

**MUNICIPALITY OF HURON EAST COUNCIL MEETING MINUTES
HELD IN THE LIBRO HALL, CENTRAL HURON COMMUNITY CENTRE, CLINTON,
ONTARIO**

TUESDAY, JUNE 27TH, 2016 – 7:08 P.M.

Members Present: Mayor Bernie MacLellan, Deputy Mayor Joseph Steffler, Councillors David Blaney, Robert Fisher, Nathan Marshall, Kevin Wilbee, Brenda Dalton and Raymond Chartrand

Members Absent: Councillors John Lowe, Alvin McLellan, Dianne Diehl and Larry McGrath

Staff Present: CAO/Clerk, Brad Knight
Public Works Coordinator, Barry Mills
Executive Assistant, Janice Andrews

Municipality of Central Huron

Council Members: Mayor Jim Ginn, Deputy Mayor Dave Jewitt, Councillors Marg Anderson, Allison Lobb, Don Colquhoun and Burkhard Metzger
Staff: CAO Steve Doherty and Clerk Brenda MacIsaac

Municipality of Bluewater

Council Members: Mayor Tyler Hessel, Councillors Marnie Hill, Dave Roy, Bill Whetstone and Janisse Zimmerman
Staff: CAO/Deputy Clerk Kyle Pratt

Municipality of North Huron

Reeve Neil Vincent
Staff: CAO Sharon Chambers

Municipality of Morris-Turnberry

Mayor Paul Gowing
Staff: Administrator Clerk-Treasurer Nancy Michie

The purpose of the special meeting was to hold a meeting with the Councils of the Municipality of Huron East, Municipality of Bluewater and the Municipality of Central Huron to discuss shared services.

CALL TO ORDER

Mayor MacLellan called the meeting to order at 7:08 p.m.

CONFIRMATION OF THE AGENDA

Moved by Raymond Chartrand and seconded by David Blaney:

Adopt

Agenda

That the Agenda for the Special Meeting of Council dated June 27th, 2016 be adopted as circulated. Carried.

DISCLOSURE OF PECUNIARY INTEREST

There were no disclosures of pecuniary interests

REPORTS & RECOMMENDATIONS OF MUNICIPAL OFFICERS

CAO/Clerk – Background on Morris-Turnberry/North Huron Shared Service

A report from the CAO/Clerk had been provided to Council which provided copies of previous background reports on the Morris-Turnberry/North Huron Shared Services Project and format for the special meeting with the Municipalities of Bluewater and Central Huron. His report also provided Council with the Closed Session provisions of Section 239 of the Municipal Act and he cautioned Council to have consideration of the provisions of Section 239 before considering a Closed Session with the other municipalities.

JOINT MEETING

Municipality of Huron East, Municipality of Bluewater, Municipality of Central Huron

Central Huron Mayor Ginn welcomed all those in attendance and provided a brief history of the events leading up to this special meeting concerning the feasibility of a shared service agreement. Mayor Ginn advised that the Mayors of the Municipalities of Bluewater, Central Huron and Huron East had met to discuss the shared service agreement of Morris-Turnberry and North Huron. A second meeting was held with the Mayors and CAO's of the three municipalities to further discuss options and the respective Councils were approached to consider having a special meeting of all three municipalities to hear a presentation from Morris-Turnberry and North Huron.

North Huron CAO Sharon Chambers and Morris-Turnberry Administrator/Clerk-Treasurer Nancy Michie presented a PowerPoint presentation on the Morris-Turnberry/North Huron Shared Services Project. An overview of the project was provided with the following points being noted

- each municipality currently has their own organizational issues
- agreements were entered into for a 2-year pilot project for a shared services agreement with 55% of costs being borne by North Huron and 45% by Morris-Turnberry
- a terms of reference had been entered into which established a Steering Committee comprised of 3 council members from each municipality with CAO's acting as a resource to the Committee
- created a transitional organizational chart to take them to 2018 with a final organizational chart to be implemented in 2018
- hired a human relations consultant (Ward & Uptigrove) to assist with organizational charts, revised job descriptions, salary adjustments, etc and have retained Hicks, Morley as legal counsel

Mayor Ginn opened the meeting up to questions/answers from those in attendance.

1. What measurements for success are in place to know achieving stated goals?
The Ministry of Municipal Affairs and Housing have been requested to set up performance measurements for shared services, not set up yet but working on it.
2. What is in place to track your implementation costs and your return on investment?
Costs analysis report put together with consultant, first year limited savings with

implementation costs, but will pay back in long term.

3. Where did funds come from for implementation budget?
Funds were included in budget, estimated at \$250,000 between both municipalities. Council looking at long term and estimated savings in long term will have payback in first two years.
4. What measures in place to deal with issues once the public works departments are joined together and what if there are conflicts in making decisions about purchase?
Both municipalities will maintain own budgets, mandated in policies and agreement. Capital costs and operational costs will remain the same for Morris-Turnberry and North Huron. Sharing comes with employees. Presently billing equipment and time/material back/forth, savings for capital will be in the future. Percentage is Morris-Turnberry at 45% and North Huron at 55% for pilot project.
5. Are you doing joint purchases including capital?
One director of public works overseeing department managing both budgets including goods and services for shared services. Mid-level supervisors also supervising both municipalities, all done jointly.
6. A comment that the shared service format of these two municipalities is what the other municipalities did 15 years ago with amalgamation, and while it started off fine, we have seen a growth in the County bureaucracy although there is now only 9 lower tiers to deal with rather than 26.
Building a highly skilled team is vital, don't have opportunity to streamline and downsize. Have definitely increased positions or added skills to the team didn't have before, if going to find efficiencies those skills are needed. Very likely organization will be downsized, but will have strong team going forward to face future challenges.
7. If money to be saved by getting larger, would it not make sense to go single tier, what is rational for this as opposed to going bigger?
There are 3 councils here to discuss, not all from County, need all 9 to take on that initiative.

Mayor Hessel suggested a proposal from the Municipality of Bluewater to be considered. He suggested outsourcing to provide payroll, tax billing and utility services to alleviate some of the pressures in the treasury department, noting the Municipality of Bluewater staff are overwhelmed and the possibility of adding another full-time position may be necessary. Mayor Hessel noted that if business industries provided services by outsourcing, municipalities should consider this as an option.

8. It was noted both Morris-Turnberry and North Huron have advised of great savings, what is the total and is it all salary related?
The estimated savings would be approximately \$600,000 by the end of 2018. Total savings include efficiencies in services and the cost analysis used assumptions there will be retirements in the future.

9. In comparing the combined road budgets of Morris-Turnberry and North Huron, the budget of Huron East for a municipality that is 15% larger is 1 million less, so the savings of \$600,000 over two years doesn't appear impressive – have you established benchmarks or forecast costs out to compare your costs against other municipalities similar in size or bigger?

No forecasting has been done to date, looking internally for opportunities only at this time, however noted that was a good point.

10. What was amount spent for consultant Ward & Uptigrove?

Initial quotation from Ward & Uptigrove was somewhere between \$30,000 and \$50,000 for their assistance with the project – organizational charts, job descriptions, employment statistics, start dates, calculating Employment Act requirements and providing advice on moving forward with implementation. Great resource, not only involving public works but also a plan for administration for 2018.

11. Who established the new organizational chart, Council or CAO's

CAO's works with Ward-Uptigrove who made presentation to the steering committee, steering committee made recommendation to the two councils, councils approved the organizational charts.

Mayor Ginn questioned the process going forward from this meeting. Information could be taken to individual councils for discussion on whether there was interest in moving forward noting the Municipality of Central Huron is currently in discussions with the Municipality of Bluewater regarding sharing of water/sanitary services. Mayor Ginn also commented if there was a need or a desire to have a 3rd party consultant.

CLOSED SESSION AND REPORTING OUT

Moved by Raymond Chartrand and seconded by Brenda Dalton:

Closed

Session

That Council of the Municipality of Huron East, pursuant to Section 239 (2) of the *Municipal Act*, adjourn the special meeting of Council at 8:48 p.m. to go into Closed Session to discuss the following:

- i) 239(2)(b) – personal matters about identifiable individuals

CAO/Clerk Brad Knight shall remain for the Closed Session.

Carried.

Moved by Joseph Steffler and seconded by David Blaney:

Resume

Special

That Council of the Municipality of Huron East resumes the Special Council meeting

Council

Meeting

at 8:58 p.m. Carried.

12. Why didn't you just amalgamate the municipalities like the other municipalities did in 2001?

They wanted to make sure they could provide more efficient services before they considered any changes to their government structure.

BY-LAWS

Moved by Kevin Wilbee and seconded by Nathan Marshall:

BE IT HEREBY RESOLVED that By-Law 43 for 2016, a by-law to confirm the proceedings of Council, be given first, second, third and final readings and signed

Council

Proceedings

by the Mayor and Clerk, and the Seal of the Corporation be affixed thereto.

ADJOURNMENT

Moved by Raymond Chartrand and seconded by Brenda Dalton:

Adjournment

The time now being 9:05 p.m.

That the meeting do now adjourn until July 5th, 2016 at 7:00 p.m. Carried.

Bernie MacLellan, Mayor

Brad Knight, CAO/Clerk