

Kincardine hammers out budget with tax rate increase of 4.47%

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Kincardine council has hammered out its 2018 budget, with a 4.47-per-cent tax rate increase for the municipal portion, and an overall hike of 1.52 per cent.

For municipal purposes, the increase equals \$67.04, based on an average residential assessment of \$244,000. Overall, once the Bruce County levy and the provincial education tax are included, the increase is about \$44 for the average assessment.

Budget talks continued Monday night (Jan. 29), with treasurer Roxanna Baumann noting that the Bruce County draft budget includes a tax rate decrease of 0.21 per cent, while the education tax has decreased by five per cent.

Baumann brought forward some issues from the Jan. 17 budget meeting, including concerns that an \$80,000 wind turbine noise investigation study, with information to be used for litigation purposes, would breach the municipality's community fund agreement with SP Armow Wind.

She said Section 17.2 of the agreement states: "SP Armow shall be entitled to a reduction in the annual payment in an amount to be determined between the parties acting reasonably if the municipality adopts any resolution or bylaw, commences or threatens any legal proceeding, undertake any commercial transaction, or undertakes any other action or event (including the provision of funds to any third party) which, whether directly or indirectly, imposes materially-adverse conditions on the project that demonstrably results in a material reduction in the project's planned aggregate power production. Any disagreement under this Section 17.2 shall be considered a dispute under Section 18 of this agreement if it cannot be properly resolved between the parties."

Baumann said staff wants to ensure council is aware of the potential implication of funding a study that would be used to litigate and potentially cause adverse conditions on the Armow Wind project, as it could put the community fund annual financial payment of \$630,000 (plus CPI) at risk.

"If we undertake anything that risks that \$630,000 annual payment over 20 years, that's a bad mistake," said councillor Maureen Couture.

Deputy mayor Jacqueline Faubert countered that the municipality would not be using the information for any litigation. "There is no threat or risk."

"Just for clarification, the agreement says any action taken toward potential litigation, directly or indirectly, to any third party," said councillor Laura Haight, "which was indicated at the last budget meeting. That puts the payments at risk."

Chief administrative officer Sharon Chambers said the wording of the agreement is a real concern. "The amount of money at risk is significant," she said. "I was hoping to defer it (turbine study) for a year and get a legal opinion."

Council agreed.

That \$80,000 was then put toward having tender-ready documents drawn up for a new Whitney Crawford Community Centre and library in Tiverton.

Baumann said NA Engineering can develop the design and get these documents ready at a cost of \$280,000 (plus HST). She emphasized that the \$4.747-million to construct the building does not include contract administration costs, estimated at \$100,000. She also suggested that if council wanted to see this project move forward, it should consider establishing a fund-raising target of perhaps 10 per cent, to be fund-raised by the community.

Some councillors latched onto that 10 per cent figure as unrealistic and disturbing, and wanted it removed from any reference to this project. However, it was agreed to have the tender-ready documents prepared, indicating the municipality is committed to the development of the community centre and library in Tiverton. Council also agreed to revisit the project sub-committee structure to include fund-raising.

Two other projects received the green light from council: the Stonehaven Park play structure at \$42,350; and the Kincardine Minor Soccer complex and washrooms at \$230,000. Council deferred Phase 3 of the Kincardine Arts Centre (\$465,000) and the Inverhuron Pavilion (\$325,000).

Regarding the arts centre, councillor Andrew White suggested that some fund-raising on the part of the proponents of the project, would go a long way toward getting Phase 3 completed.

COMMUNITY DEVELOPMENT CO-ORDINATOR POSITION APPROVED

By a narrow 5-4 vote, council agreed to hire a full-time community development co-ordinator, at an annual salary of \$75,000 to \$85,000.

Chambers said this new employee will assist the CAO with strategic planning and policy development relating to business and new resident attraction, corporate marketing, and corporate communications. This will be a first point of contact for new business, developer and new resident inquiries, and will be responsible for follow-up, co-ordination and delivering the overall mandate of the community economic development committee.

The treasurer noted that this is a non-management position which can be primarily funded within the existing economic development budget for 2018, as only half the annual salary would be required due to the timeframe required to fill the position.

Some members of council wanted this as a contract position for three to five years, while others argued for a full-time hire with a one-year probationary period. The second recommendation got the 5-4 nod.

SERVICING BUSINESS PARK AT HIGHWAYS 9 AND 21

And finally, council agreed it has to move forward with servicing the Kincardine Business Park at Highways 9 and 21.

Public works director Adam Weishar urged part of Phase 1 be put in the budget, at a cost of \$900,000, to get servicing east of Russell Street into the park.

When asked about financing, both the treasurer and CAO hesitated to give final figures until the Hemson Consulting report is complete.

“What we are considering is funding this project internally,” said Chambers, “from development charges and from reserves, but we’re just not quite there yet.”

Mayor Anne Eadie said council could use part of the \$500,000 Bruce Telecom dividend for this project, allowing Weishar to get the initial part of Phase 1 to tender and get construction under way.

Council agreed to put enough funding together to kick-start this project, getting services along Russell Street across Highway 21 and into the business park.

The proposed budget will come forward for council approval Wednesday night, Feb. 7.