard.

Moved by Councillor Atchison, Seconded by Councillor Postlethwaite,

THAT Ms. Hill be heard.

CARRIED.

Ms. Hill reviewed her submitted brief regarding the discretionary use application for a gas bar at 101 20th Street West. She asked Council to clarify the difference between gas bars and service

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stations for future interpretation purposes for people looking at opening a gas bar in a B.6 zoning area, and expressed the hope that the application would be dealt with as soon as possible.

Moved by Councillor Langford, Seconded by Councillor Langlois,

THAT the information be received and the question of gas bars vs. service stations be referred to the Planning and Operations Committee.

CARRIED.

AA. ITEMS WHICH REQUIRE THE DIRECTION OF CITY COUNCIL

**1) Gérard Mercier, Director
Pilgrims of Saint Michael, undated**

Asking Council to pass a resolution to be sent to the Federal Government regarding the creation of money and credit for Canada. (File No. CK. 277-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Langlois, Seconded by Councillor Roe,

THAT the information be received.

CARRIED.

**2) Bryon Wilfert, President
Federation of Canadian Municipalities, dated September 27**

Expressing appreciation for support of FCM's efforts in assisting the communities in the Saguenay and Lac St. Jean regions of Quebec. (File No. CK. 155-2)

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RECOMMENDATION: *that the information be received.*

Moved by Councillor Roe, Seconded by Councillor Atchison,

THAT the information be received.

CARRIED.

3) Mayor Henry Dayday, dated October 15

Submitting copy of letter sent to the Minister of Municipal Government with respect to offsetting Health levies against Revenue Sharing. (File No. CK. 1860-1)

RECOMMENDATION: *that the information be received.*

Moved by Councillor Birkmaier, Seconded by Councillor Waygood,

THAT the information be received.

CARRIED.

**4) Marlene Hall, Secretary
Development Appeals Board, dated October 3**

Submitting Notice of Development Appeals Board Hearing regarding property at 128 Taylor Street East. (File No. CK. 4352-1)

RECOMMENDATION: *that the information be received.*

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**5) *Marlene Hall, Secretary*
*Development Appeals Board, dated October 9***

Submitting Notice of Development Appeals Board Hearing regarding property at 218 LaRonge Road. (File No. CK. 4352-1)

RECOMMENDATION: *that the information be received.*

Moved by Councillor Langford, Seconded by Councillor Atchison,

THAT the information be received.

CARRIED.

**6) *Bob Blackwell, Chair*
*1997 UCI World Championship of BMX, dated October 12***

Providing update on plans for the 1997 UCI World Championship of BMX. (File No. CK. 1870-2-3) (Additional information is available in the City Clerk's Office.) (Mr. Blackwell will be available to answer questions.)

RECOMMENDATION: *that the information be received and considered with Clause 1, Report No. 16-1996 of the Administration and Finance Committee.*

Moved by Councillor Heidt, Seconded by Councillor Atchison,

THAT Clause 1, Report No. 16-1996 of the Administration and Finance Committee be brought forward for consideration.

CARRIED.

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“REPORT NO. 16-1996 OF THE ADMINISTRATION AND FINANCE COMMITTEE

1. Communication to Council

**From: Bob Blackwell, Chair
1997 UCI World Championship of BMX
Date: May 14, 1996
Subject: Requesting a meeting with the Committee regarding financing for the
1997 UCI World BMX Championship - July 21-27, 1997 and the 1996
Canadian BMX Championship - July 10-13, 1996
(File No. CK. 1870-2-3)**

- RECOMMENDATION:**
- 1) that the City Solicitor be instructed to prepare an Indemnification Agreement that guarantees 50% of interim loan financing for the 1997 BMX World Championship to be held in Saskatoon, up to a maximum of \$83,102.50; and
 - 2) that His Worship the Mayor and the City Clerk be authorized to sign the agreement.

City Council considered Clause 4, Report No. 9-1996 of the Administration and Finance Committee regarding a request for the City to co-sign for an interim financing loan for the BMX Club for the above-noted events, at its meeting held on June 3, 1996, and resolved:

- "1. that subject to the Administration and Finance Committee obtaining an independent verification of the figures presented in the business plan, the City co-sign for an interim financing loan to the 1997 UCI World Championship of BMX Organizing Committee for up to 50% of the total loan of \$166,205, which is equivalent to the Province's commitment as co-signer; and*
- 2. that, should the City be required to finance any loss as co-signer for this loan, it be recognized that the source of funding will ultimately be from the 1997 year-end results of the Operating Budget."*

Your Committee has determined that the Province has agreed to co-sign for 50% of the required interim financing loan (copy attached 'A'), and that the figures presented in the business plan (copy attached 'B') have been verified as closely as possible, as requested under Resolution No. 1) above, and as outlined in the report of the General Manager, Finance Department, quoted below.

Your Committee has also agreed that the following conditions will apply, and the BMX Club has been advised accordingly:

- "a) that the City will not be liable for any loss incurred over the expenditures outlined in

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the Business Plan; and

- b) that the financial statements for this event(s) be subject to audit by an independent auditor."

Report of the General Manager, Finance Department, September 13, 1996 (excerpt):

"With respect to the above resolution (No. 1), the Administration has received, in writing from the Economic Development Department of the Province of Saskatchewan, confirmation of Cabinet's approval providing its guarantee of 50% of the interim financing for the World Championship BMX races to be held in Saskatoon in 1997, up to a maximum of \$83,102.10.

Your Administration has reviewed the business plan tabled by the BMX Organizing Committee, but as we lack any knowledge of the operation of the BMX World Championships, can only provide a limited endorsement of the figures. That is not to say that the figures are inaccurate or too optimistic, they, in fact, may be very realistic, but without any in-depth knowledge of previous World Championships, it is difficult to provide an independent verification.

In discussing this matter with the provincial officials involved, their analysis came to much the same conclusion. However, after attending the 1996 World Championships the local organizers are extremely confident, based on the initial response received in Europe, that revenue expectations will exceed their budget figures. If this is true, full repayment of the loan by the BMX World Championship Committee should be realized."

Councillor Steernberg indicated that the Committee wishes to remove Item a) from the conditions listed on Page 2 of the report, as per resolution of the Committee at its meeting held on October 21, 1996.

Moved by Councillor Steernberg, Seconded by Councillor Atchison,

- 1) that the City Solicitor be instructed to prepare an Indemnification Agreement that guarantees 50% of interim loan financing for the 1997 BMX World Championship to be held in Saskatoon, up to a maximum of \$83,102.50; and*
- 2) that His Worship the Mayor and the City Clerk be authorized to sign the agreement.*

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YEAS: His Worship the Mayor, Councillors Atchison, Postlethwaite, Langford, Steernberg, Heidt, Birkmaier and Roe	8
NAYS: Councillors Waygood and Langlois	2

**7) Darrell Liski
Modular Storage Systems, dated October 15**

Requesting abatement of 1993 and 1994 business tax for properties at 102 Pakwa Place and 102 Gyles Place. (File No. CK. 1965-1)

RECOMMENDATION: that the information be received and considered with Clause A7, Report No. 19-1996 of the City Commissioner.

Moved by Councillor Langlois, Seconded by Councillor Atchison,

THAT the information be received and considered with Clause A7, Report No. 19-1996 of the City Commissioner.

CARRIED.

**8) Ken Ziegler, President
Saskatoon and District Chamber of Commerce**

Requesting Council to delay the decisions concerning reassessment from November 4, 1996 to November 18, 1996. (File No. CK. 1965-2)

RECOMMENDATION: that the direction of Council issue.

Moved by Councillor Roe, Seconded by Councillor Langlois,

THAT the matter be referred to the Executive Committee for consideration.

CARRIED.

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**9) Al Scarfe
942 Saskatchewan Crescent East, undated**

Submitting comments regarding property taxes for 942 Saskatchewan Crescent East and regarding the proposed parking program for residents near the University of Saskatchewan. (File No. CK. 150-1).

RECOMMENDATION: that the information be received.

Moved by Councillor Atchison, Seconded by Councillor Waygood,

THAT the information be received.

CARRIED.

B. ITEMS WHICH HAVE BEEN REFERRED FOR APPROPRIATE ACTION

**1) R.W. Styles, Associate Deputy Minister
Housing Division, Saskatchewan Municipal Government, dated October 2**

Providing information regarding the province's decision to negotiate the transfer of administrative responsibility for all social housing projects to the province. **Referred to the Social Housing Advisory Committee.** (File No. CK. 750-1)

2) Saskatchewan Urban Municipalities Association, undated

Requesting resolutions for submission to the 1997 SUMA Annual Convention. **Referred to the Administration and Finance and Planning and Operations Committee.** (File No. CK.155-3)

**3) Rusty Chartier
1245 Avenue O South, dated October 14**

Submitting comments regarding the curfew bylaw. **Referred to the Administration and Finance Committee.** (File No. CK. 185-1)

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- 4) **Jim Hartwick**
1951 St. George Avenue, dated October 11

Submitting comments regarding the Smoking Control Bylaw as it relates to bowling alleys.
Referred to the Administration and Finance Committee. (File No. CK. 185-3)

RECOMMENDATION: that the information be received.

Moved by Councillor Heidt, Seconded by Councillor Atchison,

THAT the information be received.

CARRIED.

C. PROCLAMATIONS

- 1) **Helen Oleskiw, Diocesan Communications Convener**
Saskatoon Diocesan Council of the Catholic Women's League, dated October 9

Requesting Council to proclaim the week of October 20 to 27, 1996 as White Ribbon Against Pornography Week in Saskatoon. (File No. CK. 205-5)

- 2) **Lawrence MacAulay, Secretary of State (Veterans)**
House of Commons, undated

Requesting Council to proclaim the week of November 3 to 11, 1996 as Veterans' Week in Saskatoon. (File No. CK. 205-5)

- 3) **Shaune Rorke, Executive Director**
Saskatchewan Adoptive Parents Association, Inc., dated October 15

Requesting Council to proclaim the month of November, 1996 as Adoption Awareness Month in Saskatoon. CK. 205-5)

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**4) Val Dunphy, Regional Director, Manitoba/Saskatchewan Region
Crohn's and Colitis Foundation of Canada, dated October 9**

Requesting Council to proclaim the month of November, 1996 as Crohn's and Colitis Foundation of Canada Awareness Month in Saskatoon. (File No. CK. 205-5)

- RECOMMENDATION:**
- 1) that City Council approve all proclamations as set out in Section C; and
 - 2) that the City Clerk be authorized to sign the proclamations on behalf of City Council.

Moved by Councillor Birkmaier, Seconded by Councillor Langlois,

- 1) that City Council approve all proclamations as set out in Section C; and*
- 2) that the City Clerk be authorized to sign the proclamations on behalf of City Council.*

CARRIED.

REPORTS

Mr. J. Kozmyk, Chair, submitted Report No. 14-2002 of the Municipal Planning Commission;

City Commissioner Irwin submitted Report No. 19-2002 of the City Commissioner;

Councillor Langford, Chair, presented Report No. 19-2002 of the Planning and Operations Committee;

Councillor Steernberg, Chair, presented Report No. 16-2002 the Administration and Finance Committee;

Councillor Birkmaier, Chair, presented Report No. 6-2002 of the Audit Committee; and

His Worship the Mayor, Chair, presented Report No. 10-1996 of the Executive Committee.

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Moved by Councillor Waygood, Seconded by Councillor Atchison,

THAT Council go into Committee of the Whole to consider the following reports:

- a) Report No. 14-2002 of the Municipal Planning Commission;*
- b) Report No. 19-2002 of the City Commissioner;*
- c) Report No. 19-2002 of the Planning and Operations Committee;*
- d) Report No. 16-2002 of the Administration and Finance Committee;*
- e) Report No. 6-2002 of the Audit Committee; and*
- f) Report No. 10-1996 of the Executive Committee.*

CARRIED.

His Worship Mayor Dayday appointed Councillor Langlois as Chair of the Committee of the Whole.

Council went into Committee of the Whole with Councillor Langlois in the Chair.

Committee arose.

Councillor Langlois, Chair of the Committee of the Whole, made the following report:

THAT while in Committee of the Whole, the following matters were considered and dealt with as stated:

“REPORT NO. 14-2002 OF THE MUNICIPAL PLANNING COMMISSION”

Composition of Committee

Mr. Jim Kozmyk, Chair
Mr. Glen Grismer, Vice-Chair
Councillor Jill Postlethwaite
Mr. Ken Rauch
Ms. Ann March
Ms. Leslie Belloc-Pinder
Mr. Gregory Kitz
Ms. Georgia Bell Woodard
Ms. Lina Eidem
Mr. Paul Kawcuniak
Ms. Sheila Denysiuk
Mr. Al Ledingham
Dr. Brian Noonan

- 1. Development Plan Amendment
Core Neighbourhood Study - Pleasant Hill
Lots 1 to 6, Block 23, Plan FF1
Lots 19 & 20, Block 1, Plan FF
Lots 21 & 22, Block 1, Plan FF
(File No. CK. 4353-2-3)**

RECOMMENDATION:

- 1) that City Council approve the advertising respecting the proposal to amend Appendix 03 of the City of Saskatoon Development Plan by changing the designations of the following lands:
 - a) Lots 1-6, Block 23, Plan FF1 from Low/Medium Density Policy District to Medium Density Policy District (see Map No. 1); and
 - b) Lots 19 & 20, Block 1, Plan FF from Medium Density Policy District to Low Density - No Conversions Policy District; and Lots 21 & 22 Block 1, Plan FF from Low Density - No Conversions Policy District to Medium Density Policy District (see Map No. 2).
- 2) that the City Planner be requested to prepare the required notice for advertising the proposed amendments;

- 3) **that the City Solicitor be requested to prepare the required Bylaw; and**
- 4) **that the Municipal Planning Commission's report be brought forward for consideration at the time of the public hearing and that City Council consider the Commission's recommendation that the proposed Development Plan amendment, as outlined in Recommendation 1) above, be approved.**

ADOPTED.

Your Committee has considered and supports the following report of the Planning and Building Department dated September 30, 1996:

"A. PLANNING & BUILDING DEPARTMENT RECOMMENDATION

1. that City Council be asked to approve the advertising respecting the proposal to amend Appendix 03 of the City of Saskatoon Development Plan by changing the designations of the following lands:
 - a) Lots 1-6, Block 23, Plan FF1 from Low/Medium Density Policy District to Medium Density Policy District (see Map No. 1); and,
 - b) Lots 19 & 20, Block 1, Plan FF from Medium Density Policy District to Low Density - No Conversions Policy District; and Lots 21 & 22 Block 1, Plan FF from Low Density - No Conversions Policy District to Medium Density Policy District (see Map No. 2).
2. that the City Planner be requested to prepare the required notice for advertising the proposed amendments;
3. that the City Solicitor be requested to prepare the required Bylaw; and,
4. that at the time of the public hearing Council be asked to consider the Commission's recommendation that the amendments be approved.

B. PROPOSAL

The Planning Department wishes to process two amendments to the Core Neighbourhood Study Review 1990. Specifically, these amendments deal with the Land Use Policy Map for Pleasant Hill.

C. REASON FOR PROPOSAL (BY APPLICANT)

The two amendments deal with anomalies detected on the Pleasant Hill Land Use Policy Map. During the production of the original land use policy maps for the Core Neighbourhood Study Review 1990, the subject properties were inadvertently labelled.

D. BACKGROUND INFORMATION

On Monday, April 22, 1991, City Council passed Bylaw No. 7218 which brought into effect a Land Use Policy Map for the Pleasant Hill core neighbourhood. During the process to rezone properties in Pleasant Hill, the anomalies were detected on the Pleasant Hill land use policy map.

E. JUSTIFICATION

1. Planning and Building Department Comments

The subject properties are shown on Map Nos. 1 and 2.

2. Comments by Others

None

3. Environmental Impact (optional)

None

4. Policy Implications (optional)

None

5. Conclusion

The proposed amendments to the Land Use Policy Map for Pleasant Hill are minor. These map amendments are to correct anomalies and should be carried out in an expeditious manner with minimal cost incurred. The Planning Department is recommending that the normal process for amending the City of Saskatoon Development Plan be followed, which includes two advertisements in the Star Phoenix and a Public Hearing.

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F. ATTACHMENTS

1. Map No. 1.
2. Map No. 2."

REPORT NO. 19-2002 OF THE CITY COMMISSIONER

Section A - Administration and Finance

A1) Routine Reports Submitted to City Council

RECOMMENDATION: that the following information be received.

ADOPTED.

<u>SUBJECT</u>	<u>FROM</u>	<u>TO</u>
Schedule of Accounts Paid \$8,590,015.02	September 12, 1996	September 30, 1996
Schedule of Accounts Paid \$1,034,822.72	October 2, 1996	October 7, 1996
Schedule of Accounts Paid \$590,326.71	October 3, 1996	October 9, 1996
Schedule of Accounts Paid \$7,328,095.15 (File No. 1530-2)	October 10, 1996	October 16, 1996

**A2) Business Tax Adjustments
(File No. 1985-2)**

RECOMMENDATION: that City Council approve of the 1996 Business Tax write-off in the amount of \$ 44,237.89, for the reasons detailed on the attached list for the period September 1, 1996, to September 30, 1996.

ADOPTED.

Report of the General Manager, Finance Department, October 4, 1996:

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"Attached are listings of 1996 Business Tax Adjustments, totalling \$44,237.89, which require Council's approval for write-off.

These listings represent businesses which have discontinued business at the premises indicated; these accounts are not uncollectible, but require adjustment in keeping with Business Tax Bylaw #6714(12) which states:

'Where a business is commenced after the 31st day of January or is discontinued before the 1st day of December, the Council shall, upon written request, adjust the amount levied with respect of that business to correspond with the portion of the year during which the business is, or was, carried on; PROVIDED that such request is made before the expiration of one year following the year in respect of which the amount levied is to be adjusted.'

Business Tax Adjustments are offset by supplementary assessments on new businesses or businesses that relocate, renovate or enlarge premises.

The distribution of this write-off will be as follows:

City	19,138.69
School Boards	23,784.65
Business Improvement Districts	<u>1,314.55</u>
	\$44,237.89"

ATTACHMENT

1. 1996 Business Tax Adjustments.

A3) Investments
(File No. 1790-3)

RECOMMENDATION: that City Council approve the attached purchases and sales.

ADOPTED.

Report of the General Manager, Finance Department, October 8, 1996:

"With the approval of the Investment Committee, the attached list indicates purchases and sales for

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the City's various funds."

ATTACHMENT

1. Schedule of Securities Transactions (September 16-30, 1996).

A4) Communications to Council

From: Doug Swan, United Blueline
Gerald Adams, Saskatoon Radio Cabs Ltd.
Date: July 12, 1996
Subject: Requesting a meter rate increase for taxicabs and an
amendment to the bylaw regarding taxi licenses
(File No. 307-2)

RECOMMENDATION: that Council consider Bylaw No. 7574.

ADOPTED.

Report of the City Solicitor, October 15, 1996:

"City Council, at its September 9, 1996 meeting, made a recommendation that Section 49(3) of The License Bylaw No. 6066 be amended to reflect an increase in taxicab rates effective November 1, 1996. The City Solicitor's Office has made the necessary amendments to reflect the increase and has attached Bylaw No. 7574 for Council's review."

ATTACHMENT

1. Proposed Bylaw No. 7574.

**A5) City of Saskatoon
- Residential Utility Deposits
(File No. 1550-3)**

RECOMMENDATION: that Council consider Bylaw Nos. 7572 and 7573.

ADOPTED.

Report of the City Solicitor, October 15, 1996:

"City Council, at its June 17, 1996 meeting, approved changes to the practice concerning residential deposits on utility accounts. The new practice ends the requirement of a deposit on residential

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accounts, except in the case of a high-credit risk account. In that case, a deposit equal to two times the estimated monthly billing will be charged as a deposit. The practice of paying interest on cash deposits has been terminated in keeping with the recommendation of Council. The new practice for residential accounts updates the utility Bylaws to bring existing practice in line with other major utilities across western Canada.

This Office was directed to prepare the appropriate amendments to Bylaw No. 5115, entitled 'A Bylaw of The City of Saskatoon regulating the use of a public sewage works and storm sewers and to provide for the levying and collecting of a charge for use of the public sewage works', and Bylaw No. 2685, entitled 'A Bylaw to regulate the sale of electric light and power in the City of Saskatoon and fixing the rates and deposits therefor'."

ATTACHMENTS

1. Proposed Bylaw No. 7572.
2. Proposed Bylaw No. 7573.

**A6) Statement of Revenue and Expenditures
Nine Months Ended September 30, 1996
(File No. 1895-2-3)**

RECOMMENDATION: that the following report be received as information.

Report of the General Manager, Finance Department, October 15, 1996:

"Attached, for City Council's information, is a copy of the Statement of Revenues and Expenditures for the nine months ended September 30, 1996. Comments regarding these financial statements are included within the Letter of Transmittal which forms part of these statements."

ATTACHMENTS

1. City of Saskatoon Statement of Revenue and Expenditures - Nine Months Ended September 30, 1996.

Moved by Mayor Dayday,

THAT the information be received and that the Board of Police Commissioners be requested to report regarding the estimated \$201,000 over expenditure.

CARRIED.

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**A7) Business Tax Assessment
With Respect to Public Storage Facilities
(File No. 1625-1)**

- RECOMMENDATION:**
- 1) that City Council authorize the Administration to discontinue attempts to collect business tax from public storage facilities carrying on business in Saskatoon; and,
 - 2) that all public storage facility businesses which have paid business tax be refunded payments for the years 1990 to 1996, inclusive.

The civic Administration has pursued collection of business tax from public storage facility businesses since their introduction to Saskatoon in approximately 1990. Some of the public storage facility businesses objected to payment of the business tax on the basis as to whether they met the criteria to be assessable for both carrying on business and occupying premises in the City of Saskatoon. While there is no dispute that a public storage facility meets the criteria of carrying on business within the City of Saskatoon, the question as to whether they technically occupy premises within the meaning of *The Urban Municipality Act* has been challenged.

Having further reviewed the matter, we are now recommending that no further action be taken to collect outstanding business taxes in dispute. During the point of time when the assessment of public storage facilities was in dispute, most of the storage businesses did not appeal their business tax assessment, and actually paid the tax as requested by your Administration. We are, therefore, recommending that not only do we refund those businesses who have appealed their assessment, but also those businesses who have not appealed, and have paid. The total cost to the City would be approximately \$77,900.

Pursuant to earlier resolution, Item AA7) of "Communications" was brought forward and considered.

IT WAS RESOLVED:

- 1) *that City Council authorize the Administration to discontinue attempts to collect business tax from public storage facilities carrying on business in Saskatoon; and,*
- 2) *that all public storage facility businesses which have paid business tax be refunded payments for the years 1990 to 1996, inclusive.*

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Section B - Planning and Operations

B1) Communications to Council

**From: James Hovde
1249 Avenue K South**
Date: Undated
**Subject: Requesting the placement of signs in parks in relation
to dogs and the requirements for litter clean-up and
leashes under the Animal Control Bylaw**

(File No: 152-2)

RECOMMENDATION: that the following report be received as information.

ADOPTED.

Report of the General Manager, Public Works Department, October 4, 1996:

"During City Council's September 9, 1996, meeting, a letter from James Hovde, regarding the need for dog owners to abide by requirements in the Animal Control Bylaw, was reviewed and referred to the Administration for a report.

Holiday Park is currently under construction, funded by Capital Project No. 1690. During construction of the park in August 1996, the Project Manager, M. Beresnak had collected concerns from various residents in the Holiday Park Neighbourhood regarding the need for park users to control dogs in the park. Subsequently he has included in the park construction, the installation of four signs, one at each formal park entrance. The signs refer to the Animal Control Bylaw and indicate the need for litter pick-up and maintaining dogs on a leash."

**B2) Land-Use Applications Received by the Planning and Building Department
For the Period Between September 30, 1996 - October 11, 1996
(For Information Only)
(File No. 4300 and 4355-D)**

RECOMMENDATION: that the following report be received as information.

ADOPTED.

Report of the General Manager, Planning and Building Department, October 11, 1996.

"The following applications have been received, are being processed, and will be submitted to City Council for its consideration:

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Discretionary Use

Application D12/96:	3310 - 8th Street East
Applicant:	Scooters Playland Inc.
Legal Description:	Parcel B, Plan 69-S-19197 Parcel U, Plan 62-S-05942 Parcel G, Plan 70-S-09495 Parcel Q, Plan 76-S-01678
Current Zoning:	B.4
Proposed Use:	Children's Licensed Daycare
Neighbourhood:	Wildwood
Date Received:	September 27, 1996

Subdivision

Application #52/96:	2802 - 8th Street East
Applicant:	Howard Larson for Ronald Enterprises Ltd.
Legal Description:	Pt. Lot 12, Block 278, Plan 96-S-06591
Current Zoning:	B.4
Neighbourhood:	Brevoort Park
Date Received:	October 3, 1996."

ATTACHMENT

1. Plan of Proposed Subdivision #52/96.

**B3) Proposed Disabled Person's Loading Zone
319 Avenue S South
(File No. 6120-4)**

RECOMMENDATION: that a "Disabled Person's Loading Zone" be installed in front of 319 Avenue S South.

ADOPTED.

Report of the General Manager, Transportation Department, October 7, 1996:

"The Transportation Department has received a request from a tenant's counsellor for Cress Housing for the installation of a 'Disabled Person's Loading Zone' to be installed in front of their property located at 319 Avenue S South.

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Cress Housing, which provides housing for the physically disabled, has a four-plex unit at 319 Avenue S South. The two main floor suites are set up to be wheelchair accessible, and Cress Housing now has a tenant who meets their requirements to lease one of the main floor suites. The new tenant has a vehicle that is equipped to load and unload a wheelchair. The vehicle carries the appropriate disabled vehicle placard.

This loading zone conforms to the City's guidelines with respect to 'Disabled Person's Loading Zones' and no fee is assessed for its installation."

**B4) Subdivision Application #47/96
Briarvale Bay
(File No. 4300-47/96)**

RECOMMENDATION:

- 1) that City Council resolve, in connection with the approval of Subdivision Application #47/96, that it would be impractical and undesirable to require full compliance with Section 15(1)(a) of Subdivision Bylaw No. 6537 for the following reasons:
 - a) the variance from the full requirement is minor;
 - b) the variance will not affect surrounding properties in any negative way;
 - c) the proposed lots each have a site area which exceeds that required in the Subdivision Regulations; and,
- 2) that Subdivision Application #47/96 be approved, subject to:
 - a) the payment of \$750.00 being the required approval fee; and,
 - b) the owner entering into a Development and Servicing Agreement with the City of Saskatoon.

ADOPTED.

Report of the General Manager, Planning and Building Department, October 11, 1996:

"The following subdivision application has been submitted for approval:

Subdivision Application: #47/96
Applicant: Webster Surveys Ltd. for Preston Developments Inc.
Legal Description: Parcel S, Plan 96-S-13326
Location: Briarvale Bay."

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ATTACHMENT

1. September 30, 1996 Subdivision Report.

**B5) Proposed Parking Restriction
1200 Central Avenue
(File No. 6120-3)**

RECOMMENDATION: that a 'No Parking' restriction be installed on the west block face of the 1200 block of Central Avenue.

ADOPTED.

Report of the General Manager, Transportation Department, October 7, 1996:

"The Transportation Department is proposing that a 'No Parking' restriction be installed on the west block face of the 1200 block of Central Avenue. The restriction would be in effect from the CP Rail tracks to the driveway of Collision Plus Autobody.

The recent development of a Taco Time restaurant between the CP Rail tracks and Collision Plus Autobody has opened an additional driveway adjacent to the railroad tracks.

The need for this restriction is to allow two lanes of traffic to proceed across the CP Rail tracks. Two lanes are required to dissipate vehicle queues that result from rail movements.

A field trip indicated that the double queue crossing the tracks forms a single queue before the driveway to Collision Plus Autobody. Traditionally, there has been very little parking on the west block face of the 1200 block face of Central Avenue. It is anticipated that the proposed restriction will have little effect on the present parking requirements."

**B6) Enquiry - Councillor Atchison (October 7, 1996)
Sale of Lots
New Avalon Subdivision
(File No. LA 4131-15)**

RECOMMENDATION: that the following report be received as information.

ADOPTED.

The following enquiry was made by Councillor Atchison at the meeting of City Council held on

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October 7, 1996:

"Could we please find out how the sale of lots to contractors will be handled in the new Avalon Subdivision."

Report of the General Manager, Planning and Building Department, October 9, 1996:

"The following is the lot draw process that is proposed for the 89 lots in Avalon:

1. All 89 lots are available to both builders and individuals. We will not allocate certain lots to builders and certain lots to individuals as many of the lot types are distinctively different and we would not be able to divide these types fairly.
2. The distribution of the lots is proposed to be 40% individuals and 60% builders. This is deemed reasonable as sales for the last twelve-month period have been 35% individuals and 65% builders.
3. Individuals sign a declaration that they have not purchased a City lot in the last three years and provide a certified cheque for \$1,000.00. Each name is entered into the draw and the names are drawn by His Worship the Mayor after the entry period has closed.
4. Builders are eligible to purchase an unlimited number of lots in the draw. Builder eligibility is determined according to City Policy No. C09-001 (Residential Lot Sales - Contractor Allocations). Due to the limited number of lots available, the order in which a builder is picked could determine the number of lots received. For example, we start with the first builder and go through the list of those who have indicated they want to be in the draw. The builder can select one lot when his turn comes. For those builders that select a lot in the first round and if there are any lots remaining, we again go through the selection process. The process is repeated until all the lots are gone or no one wishes to make a further lot selection.
5. In the past, we have decided both the individual and builder order by a draw process. Due to the limited number of lots in Avalon (89), it was decided to determine the builder draw order by the number of City lot purchases each had made in the previous twelve-month period. This method gives consideration to the fact that a builder has been a good customer in the past. The number of lot purchases over the last twelve months by the builders entered in the draw ranges from a high of 55 to a low of zero. Any ties on the builder list will be decided by a draw.

Lot pricing is approved by City Council but, historically, the distribution and conditions of the process of the draw has been decided by the Land Manager as an administrative process. The distribution between builders and individuals is based on sales information with a bias toward the

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individuals. Although the draw order for the builders is not a lottery process as it was previously, it is felt that selection order by lot purchase volume more fairly considers those builders who have previously built in City-owned subdivisions. This same process was already used for the October lot draws in Silverspring and Westview.

Only two of the 34 builders shown on the attached list as eligible for the draw have contacted the Land Branch to suggest that they prefer the lottery system over the system proposed."

ATTACHMENT

1. List showing the number of lots purchased by builders from the City of Saskatoon for the period of October 1, 1995, to September 30, 1996.

**B7) Midtown Plaza Sale to Cadillac Fairview
Enquiries on Easements
(File Nos. 4090-2 and 4090-1)**

RECOMMENDATION: 1) that Council approve amendments to the existing Easement and Encroachment Agreements for Midtown Plaza subject to the City Solicitor's Office review of the final wording; and,

2) that the Mayor and City Clerk be authorized to execute amended Easement and Encroachment Agreements.

ADOPTED.

Report of the City Solicitor, October 16, 1996:

"On September 24, 1996, the solicitor for Canadian National Railway Company, The T. Eaton Company Limited and Cadillac Fairview/JMB Investments Corp. who are the present registered owners of the Midtown Plaza and Midtown Village contacted the City Solicitor's Office. The owners are requesting changes to the Easement and Encroachment Agreements currently in existence on the properties. The reason for the changes to the Easement and Encroachment Agreements is the anticipated sale of the Plaza, scheduled to close October 31, 1996.

The Easements and Encroachments affected by the amendments relate to the 20th Street underpass, the 22nd Street underpass, the 19th Street overpass, the maintenance and repair of footings for the Midtown Plaza, the maintenance and repair of exit stairs from the Midtown Plaza, and an Encroachment from 1991 involving the canopies, eaves and turrets of the Midtown Plaza building encroaching over public sidewalks.

The City Solicitor's Office reviewed the changes requested, and after consultation with the

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Transportation Department, the Planning and Building Department and the Land Branch Manager, recommended amending the Easement Agreements to reflect the change in ownership from the Canadian National Railway to the Canadian National Railway, The T. Eaton Company Limited and Cadillac Fairview/JMB Investments Corp.

The changes being recommended are non-substantive in nature, and reflect the change in ownership outlined above, as well as providing that the City will act reasonably and in accordance with good construction concerning the Easements if under those Agreements work is required to be done.

The Encroachment Agreement requested by the present owners of the Midtown Plaza is a general Encroachment Agreement which reflects all existing Encroachments, pursuant to a Surveyor's Real Property Report prepared May 3, 1996. Like the Easement amendments, the Encroachment Agreement reflects the change in ownership, with no other substantive changes."

REPORT NO. 19-2002 OF THE PLANNING AND OPERATIONS COMMITTEE

Composition of Committee

Councillor A. Langford, Chair
Councillor M. Heidt
Councillor P. McCann
Councillor J. Postlethwaite
Councillor K. Waygood

**1. Youth Sports Subsidy Program - 1996-97
(File No. CK. 1720-8-1)**

RECOMMENDATION: 1) that "City of Saskatoon Policy C03-14 (Youth Sports Subsidy Program - Allocation Criteria)" be amended to read as defined in Appendix A;

2) that the established subsidy for the Youth Sports Subsidy Program be 37 percent;

3) that \$13,150 be transferred to the Youth Sports Subsidy Program from the increased revenue generated through increased rental rates and lease payments for City-owned facilities; and,

4) that \$11,882 be transferred to the Special Events Reserve established under "City of Saskatoon Policy C03-003 (Reserves for Future Expenditures).

ADOPTED.

Your Committee has considered and supports the following report of the General Manager, Leisure Services Department, dated October 4, 1996:

“EXECUTIVE SUMMARY

The Youth Sports Subsidy Program is specifically targeted to support volunteer organizations who provide sport activities for youth. Financial support is provided to these volunteer organizations to reduce the rental costs of facilities. The eligibility and allocation criteria are specified in "City of Saskatoon Policy C03-034 (Youth Sports Subsidy Program - Allocation Criteria)", approved by City Council on March 2, 1992. Since its inception, there have been minor changes to the program which are not reflected in the policy. In an attempt to make the policy more reflective of the program, and to better assist the sports organizations in their long-term planning, your staff are recommending changes to the policy. The most significant recommended change to the policy is to establish a subsidy rate that will allow the organizations to prepare long-term plans, which is currently made difficult because of the fluctuating subsidy.

The 1995-96 Youth Sports Subsidy Program is complete and the program experienced an under-expenditure. Your staff recommends that the funds remaining in the Youth Sports Subsidy Program be transferred to the Special Events Reserve to provide funding assistance towards the hosting of major competitions.

The Leisure Services Department is of the opinion that every effort should be made to at least maintain the current level of financial support to these volunteer organizations. A subsidy rate which changes annually, due to factors outside the direct control of the volunteers who direct and support these organizations, makes it difficult for them to budget and plan for their programs. The Leisure Services Department is recommending that City Council establish a subsidy for the program that would remain constant from year to year.

The following report identifies the program variables for the 1996-97 program year, identifies the factors which resulted in an under-expenditure for the 1995-96 program year, proposes a change to the method of establishing a Youth Sports Subsidy rate, and recommends changes to "City of Saskatoon Policy C03-034 (Youth Sports Subsidy Program - Allocation Criteria)" to make the policy more reflective of the program as it currently operates.

DISCUSSION

Program Variables for the 1996-97 Program Year

The Leisure Services Department has reviewed the program variables for the forty-two organizations which are eligible for the Youth Sports Subsidy Program for the 1996-97 season.

1. Membership

The membership levels for the organizations which were subsidized in 1995-96 decreased for 20 groups, increased for 19 groups, and did not change for 3 groups. Overall, the net changes resulted in 80 fewer participants, for a total of 13,244 participants. There are no new organizations that applied for eligibility for the subsidy program during the 1996-97 season.

2. Rental Rate

Thirty-one groups have experienced a change in their facility costs since last season. Your staff have received copies of the organizations' invoices and have confirmed the accuracy of their reported rental costs.

The most significant impact to rental rates is the increase to the City-owned facilities as the Leisure Services Department continues to implement the revenue strategy to meet the objective of a full cost-recovery for these facilities. There are four major areas of rental rate increases that will affect the rental rates for the program: indoor ice arenas, outdoor sportsfields, A.C.T. Figure Skating Arena (Saskatoon Figure Skating Club lease agreement), and the indoor leisure centres. The financial impact of the increases to the rental rates will be discussed later in the report.

3. Annual Program Hours Per Participant and Participants Per Program Hour

Your staff have confirmed that the program hours per participant and participants per program hours reported by the organizations are reasonable. The only organization that showed a significant change was the Marian Gymnastics Club, which significantly increased its rental space, thereby increasing the number of hours available to the participants and the number of athletes that could participate in the activity space at the same time.

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1995-96 Youth Sports Subsidy Program

Having completed the final payments to the eligible organizations for the 1995-96 program year, the 1995-96 Youth Sports Subsidy Program has experienced an under-expenditure of \$11,882. Appendix A shows the actual subsidy each organization received. Eighteen organizations show a balance remaining in their allocated funding. These variances are caused by a variety of reasons:

1. The Saskatoon Figure Skating Club (\$1,850), the Saskatoon Goldfins Swim Club (\$2,145), and the YMCA Lasers Swim Club (\$1,451) booked fewer program hours.
2. Riverside Badminton and Tennis experienced reduced utility costs (\$1,002).
3. The Willow Ridge Pony Club was charged a reduced rental fee (\$2,691).
4. The remaining \$2,743 involves other reasons, such as decrease in program hours and facility costs.

At its January 18, 1993, meeting, City Council considered a report of the former Planning and Development Committee and resolved, in part:

"that the funds remaining in the Youth Sports Subsidy Program at the end of the season be placed in a reserve for future use by the sports groups on the eligibility list for this program to host special sports events in Saskatoon."

In accordance with this resolution, the Department recommends that \$11,882 be transferred to the Special Events Reserve, which was established under "City of Saskatoon Policy C03-003 (Reserves for Future Expenditures)", to provide funding assistance towards the hosting of major competitions.

Proposed Changes to Method of Establishing Subsidy Rate

Currently, the subsidy rate is established by dividing the amount of funds allocated to the program by the combined sum of the subsidy points for all organizations that are eligible for funding from this program. For the 1995-96 program year, the subsidy rate was 36.7 percent calculated as follows:

$$\frac{\$ 578,450}{1,572,614} \times 100 = 36.7 \text{ percent}$$

Over the past number of years, the annual allocation to this program has been increased by 40 percent of additional revenues generated from rental rate increases at City-operated

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facilities. This is in accordance with City Council resolutions adopted on May 25, 1993 related to rental rates at City-operated indoor rinks, and on December 18, 1996 related to charges for outdoor sportsfields. In a report of the General Manager of Leisure Services dated August 1, 1996, a similar strategy was proposed to the Administration and Finance Committee related to the lease agreement for use of the A.C.T. Arena. The Administration and Finance Committee adopted the increase in lease payments but referred the matter of increased allocations for the Youth Sports Subsidy Program to the Budget Committee for consideration. On March 11, 1996, City Council approved rental rate increases for its five indoor leisure centres effective January 1, 1997. Although no corresponding increases to the Youth Sports Subsidy Program were proposed at the time the rental rate increases were approved, it was the intention of your staff to have City Council consider such increases as part of this report. The following chart shows the total additional rental fees which will be collected for City-operated facilities from the organizations eligible for funding from the Youth Sports Subsidy Program, and the proposed increase to the budget allocation for the program based on past practice.

Chart 1

City-Operated Facility	Increase in Rental Costs for 1996-97 Program Year	Financial Impact on 1996-97 Youth Sports Subsidy Program
Indoor Ice Arenas (excluding A.C.T. Arena)	\$20,750	\$8,300
Outdoor Sports Fields	\$12,500	\$4,600
A.C.T. Arena (Lease with Saskatoon Figure Skating Club)	\$12,100	\$2,400
Indoor Leisure Centres	\$9,850	\$3,650
Total	\$55,200	\$18,950

Assuming the Budget Committee and City Council agreed to the increases to the Youth Sports Subsidy Program as reflected in the above chart, the net mill rate impact of following past practice would be an improvement of \$36,250 (\$55,200 - \$18,950).

For the 1996-97 program year and all subsequent years, your staff are proposing a change to the method of establishing the subsidy rate and the annual budget allocation to this program.

Your staff propose that the level of subsidy be set by City Council through the Budget Committee. The intent is that this rate be set at a level which could be sustained for a

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period of three to five years. The allocation to the Youth Sports Subsidy Program would be calculated as the approved subsidy rate multiplied by the combined subsidy points for all organizations eligible for funding from this program. Since the current subsidy level for the 1995-96 program year was 36.7 percent, your staff are recommending that the subsidy rate be set at 37 percent. Using the proposed allocation formula, the allocation to the Youth Sports Subsidy Program for 1996-97 is \$591,600, which represents an increase of \$13,150 (37% x 1,598,679 subsidy points).

The benefits of the proposed method of establishing the subsidy rate and the annual budget allocation are as follows:

- a) provides the level of stability desired by the volunteer organizations;
- b) retains the subsidy rate at a level close to the original 40 percent level;
- c) consolidates the changes to the budget allocation to one formula rather than a number of City Council resolutions approved over a period of time; and,
- d) simplifies accountability for, and impact of, City Council decisions related to service level (i.e. subsidy rate) on all of the following:
 - i) financial impact on volunteer organizations;
 - ii) mill rate impact; and,
 - iii) Youth Sports Subsidy Program funding levels.

The proposed method also reduces the proposed allocation to the Youth Sports Subsidy Program by \$5,800 for the 1997 Operating Budget.

JUSTIFICATION

The Leisure Services Department believes that the sports organizations provide a valuable service to the youth of our city in a very cost-effective manner. While receiving subsidy on the rental fees, sports organizations are paying a substantial amount of money each year beyond the amount they receive in subsidy dollars. Appendix A shows the total amount each organization paid in rental fees for their programs in 1995-96, the approved subsidy, and the portion of the rental fees paid directly by the organizations. While the 42 organizations received \$566,570 in subsidies from the program in 1995-96, they paid \$1,061,762 of the total \$1,628,332 in rental fees for the year. Clearly, the sports groups are paying a substantial amount each year for facility rentals, while providing meaningful sports activities for youth at a cost far less than if the municipality were to operate and deliver the programs. For future reports, your staff will work toward providing information on the number of hours provided by volunteers for the development and delivery of sports by non-profit organizations.

POLICY IMPLICATIONS

In an attempt to make the current policy more reflective of the program, and to better assist the sports organizations in their long-term planning, your staff are recommending changes to the policy in three areas: establishing the Youth Sports Subsidy rate, process for review of the subsidy points and appeals, and general housekeeping items. See Appendix B for recommended changes to the specific articles.

1. Establishing the Youth Sports Subsidy Rate

The most significant change to the policy is to establish a subsidy rate that will remain constant, rather than fluctuating annually based on factors outside the control of the volunteers who support and direct the eligible sport organizations (e.g. budget allocation, membership of other organizations, rental rate changes). The Leisure Services Department staff met with the eligible organizations last fall to gather input on the distribution of funds in the Special Events Reserve and, at that time, the organizations expressed a need to increase and maintain the Youth Sports Subsidy Program as close to 40 percent as possible. The organizations expressed concern that it is very difficult to plan programs when the subsidy rate varies from year to year. Therefore, the Leisure Services Department staff are recommending that the subsidy be set at a fixed rate of 37 percent, thus allowing the organizations to adequately plan their program according to an established subsidy rate for facility rental.

2. Process for Review of the Subsidy Points and Appeals

The Saskatoon (Zone 6) Sports Council was originally involved in the adjudication process when the Leisure Services Department required further information regarding eligibility, and on the approach used by some organizations to deliver their programs. The need for this consultation process has been eliminated because, in most cases, the same organizations apply for the subsidy and the applications are revised primarily to reflect changes in membership numbers and facility rental rates.

The Leisure Services Department is, therefore, recommending that the Leisure Services Department make the decision on all the variables, and that any appeals regarding the subsidy points established for each eligible organization be referred to the Planning and Operations Committee.

The Leisure Services Department will annually determine the subsidy points based on a review in July of the actual program variables of the previous program year. These variables will be used to determine the subsidy points for the following year, at which time the Leisure Services Department will report to the Budget Committee

the financial impact of maintaining the established subsidy rate.

3. Housekeeping

The article currently entitled "Program Hours Per Session" does not clearly relate to the content of the article, which is to measure how many people participated at the same time. Eligible organizations to the Youth Sports Subsidy Program found the article confusing and recommend a description that clarifies its intent. Therefore, your staff recommend changing the title of the article to "Participants Per Program Hour", which more accurately describes the article.

Any reference throughout the policy to the former Planning and Development Committee would be changed to the Planning and Operations Committee.

COMMUNICATIONS PLAN

At the beginning of the annual budget preparation cycle (i.e. October), the Leisure Services Department will report to City Council through the Budget Committee the mill rate impact of maintaining a 37 percent subsidy for the program. City Council will be asked to make a decision on the subsidy rate which can be sustained for a three year period. Decisions made by City Council will give the sports organizations adequate time to react and alter their operational plans to accommodate any change in funding levels from this program.

For the information of Committee members, a change of one percent to the subsidy rate results in a \$16,000 mill rate impact for this program (see Appendix C).

ATTACHMENTS

1. Appendix A
2. Appendix B
3. Appendix C"

2. **Transit Auxiliary Vehicles**
(File No. CK. 1402-1)

RECOMMENDATION: 1) that the Vehicle and Equipment Services Branch be authorized to purchase one mini van and two sub-compact cars for the Transit Services Branch, which will lease these vehicles on a monthly basis; and,

2) that the source of funds for the above-noted purchases be the Vehicle and Equipment Acquisition/Disposal Reserve.

ADOPTED.

Your Committee has considered and supports the following report of the General Manager, Transportation Department dated September 27, 1996:

“BACKGROUND

The Transit Services Branch requires several auxiliary vehicles in addition to its fleet of buses to meet various service and maintenance demands. In the past, Transit has purchased and maintained these vehicles which include two 3/4-ton trucks, one half-ton truck, a tow truck and a 1992 Chevrolet Caprice. The 3/4 and half-ton trucks are required to maintain bus shelters, move temporary bus stop signs, pick up parts, etc. The tow truck is required to tow disabled buses back to the Transit garage as well as move buses within the garage. The Caprice is used by the Transit Inspectors as a mobile unit to complete field inspections of accidents involving buses, to provide emergency passenger transportation and to transport operators. The use and demands of the Caprice have risen to the point where Transit has leased, on a temporary basis, two additional half-ton trucks from the Vehicle and Equipment (V & E) Services Branch. These vehicles are being used for the purposes described above as well as for delivering tickets and passes to vendors, completing passenger counts and providing other customer service needs.

Transit has assessed its auxiliary vehicle needs and the practice of acquiring and maintaining these vehicles. It has been determined that V & E should own and maintain the auxiliary vehicles, with the exception of the tow truck, and that Transit would lease these vehicles on a monthly basis. It has also been determined that the Caprice should be replaced by a mini van and that the two half-ton trucks that are currently leased from V & E should be replaced by two sub-compact cars.

JUSTIFICATION

Maintenance Vehicles

The primary focus of the Maintenance Section of the Transit Services Branch is to maintain the bus fleet. It has organized its staff, buildings and equipment to accomplish this task. It has the ability to maintain its auxiliary vehicles; however, the resources assigned to this task could be better utilized attending to the bus fleet. The V & E Services Branch is better positioned to maintain Transit's auxiliary vehicles because they have the equipment and staff experience to maintain these lighter vehicles. Effective January 1, 1997, Transit will turn over its two 3/4-ton and one half-ton trucks to V & E and lease them back on a monthly

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basis. V & E will then assume responsibility for maintaining, fuelling, licensing and replacing these vehicles.

Inspector and Customer Service Vehicles

As mentioned above, Transit presently owns a 1992 Caprice and leases two half-ton trucks from V & E for mobile Inspector and customer service purposes. Transit has assessed its current and future vehicle needs in these areas and has determined that it requires one mini van and two sub- compact cars to meet its demands.

The Caprice is at the end of its useful life as a vehicle suitable for Transit. It is no longer dependable and requires replacement. It presently has over 225,000 kilometres on its odometer, which is not a true indication of the use of this vehicle as it often idles for periods of time during the winter when it is being used for inspection and passenger-counting purposes. It is proposed that this vehicle be replaced by a mini van. The mini van would be the primary vehicle used by the Inspectors and would be used for accident and incident investigation, emergency passenger transportation, moving equipment (such as temporary bus stop signs, fare boxes and vaults), transporting operators as required and assisting customers.

One of the two sub-compacts is also required for the Inspectors. It will provide transportation for the second mobile Inspector. In addition to being used for similar purposes as the mini van, the sub-compact would be used for schedule adherence and would be used more in the core commercial areas than the mini van. The sub-compact will be required to transport Inspector staff at night from Transit's main office to its office in the Downtown Transit Terminal, which is anticipated to be established prior to year end.

The second sub-compact car is to be used by the customer service staff and staff which distribute passes and tickets to, and collect revenues from, the 52 different approved outlets. This vehicle will also be used to complete passenger counts on an ongoing basis, and to distribute Transit information throughout the City.

In view of the above, it is proposed that V & E purchase, on Transit's behalf, one mini van and two sub-compact cars. The estimated cost of the mini van is \$22,000 and \$12,000 for each of the sub-compacts. The purchase will be funded from the V & E Acquisition and Disposal Reserve. The cost to Transit will be \$540 per month for the mini van and \$250 for each of the sub-compacts. These costs will be part of Transit's annual operating budget. It should be noted that Transit has received approval to purchase a mini van and one sub-compact car under its 1995 capital budget. The \$30,000 approved funding will be returned to the Transit Vehicle Replacement Reserve.

OPTIONS

Four options were identified regarding the acquisition of a mini van and sub-compact cars. The first option is the recommended option whereby V & E would purchase the vehicles and lease them to Transit. Under this option, Transit would not be responsible for maintenance and replacement costs and would always know what its costs for these vehicles would be. Further, Transit would not require staff trained in the maintenance of light vehicles. Also, V & E could supply loaner vehicles if Transit's vehicles were going to be unavailable for any substantial length of time.

The second option is for Transit to purchase and maintain the vehicles using its present staff and resources. This option is not favoured as Transit would either have to train its staff to maintain these vehicles or contract out the maintenance. The maintenance costs would vary from year to year, making it more difficult to budget for this item. The maintenance of these vehicles would take staff away from the job of maintaining the bus fleet.

The third option is to lease the vehicles from the private sector. A comparison of the lease rates and conditions available show that leasing from V & E is more attractive from Transit's perspective as V & E's rate includes all maintenance, fuel, insurance and a provision for replacement.

The fourth option is to continue using the Caprice and leasing two half-ton trucks from V & E. As previously mentioned, the Caprice is at the end of its useful life for Transit's purposes. If retained, a substantial amount of work to this vehicle would be required to keep it roadworthy. The two half-ton trucks currently being used by Transit are more vehicle than required by Transit. The monthly lease rate is \$470 for each of the half-tons. These trucks would be replaced by the two sub-compacts at a lower monthly cost to Transit.

POLICY IMPLICATIONS

The recommended option of having V & E purchase the mini van and two sub-compact cars will require post-budget approval to withdraw funds from the V & E Acquisition/Disposal Reserve.

FINANCIAL IMPACT

The recommended option requires a withdrawal of \$46,000 from the V & E Acquisition/Disposal Reserve. The funds would be replenished over time as a portion of the monthly lease rate is allocated back to this reserve. In addition, Transit would be returning the two half-ton trucks to V & E which could be assigned to other users thereby alleviating the need to purchase additional or replacement half-ton trucks for the V & E fleet. The Caprice would be sold and the proceeds credited to the Transit Vehicle

Replacement Reserve.

The impact to Transit's operating budget regarding the mini van and two sub-compact cars total \$1,040 per month. This would be offset by a reduction of \$940 per month which Transit is currently paying for the two half-tons, and the costs of operating the Caprice which vary from month to month depending on fuel consumed, licensing, repairs, etc. In summary, the recommended option will have a positive effect on Transit's operating budget.

ENVIRONMENTAL IMPACT

The proposed mini van and sub-compact cars will have less energy demands and produce less emissions than the current Caprice and two half-ton trucks."

**3. Water and Sewer Rate Restructure
(File No. CK.1905-2)**

- RECOMMENDATION:**
- 1) that the existing water and sewer rate structure be changed to include a fixed service charge and a volumetric charge such that a customer's total charge is not materially changed;
 - 2) that the fixed charge is graduated according to meter size;
 - 3) that the change becomes effective January 1, 1997;
 - 4) that Policy C03-005 (Cross-Charges Levied on Civic Utilities and Boards) be revised appropriately;
 - 5) that utility customers are made aware of the billing changes through an appropriate public information program; and,
 - 6) that the Environmental Services Department's "Ends Directives" be revised to reflect the changes in utility pricing policies.

ADOPTED.

Your Committee supports the following report of the General Manager, Environmental Services Department, dated September 16, 1996, with respect to the above:

"EXECUTIVE SUMMARY

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Utility deficits over the past three years have raised questions with respect to the need for changes to the City's water and sewer rate structure. The Administration has carried out an in-depth evaluation of alternate rate structures, the principles upon which rate structures are

based, and the experience of other municipalities in changing rate structures. The following observations and conclusions have been made:

1. While various aspects of the current rate structure require changes, the end result of the combined current charges does not vary significantly from the principles of a sound rate structure.
2. The existing rates and per capita consumption are currently at a level that will minimize the chance of future deficits unless significant unbudgeted expenditures occur (i.e. 1996 cold weather main breaks).
3. The rate structure will, however, result in large surpluses in years with hot dry summers if the structure is not changed to include a fixed charge and a reduced volumetric charge (i.e. two-tiered structure).
4. Improvements in revenue stability can be made with the introduction of a two-tiered rate structure, which is a common municipal approach. This change can be made such that any one customer's charges will not be materially changed.
5. The impact of a change of this nature is minimal and does not warrant public consultation, but rather a public information program prior to implementation.

Based on the following conclusions, the Administration is proposing the adoption of a two-tiered rate structure, which will be a first step in moving towards more stable revenue generation. The proposed structure can be summarized:

- A fixed monthly charge for each customer's meter, based on the size of the meter.
- A reduced volumetric rate for all consumption blocks.
- All changes are cost neutral (nominal changes) for customers with appropriately sized meters.
- Customers with oversized meters can reduce any increases by downsizing meters.
- The changes are revenue neutral.
- Fixed revenues will increase by \$1,800,000, thus improving revenue stability.
- The infrastructure levy, fire service charge, and all minimum charges remain unchanged.

BACKGROUND

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On March 15, 1995, the Works and Utilities Committee directed the Administration to report on the utility deficits in 1993 and 1994 and the need for more stable revenues. The matter was also raised by Councillors during the 1995 and 1996 operating budget debates.

Following a review of the rate structures a discussion paper was presented to the Planning and Operations Committee in August, 1995. The paper presented a number of options for restructuring the rates to, among other things, achieve increased revenue stability. The Committee resolved:

- 1) that the Administration develop a proposal for a consultation process that would focus on the principles and implications of adopting a restructuring of the water rates; and
- 2) that the Administration report further on the change in water and sewer rates to be implemented in Regina.'

DISCUSSION

The existing rate structures generate revenues which are based almost entirely on the volume of water purchased. The principles upon which the rates are based were presented to Council for approval in the Department's "Ends Directives" statements. These principles have served the City and its utility customers well. The five-year period prior to 1993 saw large surpluses in both utilities. Customer concerns with respect to the rate structure are limited to infrequent enquiries regarding water consumption based sewer charges. However, the fact that the rate structure is totally volumetric results in revenues that are affected significantly by summer weather conditions.

An investigation into a number of alternate rate structures revealed that there are many rate structure models, most of which are based on the following principles:

- *Full cost recovery* - All costs of the utility should be recovered through properly structured charges.
- *Economic efficiency* - The rate structure should encourage appropriate levels of production and consumption and discourage the mis-allocation of community resources.
- *Stability* - Rates must generate adequate revenues regardless of variations in consumption.
- *Equity* - Charges to customer classes should be based on the costs to serve those customers.

A rate structure based on these principles was developed. The structure was the customization of a model (Base-Extra Capacity) that is recommended by the American Water Works Rates

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and Charges Sub Committee. The model allocated the full cost of the utility to various customer classes based upon the base and peak demands that those customers place on the system. Economic efficiency and stable revenue generation was achieved through a two-tiered rate structure. The two-tiered rate included a fixed service charge and a volumetric charge. The service charge, which was graduated by meter size, was designed to recover customer related costs and some capacity costs associated with "readiness to serve". The model was presented to the Planning and Operations Committee as a discussion paper.

A number of concerns surfaced during the discussion. Consequently the model has been further evaluated in light of the practicality of implementation and the acceptability of the revised structure to the utility, customers, and politicians, with the following observations:

- While the total revenue generated by the residential and commercial customer class would not change significantly, large shifts in charges within a customer class would occur. Small volume residential users would see sizeable increases.
- Concerns were raised over the large differences in the residential fixed service charges as the meter size increased.
- High service charges on large commercial meters could lead to a proliferation of requests to downsize meters.
- In 1997, the Corporate Information Services Branch and the Treasurer's Branch will be undertaking a \$2,000,000 project that will result in the total revision of the existing utility billing system. A revised rate structure that presents an inordinate number of changes will only add to the difficulty of both undertakings.
- Major changes in the rate structure in the same year as the revised property tax assessment will likely add to the frustrations of certain sectors of the public.
- The model called for a substantial increase in the fire charges currently allocated to the Fire and Protective Services Department. A change of this nature would have a significant mill rate impact.
- The model called for burying the infrastructure levy in the two-tiered charges, thus complicating the administration of the 2000 infrastructure relief payments that are required by the SCOUT agreement, and violating the terms of the agreement.
- The model would likely result in the need to renegotiate the Master Supply Agreement with Sask Water in order to realize the same revenue from outside users.
- The Planning and Operations Committee's desire for a public consultative process on the principles and implications of a rate structure change is impractical. The

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model is complex and Regina found that the public did not respond to requests for input due to the complexity of the issues surrounding rate design. The public appeared to be willing to comment on the price of water, however, the structure of the charges generated far less response.

Based on the foregoing concerns, an alternate model, with the following characteristics, was developed:

- There is movement toward more stable revenue generation.
- Total revenues generated by each customer class remain unchanged.
- Changes in charges within customer classes are minimal.

The proposed rate structure is shown in Appendix I.

The matter of a public consultation process that focuses on the principles and implications of restructuring rates has been evaluated based on current public management criteria. Public consultation has become very popular in the 90's. This popularity has resulted in extensive investigation and generation of literature that attempts to define clearly the circumstances in which public involvement should occur and the nature and scope of that involvement.

Public involvement is appropriate when:

- A decision will affect the public unequally.
- A decision is a change of service or of policy.
- A decision can't be made without public support.

While the Base Extra Capacity model may have produced enough changes to warrant a public involvement process, the revisions that are being proposed at this time are not as significant. The proposed structure has been designed to affect each customer, as close to equally, as possible. The proposed structure will not result in a service level change. Whether the change in the manner in which the public is charged constitutes a significant policy change is questionable. While public support for the revised structure is important, the changes can be made without that support. However, more importantly, based on the public's lack of response to rate changes over the past few years (13 percent sewer rate increase), it is unlikely that the public will oppose a cost neutral change. In addition, the change will be made at the time the 1997 rates are set, thus public concerns will focus on any rate increases as opposed to a billing format change.

There are also a number of caveats that govern the consideration of public involvement:

- The public's involvement should be sought only if there is a legitimate need. The process in Regina was used to gather public input for a much wider range of water

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supply issues. Input was required for the development of a long-term water supply strategy and financial plan.

- Public involvement comes with no guarantees. The process often produces nothing more than the opportunity for stakeholder input especially in the case of complex issues. Regina's experience indicated that the response to rate restructure issues was minimal. In that the concerns over the rate structure have been raised by Council and the Administration, not the public, it is unlikely that the response will be much different in Saskatoon.
- The process is known for its effectiveness not its efficiency. It requires a significant commitment of time, skill, and resources. A large portion of the public is often uninterested. Regina's public involvement process included a telephone survey of 795 residents which reported a large degree of public apathy for anything other than increases in rates. A questionnaire was sent to 62 notable stakeholders, including the 15 largest users, with no more than a 50 percent return. An open house was conducted for three days in City Hall which resulted in only 35 people actively participating. Focus group meetings were held for representative groups (e.g. commercial customers, seniors) on three separate occasions, which drew a total of only 50 people. These programs cost close to \$45,000.

The circumstances surrounding the proposed rate structure suggest that a public consultation process is not warranted. However, providing utility customers with information on the revised rate structure is important and will be part of the implementation plan.

JUSTIFICATION

While the existing rates and per capita consumption used in setting the rates are currently at a level that will minimize the chance of future deficits the existing rates and rate structure will result in large surpluses in years with hot dry summers. A rate structure with true revenue stability must minimize both deficits and large surpluses.

The proposed two-tiered structure is a first step in moving towards greater revenue stability. The proposed structure calls for nothing more than the introduction of a fixed service charge and a corresponding decrease in the volumetric charge. This approach is similar to that taken by the City of Regina. Two-tiered rate structures are also used by the cities of Winnipeg, Edmonton, Lethbridge, Red Deer, Medicine Hat, Swift Current, Weyburn and Prince Albert. The proposed structure will have a minimal effect on customers. The infrastructure levy, fire service charges, and minimum charges remain unchanged. The impacts on selected customers are shown in the appendix tables. The maximum increase in the combined utility bill, that a residential customer with a 5/8 or 3/4" meter will experience, is approximately \$1.00 per month. Monthly charges for residential customers with over-sized meters will increase more

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significantly, however, these customers will have the option of downsizing their meters. Small volume residential users are currently governed by minimal charges and thus will not be affected by the proposed changes. There is a much wider range of variation in increases and decreases for commercial customers. The maximum increase that any commercial customer will experience will be approximately 2.0 percent, however, most will have the option of downsizing meters to reduce fixed charges.

OPTIONS

The option preferred by the public is most likely that of maintaining the status quo. The public has not indicated that the existing rate structure requires any changes. The infrastructure levy was restructured in 1992 to address the concerns of customers as expressed by the Saskatoon Citizens Opposing Unfair Taxation (SCOUT). The sewer service charge was introduced in 1981 and has come to be accepted by most utility customers.

The existing structure varies only slightly from the basic principles of a sound rate structure:

- *Economic efficiency* - Rate structures that are not economically efficient result in excessively high and continually increasing per capita consumption. The city's residential, non-irrigational per capita consumption continues to drop, suggesting that the rates are not encouraging the misuse of resources.
- *Equity* - The Base Extra Capacity Model, that results in charges to customer classes that are based on the costs to serve those customers, indicated that the existing rate structure requires only minimal cost allocation shifts between customers (as low as 4 percent). The allocation of fire service costs are inequitable in that these costs are being borne by utility customers as opposed to the public at large. This is, however, an approach taken by many communities.
- *Full cost recovery* - The existing rate structures have been successful in recovering all utility costs. Records from 1983 indicate that the water rates generated revenues that exceeded operating costs, transfers to reserves, debt charges, and grants-in-lieu by \$4,900,000. The current balance in the capital reserves is \$6,500,000, which, in combination with annual provisions, will meet capital development needs over the next 20 years. The sewage rates have met the same 13 year expenses with a \$720,000 deficit, however, recent transfers to the capital reserves were increased dramatically in an attempt to reduce the amount of borrowing for the sewage treatment expansion. This approach has positioned the utility where it can meet the ongoing operating costs of the new facility, a \$38,000,000 debt load, and all anticipated future capital requirements.

It would appear then that the weakness of the existing rate structure is the lack of stability in revenue generation. In the 13 year period, surpluses and deficits ranged from \$1,900,000 to

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\$1,400,000, respectively. The use of the Stabilization Reserve serves to dampen that range slightly in that transfers to and from general revenues ranged from \$320,000 to \$860,000, respectively. The water utility will likely realize a sizeable deficit in 1996, however, the deficit will be due to budget overruns associated with the rash of main breaks in January. Revenues generated to date would be sufficient to meet normally anticipated costs. In that consumption in June and July has been low suggests that the rates are now based on an annual consumption that will give a good measure of safety with respect to deficits. High consumption summers could, however, result in large surpluses.

Maintaining the status quo would eliminate the need for administrative changes with respect to billing functions, avoid costs associated with public information programs, and would conform to the approved utility pricing policies included in the Department's "Ends Directives".

POLICY IMPLICATIONS

Policy C03-005 should be changed to include the revenue from the fixed charges, as well as the metered revenue in order to maintain the current level of the utilities' grants-in-lieu of taxes.

FINANCIAL IMPACT

The restructuring of rates is intended to be revenue neutral. The proposed structure, which is a combination of a fixed service charge and a reduced volumetric charge results in the conversion of \$1,800,000 of volumetric revenue to fixed revenue. The long-term goal is to generate fixed revenues equal to the utility's fixed costs (approximately \$9,000,000), less the stabilization reserve cap (\$1,000,000) and the fixed fire charges (\$450,000). It is further proposed to make the total transition over the next 10 years by a combination of cost neutral phased changes to the fixed charges and applying future rate increases to the fixed charges.

COMMUNICATIONS PLAN

Information on the revised structure will be communicated to both residential and commercial customers with the utility bills. The large volume commercial and industrial users will be advised in writing in that some customers may wish to pursue the option of meter downsizing. The civic page in the *StarPhoenix* will also be used to inform the public of the changes. This information will be distributed immediately following Council's approval of the proposed structure and can be distributed a second time when the 1997 rate changes go into effect.

ATTACHMENTS

1. Appendices”

REPORT NO. 16-2002 OF THE ADMINISTRATION AND FINANCE COMMITTEE

Composition of Committee

Councillor R. Sternberg, Chair
Councillor A. Atchison
Councillor D.L. Birkmaier
Councillor H. Langlois
Councillor P. Roe

1. Communication to Council

From: Bob Blackwell, Chair

1997 UCI World Championship of BMX

Date: May 14, 1996

**Subject: Requesting a meeting with the Committee regarding financing for the
1997 UCI World BMX Championship - July 21-27, 1997 and the 1996
Canadian BMX Championship - July 10-13, 1996**

(File No. CK. 1870-2-3)

DEALT WITH EARLIER. SEE PAGE NO. 4.

REPORT NO. 6-1996 OF THE AUDIT COMMITTEE

Composition of Committee

Councillor D.L. Birkmaier, Chair
Councillor D. Atchison
Councillor H. Langlois
Councillor P. McCann
Councillor R. Steernberg
His Worship the Mayor

**1. Request for Proposals
External Auditor
(File No. CK. 1610-1)**

RECOMMENDATION:

that the Administration prepare a Request for Proposals for External Auditor, and report back to Council regarding the outcome.

ADOPTED.

Your Committee has reviewed the contract process for external auditor in the cities of Calgary, Edmonton, Winnipeg and Regina, and has determined that there is a 3-5-year term between Proposal Calls. The Committee believes that a Request for Proposals for external auditor would be appropriate at this time, in order to be consistent with what occurs in other cities, and also to be consistent with the process that has been undertaken for the City's insurance and banking services.

Your Committee recognizes the commitment and value of service that has been provided by the current external auditor, and the decision to offer a Proposal Call at this time does not in any way reflect dissatisfaction with the current external auditor. The Committee believes that it is appropriate to offer a Proposal Call at this time, for the audit, which will be done for 1997.

REPORT NO. 10-1996 OF THE EXECUTIVE COMMITTEE

Composition of Committee

His Worship the Mayor, Chair
Councillor D. Atchison
Councillor D. L. Birkmaier
Councillor M. Heidt
Councillor A. Langford
Councillor H. Langlois
Councillor P. McCann
Councillor J. Postlethwaite
Councillor P. Roe
Councillor R. Sternberg
Councillor K. Waygood

1. Communications to Council

From: Jeremy Morgan, Executive Director
Wanuskewin Heritage Park
Date: August 20, 1996
Subject: Requesting approval of restructuring of the Board of
Directors of Wanuskewin Heritage Park Corporation
(File No. CK. 175-33)

RECOMMENDATION: that Wanuskewin Heritage Park be advised that City Council has no objection to the restructuring of its Board of Directors.

ADOPTED.

The above-noted letter, a copy of which is attached, has been considered by your Committee.

**2. Old Newspaper Program (ONP)
(File No. CK. 7830-5-1)**

RECOMMENDATION: 1) that the collection of old newspapers and the purchasing and maintenance of collection bins and collection sites, that currently comprise the Old Newspaper Program (ONP) be carried out directly by the Solid Waste Management Branch;

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- 2) that 120 collection bins be purchased at an approximate cost of \$105,000 and be funded from the Container Replacement Reserve;
- 3) that the City Solicitor be requested to bring forward the appropriate amendment to Bylaw No. 6774, The Capital Reserves Bylaw; and
- 4) that \$103,500 be included in the 1997 Operating Budget for equipment and salaries.

ADOPTED.

Your Committee has considered the following report of the General Manager, Environmental Services Department, and concurs with same.

“BACKGROUND

In September 1991, the City of Saskatoon and Cosmopolitan Industries Ltd. (Cosmo) entered into an agreement (expiry date May 31, 2005) regarding the collection and disposal of old newspapers. The purpose of the agreement is:

- ‘a) to promote and maximize the collection of used newspapers, flyers, inserts and like materials (hereinafter collectively referred to as ‘newspaper’) generated within the City of Saskatoon; and,
- b) to enhance the economic benefit to Cosmo of its activity in the area of collection and sale of newspaper so as to promote Cosmo's ongoing service to the disabled; and,
- c) to allow the City to participate in a program to achieve the foregoing aims in a responsible and cost-efficient manner while meeting its general responsibility to the citizens of Saskatoon for the removal and disposal of newspaper.’

Part of the City's responsibilities within this agreement is to provide for the collection of the newspapers. Clause 3 (a) of the Agreement specifically states:

‘The City shall provide such containers and other equipment, and shall make and maintain such arrangements as are necessary to establish a level of newspaper collection, and a schedule of delivery to Cosmo, consistent with the objectives set forth in the recitals hereto, and with the requirements set forth in subparagraph (b) of this paragraph. The City shall bear all capital and operating costs connected therewith.’

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To meet the City's responsibilities under Clause 3 (a), the City contracted out the collection and delivery of old newspapers (ONP) to Loraas Disposal Services Ltd. The ONP program has been reviewed recently in light of a number of socio-economic changes that include:

Continued growth in public participation.

- The need for more collection depots and bins and the associated increased costs.
- Market prices have experienced wide variations.
- Private contractor competition has intensified.
- Cosmo has expressed concerns over the City's contracting out of the collection services.
- The administration of contracts with both Cosmo and Loraas Disposal has become more difficult.
- The Solid Waste Management Audit recommended increased leadership and involvement by the Department in waste minimization efforts.
- The collection service contract expires in December 1996 and changes in the terms of the agreement are clearly required.

The review examined four different approaches to carrying out the program in order to address these changes.

DISCUSSION

The design or redesign of any civic program requires an understanding or the establishment of criteria or principles that will govern the delivery of those services. The ONP has been reviewed in light of the current circumstances impacting the program and four alternatives have been developed. The alternatives and their evaluation were based on the following two principles:

1. In that the recycling of old newspapers is strongly supported by the community and, in that the program has both immediate and long-term benefits to both the collection and landfill programs, the City should remain actively involved in the program.
2. In that Cosmo initiated the program and, in that the partnership has proved beneficial to the City, the City should maintain and strengthen the terms of the agreement.

JUSTIFICATION

The recommendation supports an approach that changes the manner in which the City

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provides collection services. This approach and its characteristics are summarized:

Alternative #1 - The City purchases and maintains all bins, collects the newspapers, and maintains collection sites (the collection services, ownership, and maintenance of bins will not be retendered). The remainder of the program and the existing contract with Cosmo remains unchanged. This approach is preferred by Cosmo. The benefits are:

- Minimum contract administration.
- . The potential for maximum profit sharing remains intact.
- . Ease of addition/deletion and selection of sites.
- . Improved control of sites (layout, housekeeping, etc.).
- . The City is more actively involved in waste minimization and has better control in the event of a drastic market change.

The down side is that the City will incur some upfront costs for bins. In addition, the existing collection fleet is not capable of handling the ONP, and an additional fork lift truck will be required.

OPTIONS

Alternative #2 - The program continues in its existing format except for changes to the specifications for the collection contract. Specifications would be modified to ensure that the program's effectiveness is maximized. This clearly is the preferred option from a lowest collection cost point of view. The contract administration difficulties and related costs and the loss of revenues due to the collection contractor's involvement in the recycling industry, however, suggests that the approach may not be the most cost effective overall. In addition, a number of the desired changes to the collection contract may not be enforceable from both a practical and a legal point of view. In fact, a number of these have been the subject of an ongoing debate between the City and the collection contractor.

This is not an option supported by Cosmo.

Alternative #3 - Cosmo runs all aspects of the ONP with the City providing a grant equivalent to the City's cost of collection. Cosmo would purchase, own, and maintain the collection bins, provide all collection and depot cleaning services, process and market the old newspapers. Cosmo and the City would share profits with the City's share capped at an amount equal to the grant. The City would make available select sites for collection depots with all upgrading costs of the sites being the responsibility of Cosmo.

The benefits of this approach include:

The City's role in contract administration is reduced significantly.

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- . The key player controls virtually all aspects of the program and has a vested interest in developing certain efficiencies.
- . The City continues to support waste minimization in a meaningful way.

While the City's costs would likely be slightly less, the potential for profit sharing is reduced also. This approach may well be limited by Cosmo's ability to absorb the capital costs of bins, site upgrades, and collection trucks.

Alternative #4 - The City assumes responsibility for the entire ONP. In this option, paper processing would be contracted out to Cosmo. Marketing functions could be carried out by the City or included in the processing contract. The City would retain all profits and assume any losses. At a later date, the program could be expanded to include other products. Recycling depots could be established and a wider range of recycling options could be promoted as markets develop.

This approach would place the City in control of the ONP program and in a preferred strategic position if the market for old newspapers drops. It would, however, place the City into direct competition with the private sector and create the perception that the City is in competition with Cosmo and SARCAN. While the City's costs would escalate, favourable market prices could result in reduced or minimal net costs. This approach would also require a significant change to the current contract with Cosmo.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPACT

Alternative #1, which is recommended, requires the purchase of bins and the addition of a fork lift truck to the existing collection fleet. A capital expenditure of \$105,000 is required for the purchase of 120 bins with an anticipated useful life of 15 years. A preliminary estimate of the additional annual rental costs for a fork lift truck and operator cost is \$103,500. The estimated annual cost is as follows:

Amortized bin costs	\$ 7,000
Fork lift rental	60,300
Operation labour	<u>43,200</u>
	\$110,500

The existing collection contract costs the City \$130,000 annually, not including extras for additional bins and contract administration.”

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Moved by Councillor Langlois, Seconded by Councillor Langford,

THAT the report of the Committee of the Whole be adopted.

CARRIED.

ENQUIRIES

Councillor Atchison
Left Turn Signage, Central Avenue and Attridge Drive
(File No. CK. 6280-1)

Would you please look into installing a traffic left turn sign at Central Avenue and Attridge Drive, on the north bound side of Central Avenue, that would allow for a left hand turn from the middle lane of Central Avenue onto Attridge Drive west bound.

INTRODUCTION AND CONSIDERATION OF BYLAWS

Bylaw No. 7572

Moved by Councillor Langlois, Seconded by Councillor Langford,

THAT permission be granted to introduce Bylaw No. 7572, being "*The Sale of Electric Light and Power Amendment Bylaw, 1996*" and to give same its first reading.

CARRIED.

The bylaw was then read a first time.

Moved by Councillor Langlois, Seconded by Councillor Postlethwaite,

THAT Bylaw No. 7572 be now read a second time.

CARRIED.

The bylaw was then read a second time.

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Moved by Councillor Langlois, Seconded by Councillor Atchison,

THAT Council go into Committee of the Whole to consider Bylaw No. 7572.

CARRIED.

Council went into Committee of the Whole with Councillor Langlois in the Chair.

Committee arose.

Councillor Langlois, Chairman of the Committee of the Whole, made the following report:

That while in Committee of the Whole, Bylaw No. 7572 was considered clause by clause and approved.

Moved by Councillor Langlois, Seconded by Councillor Birkmaier,

THAT the report of the Committee of the Whole be adopted.

CARRIED.

Moved by Councillor Langlois, Seconded by Councillor Waygood,

THAT permission be granted to have Bylaw No. 7572 read a third time at this meeting.

CARRIED UNANIMOUSLY.

Moved by Councillor Langlois, Seconded by Councillor Heidt,

THAT Bylaw No. 7572 be now read a third time, that the bylaw be passed and the Mayor and the City Clerk be authorized to sign same and attach the corporate seal thereto.

CARRIED.

The bylaw was then read a third time and passed.

Bylaw No. 7573

Moved by Councillor Langlois, Seconded by Councillor Langford,

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THAT permission be granted to introduce Bylaw No. 7573, being "*The Management and Regulation of Sewage Works and Storm Sewers Amendment Bylaw, 1996*" and to give same its first reading.

CARRIED.

The bylaw was then read a first time.

Moved by Councillor Langlois, Seconded by Councillor Postlethwaite,

THAT Bylaw No. 7573 be now read a second time.

CARRIED.

The bylaw was then read a second time.

Moved by Councillor Langlois, Seconded by Councillor Atchison,

THAT Council go into Committee of the Whole to consider Bylaw No. 7573.

CARRIED.

Council went into Committee of the Whole with Councillor Langlois in the Chair.

Committee arose.

Councillor Langlois, Chairman of the Committee of the Whole, made the following report:

That while in Committee of the Whole, Bylaw No. 7573 was considered clause by clause and approved.

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Moved by Councillor Langlois, Seconded by Councillor Birkmaier,
THAT the report of the Committee of the Whole be adopted.

CARRIED.

Moved by Councillor Langlois, Seconded by Councillor Waygood,
THAT permission be granted to have Bylaw No. 7573 read a third time at this meeting.

CARRIED UNANIMOUSLY.

Moved by Councillor Langlois, Seconded by Councillor Heidt,

THAT Bylaw No. 7573 be now read a third time, that the bylaw be passed and the Mayor and the City Clerk be authorized to sign same and attach the corporate seal thereto.

CARRIED.

The bylaw was then read a third time and passed.

Bylaw No. 7574

Moved by Councillor Langlois, Seconded by Councillor Langford,

THAT permission be granted to introduce Bylaw No. 7574, being "*The License Amendment Bylaw, 1996*" and to give same its first reading.

CARRIED.

The bylaw was then read a first time.

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Moved by Councillor Langlois, Seconded by Councillor Postlethwaite,

THAT Bylaw No. 7574 be now read a second time.

CARRIED.

The bylaw was then read a second time.

Moved by Councillor Langlois, Seconded by Councillor Atchison,

THAT Council go into Committee of the Whole to consider Bylaw No. 7574.

CARRIED.

Council went into Committee of the Whole with Councillor Langlois in the Chair.

Committee arose.

Councillor Langlois, Chairman of the Committee of the Whole, made the following report:

That while in Committee of the Whole, Bylaw No. 7574 was considered clause by clause and approved.

Moved by Councillor Langlois, Seconded by Councillor Birkmaier,

THAT the report of the Committee of the Whole be adopted.

CARRIED.

Moved by Councillor Langlois, Seconded by Councillor Waygood,

THAT permission be granted to have Bylaw No. 7574 read a third time at this meeting.

CARRIED UNANIMOUSLY.

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Moved by Councillor Langlois, Seconded by Councillor Heidt,

THAT Bylaw No. 7574 be now read a third time, that the bylaw be passed and the Mayor and the City Clerk be authorized to sign same and attach the corporate seal thereto.

CARRIED.

The bylaw was then read a third time and passed.

Moved by Councillor Langlois,

THAT the meeting stand adjourned.

CARRIED.

The meeting adjourned at 7:55 p.m.

Mayor

City Clerk