



**The Corporation of the City of St. Catharines
CITY COUNCIL AGENDA
Special Meeting, Wednesday, October 18, 2017
Council Chambers, City Hall, 5:00 PM**

His Worship Mayor Walter Sendzik takes the Chair and opens the meeting

Page

- 1. Call Meeting to Order**
- 2. Adoption of Agenda**
- 3. Declarations of Interest**
- 4. Motions**

4.1 Motion to Waive Rules of Debate

That Council, for its Special Meeting of October 18, 2017, adopt a General Committee format to allow Council to remain seated and to be able to have a more fulsome, informal discussion; and

That Council suspend the rules for debate contained in Council's procedural by-law.

5. Reports

- | | |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 - 23 | 5.1 Fire and Emergency Management Services, Fire Chief
Fire Services Programs and Financial Information Requests |
| 24 - 27 | 5.2 Fire and Emergency Management Services, Fire Chief
Master Fire Plan - 2017
<i>(Link to Master Fire Plan contained within report. Staff presentation precedes discussion of report.)</i> |
| 28 - 43 | 5.3 Financial Management Services, Director
Allocation of Hydro Dividends |

6. Adjournment



CITY OF
ST. CATHARINES

Corporate Report

Report from Fire and Emergency Management Services, Fire Chief

Date of Report: September 15, 2017 **Date of Meeting:** October 18, 2017

Report Number: FEMS-249-2017 **File:** 68.13.11

Subject: Fire Services Programs and Financial Information Requests

Recommendation

That Council receive this report for information purposes. FORTHWITH

Background

As the Master Fire Plan Committee (MFPC) was in the process of developing the Master Fire Plan, a number of requests for additional information were made at the Budget Standing Committee (BSC) meetings. The additional information was presented to the BSC and the committee referred the information to the Fire Master Plan process with the expectation the information would be presented to Council along with the Master Fire Plan.

Report

Attached as Appendix 1 to this report is the following information:

- A) **Water Rescue Program** – memo dated Jan. 12, 2017
For consideration at the BSC meeting Jan. 18, 2017, and brought back Feb. 6, 2017.
- B) **Fire Safety Public Educator** – memo dated January 12, 2017
For consideration of the BSC on Jan. 18, 2017 and brought back Feb. 6, 2017.
- C) **Budget Requests** – Corporate report and memo dated February 2, 2017
For consideration at BSC meeting of Feb. 6, 2017.
- D) **Core Services** – memo dated May 2, 2017
Emailed to BSC on September 14, 2017 for consideration on October 23, 2017.

The documents are being provided along with the Master Fire Plan, as requested, and to assist Council in making informed decisions about the MFP priorities and implementation of the recommendations.

Financial Implications

Not Applicable.

Prepared, Submitted and Approved by:

Jeff McCormick, Fire Chief (Acting), Director of Fire & Emergency Management Services

Master Fire Plan Committee

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Compendium of Reports:

- | | | |
|-----------|---------------------------------------------------------------------------------------------|-----------|
| A. | Water Rescue Program – memo dated January 12, 2017 | 1 |
| | For consideration at the BSC meeting of January 18, 2017 and brought back February 6, 2017. | |
| B. | Fire Safety Public Educator – memo dated January 12, 2017 | 3 |
| | For consideration at the BSC meeting of January 18, 2017 and brought back February 6, 2017. | |
| C. | Budget Requests – Corporate report and memo dated January 12, 2017 | 6 |
| | For consideration at the BSC meeting of February 6, 2017. | |
| D. | Core Services – memo dated May 2, 2017 | 18 |
| | Emailed to Mayor and Council on September 14, 2017 for consideration on October 23, 2017. | |



Memorandum

To: Budget Standing Committee

Cc: Dave Wood, Fire Chief

From: Larry Jones, Deputy Chief

Date: January 12, 2017

Subject: Fire Services Water Rescue Program

St. Catharines Fire Services has been involved with Water Rescue for more than 30 years. The initial Water Rescue Program was restricted to Boat Rescue and Shore Based Rescue whereby firefighters would attempt to rescue a victim with the use of rope throw bags, rescue rings and pike poles (long poles with a hook on the end) without entering the water.

In and around 1997, Fire Services launched an Ice Water Rescue Program whereby all personnel were trained to enter the water in inclement weather to effect rescue. In the early part of 2000, a comprehensive Ice Water Rescue Program was developed with Shift Instructors and annual training and certification for all suppression staff.

In 2015 our department initiated another Water Rescue Program by commencing certification of 15 instructors to train and certify all personnel in Swift Water Rescue. This program was considered an important aspect of our Water Rescue Program due to the city's geography. With Lake Ontario, the Welland Canal and 12 Mile Creek running through the city, we determined our abilities to perform water rescue was limited and required the additional training in Swift Water Rescue. We are currently midway through the training and certifying of our staff however the anticipated completion date is the fall of 2017

Swift Water Rescue mirrors Ice Water Rescue in many respects and therefore certifying our staff is a very smooth transition. As a result, Fire Services will be able to respond to Open Water Rescue, Ice Water Rescue, Swift Water Rescue and Marine Operations with our two small rescue crafts.

In order to perform Water Rescue Operations we must adhere to Provincial Standards that are the driving force behind all Water Rescue operations in the fire service today. These standards ensure the health and safety of all rescuers and mandate the procedures, equipment, and training required for compliance. Currently, we reference NFPA 1006, NFPA 1670, NFPA 1978, ULC S555 for Rope and Technical Rescue Equipment, the Canadian Coast Guard and the Ontario Fire College.

The following outlines some of the equipment required to run and maintain our Water Rescue Programs:

- Rescue Boats
- Dry suits which includes gloves, helmets, thermal hoods, and swim fins
- POLAR 75 rescue platform used for Ice rescue / swift water rescue (this is an inflatable boat that is used to paddle to victims in various types of water)
- Personal Flotation Devices (high level life jackets)
- Rope Throw bags
- Water resistant rope and rope equipment

In order to complete the training, certification and purchase the required equipment, this department has spent approximately \$47,000 over the last two years. Although the initial outlay of money is high, our current budget appropriates \$10,000 annually to cover the cost of all Water Rescue programs. This money covers repairs, replacement, training, certification and any new equipment required as a result of changes in technology, standards or equipment.



Memorandum

To: Budget Standing Committee

From: Deputy Chief, Monique Belair

Date: January 11, 2017

Subject: Fire Safety Public Educator

The Fire Protection and Prevention Act, 1997 establishes responsibility for fire protection services. In Part II - Responsibility for Fire Protection Services, the legislation outlines municipal responsibilities as follows:

2. (1) Every municipality shall:

- (a) Establish a program in the municipality which must include public education with respect to fire safety and certain components of fire prevention; and
- (b) Provide such other fire protection services as it determines may be necessary in accordance with its needs and circumstances.

As a principled approach to delivering effective and efficient fire protection services, the Office of the Fire Marshal and Emergency Management (OFMEM) advocates the Three Lines of Defence to prevent and mitigate fire loss, injury and death, and promoting firefighter safety within a community. The Three Lines of Defence are:

- 1. Public Fire Safety Education
- 2. Fire Safety Standards and Enforcement
- 3. Emergency Response

The OFMEM conducted a comprehensive review of the first two lines of defence in the City of St. Catharines and provided Council with Report 2653-2014 on March 5, 2015. The report contained 29 recommendations pertaining to legislative compliance and optimization of St. Catharines municipal fire protection delivery model.

Public fire safety education (PFSE) is the delivery of information, materials and messages in a planned way and the evaluation of those messages, based on occupant behaviours in the event of a fire. PFSE provides residents the knowledge they require to prevent fire and in the event of a fire, to take steps to preserve one's life or that of another.

PFSE is measurable in terms of both actual presentations and at the more analytical level in evaluating occupant behaviours (short/medium and longer term) leading up to a fire and to the actual incident.

The effectiveness of the public education program in a community is dependent upon implementing programs based on risk and delivering those programs in the most

effective and efficient manner. Public fire safety education is a high priority in the fire protection delivery system and enhancements to the system will provide greater protection to the City of St. Catharines.

Public fire safety education is provincially mandated for all fire services. Currently, the role of full-time (FT) public educator is not a position within the organizational structure within Fire Prevention Division. Presently, the role of public educator is a shared responsibility among all fire prevention staff. Fire Prevention staff are also responsible for the development and implementation of educational programs based on the identified risk, fire investigation statistical data and the need and circumstances within the community. These programs provide public fire safety education to multiple age groups, special interest groups and industry within the city.

Specific initiatives developed by Fire and Emergency Management Services (FEMS) Fire Prevention Division can be divided into two categories: programs and activities.

1. Fire safety programs are developed and implemented with one or more key fire safety deliverables or benefits and usually have start and finish dates.
2. Fire safety activities are a single task or event with action items.

The following outline examples of FEMS current programs and activities offered and/or participated in by staff and offered to the community:

- Alarmed for Life Program
- The Residential Alarm Awareness Program
- Adopt a Sparky School Campaign
- After the Alarm Program
- Fire Extinguisher Training
- Retrofit of the Downtown Core Program
- Vulnerable Occupancies Annual Program
- TAPP-C
- Joint Inspection Program of Bars, Restaurants and Nightclubs
- Safety messaging partnership with City transit on all 77 buses - a partnership with City Transit to provide targeted Fire Safety Messaging based on seasonal fire risks and demographics.
- Fire Prevention Week
- FunFest
- Carbon Monoxide and Emergency Preparedness weeks
- Stations
- Other formal requests

The delivery of these public fire safety education initiatives promotes interaction between the community and Fire Prevention Division which connects the fire department to the people it serves.

The following chart represents comparable departments based on population that have FT public educators and deliver public education activities/programs in their community. Included in the chart is recent OFMEM statistics for fatal fires in the province of Ontario.

Municipal Fire Service	Population 2011	Public Educator FT
Thunder Bay	108, 359	1
Barrie	136, 063	1
Cambridge	123, 900	2
St Catharines	131, 400	0
Guelph	121, 688	1
Kingston	123, 363	0
Niagara Falls	82, 997	0
Oshawa	149, 607	2 (also conduct inspection)

The estimated cost for a FT Public Educator for the City of St. Catharines based on 2015 rates is a salary range from \$60,069.75 to \$92,415.



Corporate Report

Budget Standing Committee

Report from Corporate Services, Commissioner

Date of Report: February 2, 2017

Date of Meeting: February 6, 2017

Report Number: CSC-B018-2017

File: 10.57.99

Subject: Outstanding Budget Requests

Recommendation

That the Budget Standing Committee receive the attached memorandums for information purposes.

Report

Following the department presentations and further discussion, the Budget Standing Committee requested additional information from staff. The attached memorandums from Legal and Clerks Services and Fire and Emergency Management Services provide the additional information as requested.

Fire and Emergency Management Services – January 18, 2017 (Appendix 1)

That staff refer the Fire Safety Public Educator report back to staff for more information including the different financial scenarios: 0%, inflationary and +1% increases.

Fire and Emergency Management Services – January 18, 2017 (Appendix 2)

That the Fire Services Water Rescue Program report be referred back to staff to provide statistics over the last four years of how many recoveries were done versus how many lives saved and look at comparable communities that have this type of service;

That staff be directed to investigate how the Swift Water Rescue Program came into existence without Council approval; that staff prepare a further report as to what programs have been added over the last 10 years with respect to fire services that didn't come through for council approval.

Fire and Emergency Management Services – January 23, 2017

That, given its critical importance, the 10-year history of changes that have been made to FEMS service levels without Council approval requested at the BSC meeting on January 18, 2017, be available for consideration prior to the budget deliberations; and

That FEMS also report back with the following information;

- 10 year average increase for Fire Services,
- List of provided services

- Training schedule for certifications in services
- The cost per person, per year to maintain the certifications

Legal and Clerks Services – January 25, 2017 (Appendix 3)

That staff be directed to prepare a report with full documentation of savings from the following initiatives:

- Docupet anticipated revenue

Financial Implications

The financial implications are identified in the individual memorandums for the Budget Standing Committee's information and consideration.

Prepared by:

Robyn Ertelt, Administrative Assistant

Approved by:

Shelley Chemnitz, Commissioner of Corporate Services



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1

Memorandum

To: Mayor and Council
Cc: Department Heads
From: Dave Wood, Fire Chief
Date: February 2, 2017
Subject: BSC – Additional Information Requested from FEMS

On January 18, 2017 Fire and Emergency Management Services were requested to provide information to the BSC regarding the FTE for a Fire Safety Public Educator. The BSC committee requested, "That the Fire Master Planning Review Committee include the impact on Fire Services, if any, if Fire Services were limited to budgetary increases, starting in the 2017 budget cycle, of 0%, 0% plus inflation, and inflation plus 1%"

The BSC requested to review this data prior to any consideration of a Public Educator. The following chart represents the information requested and indicates the financial impacts to the FEMS budget for 2017.

Scenario #1

To meet a 0% budget increase, there would be an additional \$149,288 decrease to the FEMS budget. Since the operational budget reductions have severely limited emergency services equipment (auto extrication) and training operations, this reduction would reduce the FEMS Suppression staffing complement by one Probationary fire fighter.

Scenario #2

To meet the BSC budget increase (inflation) of 2.1%, this would amount to a \$358,864 increase to the FEMS budget.

With this increase FEMS could include the following items:

1. Fire Prevention Public Educator
2. One probationary fire fighter (removed in scenario #1).
3. Replace the (unaccommodated items) station assessments for fire stations #1, 2, 3, and 6.
4. Possible Fire Master Plan recommendations.

Scenario #3

To meet the BSC budget increase (inflation) of 3.1%, this would amount to a \$600,841 increase to the FEMS budget.

With this increase FEMS could include possible MFP recommendations.

City of St. Catharines
Fire and Emergency Management Services
2017 Draft Budget Submission

Status of 2017 Fire and Emergency Services Budget Submission		
Initial Budget Submission	\$	24,679,001
Revisions presented by staff		
Level 1		
Defer 2 Station Condition Assessments	\$	10,000
Review of actuals - protective clothing		2,000
Level 2		
Reduce provision for negotiation/arbitration		20,000
Review of actuals - overtime		100,000
Reduce economic adjustment		50,000
Level 3		
Reduce economic adjustment		150,000
		332,000
Revised Budget	\$	24,347,001
Previous budget - 2016	\$	24,197,713
Increase in Budget	\$	149,288
		0.62%
The above schedule assumes that the revisions presented above are approved by BSC.		

Scenarios requested by the BSC

A 0% budget increase		
This requires a further reduction of:	\$	149,288
This could be achieved by:	Less: 1 Prob. FF	85,415
	\$	63,873
This would decrease a Platoon complement by one fire fighter, causing an increase in overtime to meet the minimum on duty Platoon roster of 27 personnel.		

A 2.1% budget increase (inflation)		
This provides additional budget funding of:	\$	358,864
This additional funding could provide for:		
Public Educator	\$	98,822
Unaccom - Stn 1,2,3,6 Assess	\$	20,000
	\$	118,822
Balance	\$	240,042
Funding would allow for the purchase of end of life emergency services equipment such as auto extrication equipment not currently funded by the fire equipment reserve.		
Funding would allow possible recommendations from the Master Fire Plan to be implemented if approved by Council.		

A 3.1% budget increase (inflation plus 1%)		
This provides additional budget funding of:	\$	600,841
This additional funding could provide for:		
Funding would allow possible recommendations from the Master Fire Plan to be implemented if approved by Council.		
Funding would allow for the purchase of end of life emergency services equipment.		



Memorandum

2

To: Budget Standing Committee
Cc: Department Heads
From: Dave Wood, Fire Chief
Date: January 24, 2017
Subject: BSC – Additional Information Request from FEMS

Services Provided by FEMS

On January 18, 2017 Fire and Emergency Management Services (FEMS) were requested to provide information to the BSC regarding 1) Water Rescue Program and 2) A Public Educator within Fire Prevention. Following presentations by staff, the BSC requested additional information. This Memo will attempt to provide supplemental information and address the questions posed.

Since the 1980s, FEMS has been involved in all of our Core Services / Specialty Rescue programs that includes Water Rescues, Boat Rescues, Auto Extrication, Hazmat and Rope rescues. Specifically, swift water rescues have been included as a service within the water rescue program since that time. These services remain unchanged and over the last 10 years no changes to service level have been made.

Training Programs

Prior to 1999, St. Catharines Fire Services did not have a formal Training Program and like most departments provided training to personnel by referencing firefighting manuals, Training Precis, and relying on the experience of its employees.

In 2000, the Training Division reported to Management the need to review, revise, and develop a comprehensive Training Program to meet the current standards that were now being recognized and mandated provincially.

In 2004, FEMS was audited by the Ministry of Labour, which involved three days of reviewing all divisions within the department. Upon completion of the Training Division audit, the Inspector commended our Training Program, the thoroughness of Lesson Plans, Record Keeping, the Recruit Program and meeting provincial standards and guidelines.

Although FEMS was not issued any orders, the MOL Inspector did ascertain a need for the department to identify standards adhered to within our Specialty Programs. Although trying to follow industry best practices in training our personnel on Specialty Programs, record keeping, and maintained all of our equipment, FEMS was not following any specific programs or standards consistently. The MOL Inspector recommended changes

to our programs in order to achieve compliance and ensure “due diligence” as referenced in the Occupational Health and Safety Act.

As a result, through budget approval, management allocated monies to be spent to update and overhaul our specialty rescue training programs to ensure that only approved and certified programs would exist within the department.

This resulted in external companies being hired to provide training and certification for all personnel in Specialty Programs such as Auto Extrication, Pump Operations, Haz-Mat and Medical. Although FEMS still practiced and delivered technical rope rescue and water based rescues, it was determined that the specialty programs were our immediate priority.

After one year of training by external agencies, it became clear that the cost of maintaining certification with an external provider for all personnel was not cost effective. In 2014, FEMS utilized our own in-house Training Officer who is certified in technical rescue.

As a result, our own in-house expert was tasked with performing a comprehensive evaluation of all of our programs to determine gaps, deficiencies and make recommendations to ensure all of our technical programs were current and were meeting the NFPA standards. In late 2014 our Training Officer presented a report which included identification of the programs that required immediate attention based on geography of the city, call volume and risk.

In an effort to be fiscally responsible and to provide a more efficient training program for our personnel, Train the Trainer courses were then scheduled whereby personnel would become certified in a specific program and assist in creating lesson plans, buying equipment, provide training and sit on a committee to oversee the program and its development.

This resulted in comprehensive programs that ensured adherence to recognized standards, proper inspection, maintenance and inventory of all equipment and most importantly, properly trained personnel and the proper protection for the residents of St. Catharines.

Although our specialty training programs were reviewed, we still have to address our Haz-Mat program to meet our Hazard Identification Risk Assessment (H.I.R.A.) and our comprehensive community based risk assessment which deals with high hazard facilities within our community that create a specified risk for citizens.

The following information responds more specifically to questions asked by the BSC:

BSC Request #1

Staff provide a breakdown of the different Core Services that Fire and Emergency Management Services provide.

Response

The Core Services that FEMS provides to our community is as follows:

Emergency Patient Care

Niagara Regional Firefighter Defibrillation Program, Emergency Patient Care

Emergency Vehicle Operations

Apparatus Operation, Aerial Operations, Pump Operations

Essentials of Suppression

Fire Ground Survival, Suppression Core

Professional Development

Recruit, Reclassification, Promotions

Risk Management

Incident Management System

Pre Incident Planning

Technical and Specialty Rescue

Rope Rescue, Swift Water Rescue,

Ice Rescue, Boat Rescue, Vehicle Rescue,

Confined Space Rescue,

Trench Rescue, Machinery Rescue,

Structural Collapse, Hazardous Materials

BSC Request #2

Fire Services Water Rescue Program – a four year comparison to reflect how many rescues have occurred vs. how many lives have been saved.

Response

To properly reflect the incidents that FEMS has responded to over the previous four years, the following chart identifies those findings:

2012 – 2016 Water Response Report

5 Years	Boats Launched	Assistance	Water Rescue	Recovery	Standby
2012	9	2	2	4	1
2013	5	1	3	1	0
2014	9	4	4	0	1
2015	5	2	1	1	1
2016	4	3	0	0	1
Totals	32	12	10	6	4

During these incidents water rescue procedures were followed while launching the rescue boat or launching our water based floatation raft to either assist, rescue, or perform a recovery on one of the waterways within our municipal boundaries.

St. Catharines FEMS is currently the only emergency service that responds to incidents on all waterways within our municipal boundaries including Lake Ontario during the winter months. The Canadian Coast Guard resides at a base station (located below Lock One on the west side of the canal) throughout the spring, summer and fall and then remove their boats and personnel for the winter season. Niagara Regional Police Services (NRPS) follow the same model due to the conditions and challenges of dealing with emergencies in cold weather conditions. St. Catharines FEMS is the only agency available to assume sole responsibility for any and all incidents that may arise. St. Catharines FEMS has been deployed to assist other municipalities with Water Rescue incidents within our Niagara Regional Mutual Aid Plan.

BSC Request #3

That Staff report back on, what is the cost per person, per year to maintain each of our certifications for the Core Services.

Response

The chart below includes the services provided and the cost per person per year as requested by the BSC:

SPECIALIZED PROGRAMS - INSTRUCTOR CERTIFICATION - 2011-2015

Specialized Program	Number of Trainers to Certify Instructors	Total Number of Hrs to be Certified as an Instructor - All Platoons	Annual Hrs to Maintain Certification per Instructor	Annual Certification Costs	Overtime Hourly Rate - Trainer	Total Cost
Medical	1	288	10 (\$75.00 per FF)	\$ 1,275.00	\$ 73.6273	\$ 22,479.66
Auto Extrication	1	64	10 - no cost	\$ -	\$ 73.6273	\$ 4,712.15
Hazmat	5	40	10 - no cost	\$ -	\$ 73.6273	\$ 14,725.46
Ice/Open Water Rescue	1	64	10 - no cost	\$ -	\$ 73.6273	\$ 4,712.15
Swift Water Rescue	1	64	10 - no cost	\$ -	\$ 73.6273	\$ 4,712.15
Technical Rope Rescue	1	320	10 - no cost	\$ -	\$ 73.6273	\$ 23,560.74
Boat Rescue	1	96	10 - no cost	\$ -	\$ 73.6273	\$ 7,068.22
TOTAL						\$ 81,970.52

In order to provide annual recertification of instructors in each program, there is a requirement of approximately 80 hrs each for one Training Officer to provide all Sign-offs and paperwork.

	# of Hours	Overtime Rate	Total Overtime Cost		
Instructor	80	\$77.3087	\$6,184.70		
				TOTAL COST over 5 years	\$88,155.22
Calculated @ July 1/15 Rates				÷ 5 years	\$17,631.04
				÷ 7 Programs	\$2,518.72

BSC Request #4

That Staff provide the 10 year average increase for Fire and Emergency management Services.

Response

The average increase for Fire Services over the last 11 years as requested by the BSC:

Fire and Emergency Services Budgets - 2006 to 2016

	2016 Budget	2015 Budget	2014 Budget	2013 Budget	2012 Budget	2011 Budget	2010 Budget	2009 Budget	2008 Budget	2007 Budget	2006 Budget
Fire Services											
Fire Services	24,190,753	23,337,504	22,872,888	22,306,129	21,853,240	20,937,283	20,406,185	20,123,419	18,940,403	18,832,060	17,841,218
Emergency Planning	6,960	6,960	12,848	12,848	17,873	20,720	23,220	23,220	10,000	10,000	10,000
Vested Sick Leave - Fire											
Total Fire Services Budget	24,197,713	23,344,464	22,885,736	22,318,977	21,871,113	20,958,003	20,429,405	20,146,639	18,950,403	18,842,060	17,851,218
Percentage increase from Prior Year	3.66%	2.00%	2.54%	2.05%	4.36%	2.59%	1.40%	6.31%	0.58%	5.55%	7.41%
Total City Expenditures:	92,542,559	90,452,461	90,798,371	88,012,964	84,683,905	82,409,373	80,525,660	79,707,627	77,160,125	74,357,903	71,207,688
Fire as % of City Expenditures:	26.15%	25.81%	25.21%	25.36%	25.83%	25.43%	25.37%	25.28%	24.56%	25.34%	25.07%
Total Budget with Boards and Commissions	\$108,472,530	\$105,843,072	\$105,533,621	\$102,267,522	\$98,892,351	\$95,784,129	\$92,981,141	\$91,701,555	\$89,663,708	\$86,992,157	\$83,932,187
Fire as % of All Expenditures:	22.3%	22.1%	21.7%	21.8%	22.1%	21.9%	22.0%	22.0%	21.1%	21.7%	21.3%

BSC Request #5

That Staff report back on what our comparator communities are doing regarding Water Rescue Programs.

Response

To provide the BSC with their request for our Fire Service municipal comparators and the Specialty Programs that they deliver, the following chart has been provided:

Municipal Comparators – Specialty Programs

Dept.	Technical Rope	Confined Space	Trench Rescue	Swift Water	Ice/Open Water	Hazmat	Auto X	Boat
Cambridge	Yes	Yes	Yes		Yes	Yes	Yes	No
Barrie	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Thunder Bay	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Windsor	No	No	No	No	No	Yes	Yes	No
Kingston	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
Niagara Falls	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Oshawa	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The above table indicates the Comparable departments and their involvement in Specialty Rescue. The following outlines the response answers:

“Yes” Currently practicing, training and responding to the Topic

“No” Not involved with this service

BSC Request #6

That Staff provide further information on the Training Program that the Fire Emergency Management Services follows for the year.

Response**2017 Firefighter Training Schedule**

Standard	Training Module	maintenance
National Occupational Competency Profile for Paramedics		
	NOCP-01, Emergency Patient Care Principles	1
	NOCP-02, Medical Legislation	1
	NOCP-03, Patient Communication	1
	NOCP-04, Patient Movement and Safety	1
	NOCP-05, Responder Safety	1
	NOCP-06, Multiple Patient Incidents	1
	NOCP-07, Patient Assessment	1
	NOCP-08, Focused Patient Assessment	1
	NOCP-09, Airway and Respiratory Incidents	2
	NOCP-10, Cardio Pulmonary Resuscitation and Defibrillation	2
	NOCP-11, Soft Tissue Injuries	1
	NOCP-12, Musculoskeletal Injuries	1
	NOCP-13, Manage Patient Assessment and Care	2
	NOCP-14, Unique Patient Populations	2
standard total hours		18
NFPA 1001, Firefighter		
	1001-01, Firefighter Principles	2
	1001-02, Firefighter Communications	1

1001-03, Self-Contained Breathing Apparatus	1
1001-04, Response Safety	1
1001-05, Structural Access	2.5
1001-06, Defensive Fires	1
1001-07, Search and Rescue	2
1001-08, Offensive Fires	3
1001-09, Tactical Ventilation	2
1001-10, Property Conservation	1
1001-11, Portable Extinguishers and Public Education	2
1001-12, Equipment Maintenance	1
1001-13, Flammable Gas and Liquid Fires	1
1001-14, Basic Vehicle Extrication	2
1001-15, Risk Management	2
standard total hours	24.5
NFPA 1002, Apparatus Operator	
1002-01, Apparatus Readiness	1
1002-02, Apparatus Operation	2
1002-03, Pump Operation	2
1002-04, Apparatus Water Supply	2
1002-05, Aerial Operation	2
1002-06, Tanker Operation	1
standard total hours	10
NFPA 1006, Technical Rescue	
1006-01, Technical Rescue Core Competencies	2
1006-02, Rope Rescue Operations I	2
1006-03, Rope Rescue Technician I	2
1006-04, Rope Rescue Operations II	3
1006-05, Rope Rescue Technician II	3
1006-06, Vehicle Extrication I	1.5
1006-07, Vehicle Extrication II	1.5
1006-08, Water Rescue Core Competencies	1.5
1006-09, Water Rescue Operations I	2.5
1006-10, Water Rescue Technician II	2.5
1006-11, Swift Water Rescue Technician II	2.5
1006-12, Ice Water Rescue Technician II	2.5
standard total hours	26.5
NFPA 1026, Incident Management	
1026-01, Incident Management Principles	2.5
1026-02, Establish and Maintain Command	1.5
1026-03, Strategic and Tactical Communications	2.5
1026-04, Incident Management Organization	1.5
1026-05, Incident Size-up and Action Plan	2.5
1026-06, Monitor Resources and Action Plan	1.5
1026-07, Terminate Command	0.5
1026-08, Incident Safety Principles	1
1026-09, Establish Incident Safety	1
1026-10, Function as Incident Safety Officer	1
1026-11, Evaluate Incident Safety	1
1026-12, Maintain Incident Safety	1

standard total hours		17.5
NFPA 472, Hazardous Materials		
472-01, Hazardous Materials Awareness		2
472-02, Hazardous Materials Operations		1
472-03, Hazardous Materials Principles		1
standard total hours		4
NFPA 1407, Rapid Intervention Crew		
1407-01, Rapid Intervention Crew Deployment		1
1407-02, Emergency Air Supply		1
1407-03, Package Downed Firefighter		1
1407-04, Firefighter Self-Rescue		2
1407-05, Moving Firefighters Up and Down Stairs		1
1407-06, Elevated Firefighter Rescue		1
1407-07, Lifting Downed Firefighter		1
standard total hours		8
NFPA 1410, Initial Emergency Scene Operations		
1410-01, Supply Fire Ground Pump from Hydrant		2
1410-02, Supply Multiple Fire Ground Pumps		2
1410-03, Supply Fire Ground Pump from Static Source		2
1410-04, Supply Elevated Master Stream from Fire Ground Pump		2
1410-05, Supply FDC from Fire Ground Pump		1.5
standard total hours		9.5
8	82	118

The 2017 Firefighter Training Schedule provides the total hours as required by NFPA 1001 (Firefighter Level 1 & 2). The 118 hours required is based per person; however the completion time is longer due to the fact that each firefighter must be signed off for each subject.

Additionally, there are other mandatory training hours required for personnel outside of this schedule. The additional hours vary from 10 -20 hours per person. They include:

- Corporate Training Initiatives (Officer Development, Anti-Harassment Training, Mental Health Awareness)
- Annual review of new and existing Corporate Policies
- New departmental equipment
- New departmental procedures
- Reclassification Training
- Annual Fit Testing of all Respiratory Equipment (Masks - both Self Contained Breathing Apparatus Masks and Medical Masks)
- Annual Decontamination review



Memorandum

To: Mayor and Members of Council
Cc: Department Heads
From: Wood, Dave
Date: May 2, 2017
Subject: BSC Additional Information Requested from FEMS

On February 6, 2017 Fire and Emergency Management Services were requested to provide information to the BSC regarding all changes to the core services provided by St. Catharines Fire and Emergency Management Services since 1980.

This memo will address the core services that have been provided by St. Catharines Fire and Emergency Management Services since 1991. An extensive search of previous memos and reports to Council was conducted, however only one report to Council dated December 6, 1991 could be located. In this report titled "Services provided by the St. Catharines Fire Department" Chief Thomas E. Johnson reports the following;

On July 4, 1990, a Fire Fighter with the Port Colborne Fire Department lost his life while attempting to rescue a person from Lake Erie. In April, 1991, the Ministry of Labour laid charges under the Occupational Health and Safety Act against the City of Port Colborne, the Port Colborne Fire Chief, and the Port Colborne Deputy Chief.

The St. Catharines Fire Department, in review of the foregoing incident and subsequent charges, is making Council aware of the various services provided by this Fire Department.

Services provided by the St. Catharines Fire Department

- 1. Respond to all calls of fire and provide firefighting and extinguishment of any fire other than those fires that are permitted by the Ontario Fire Code.**
- 2. Try to determine the cause of all fires and assist Fire Investigators, Office of the Fire Marshal.**

- 3. Investigate a report of smoke, the smell of smoke or unusual odours and try to determine the cause or source and rectify same.**
- 4. Rescue – an all-out effort to rescue persons trapped by;**
 - A) Fire, smoke, toxic gases**
 - B) Home, industrial or construction accidents**
 - C) Vehicle and transportation accidents, which may require extrication**
 - D) Water rescues including: boat to water
 land to water
 land to ice**
 - E) Other rescues as may be required**
- 5. Respond to all automatic remote fire alarms from private and public buildings and try to determine the cause of the alarm.**
- 6. Respond to assist in the recovery of a deceased person located in waterways and locations not normally accessible by the public.**
- 7. When requested by Police, attend to a bomb threat and standby.**
- 8. Investigate the report of an explosion and take the appropriate action.**
- 9. Assist other agencies, when requested, where a person is attempting suicide.**
- 10. Assist other agencies, when requested, with persons having heart attacks, persons where vital signs are absent and other emergency medical situations and provide C.P.R. and First Aid as required.**
- 11. When requested and as is applicable, assist other City Departments and other Governments, Departments and Agencies.**
- 12. Respond to spills of hazardous materials and evaluate to determine what appropriate action is required.**
- 13. Respond to general assistance calls, emergency and non-emergency, i.e. broken water pipe in a building, person locked out of their house, person in an elevator that has malfunctioned.**
- 14. Respond to other situations that may or will require the services of the Fire Department.**
- 15. Provide fire prevention inspection, in service inspection and public education services to the citizens and taxpayers of St. Catharines.**

16. Provide Alarm Room Fire Department dispatching service for St. Catharines and the following municipalities: Fort Erie, Niagara-on-the-Lake, Lincoln, Grimsby, and West Lincoln.

17. Respond to mutual aid assistance calls from municipalities in the Niagara Region as passed in bylaw 71-194.

Recommendation;

That the Fire Department of the City of St. Catharines continue to provide the services as listed in this report, and that the report of the St. Catharines Fire Department dated December 6, 1991 be received.

Since this 1991 report to Council the St. Catharines Fire and Emergency Management Services has contracted dispatching services to the following municipalities; Fort Erie, Port Colborne, Welland, West Lincoln, Lincoln, Grimsby, Thorold, Pelham, Wainfleet, Niagara-on-the-Lake, Haldimand County and Norfolk County

Since 1991, FEMS has been involved in all Core Services / Specialty Rescue programs that includes all the above listed activities.

Prior to 1999, St. Catharines Fire services did not have a formal training Program and like most departments provided training to personnel by referencing Fire Fighting manuals, Training Precis, and relying on the experience of its employees.

In 2000, the Training Division reported to management the need to review, revise, and develop a comprehensive Training Program to meet the current standards that were now being recognized and mandated provincially.

As a result, through budget approval, management allocated monies to be spent to update and overhaul our programs including our specialty rescue programs to ensure that only approved and certified programs would exist within the department.

This has resulted in comprehensive programs that have ensured our adherence to recognized standards, proper inspection processes, maintenance and inventory of all of our equipment and most importantly, properly trained personnel and the proper protection for the residents of St. Catharines.



CITY OF
ST. CATHARINES

Corporate Report

Report from Fire and Emergency Management Services, Fire Chief

Date of Report: October 12, 2017

Date of Meeting: October 18, 2017

Report Number: FEMS-272-2017

File: 68.13.11

Subject: Master Fire Plan – 2017

Recommendation

That Council adopt and approve the 10-year [Master Fire Plan](#); and

That Council dissolve the Master Fire Plan Committee. FORTHWITH

Background

The City of St. Catharines initiated a Master Fire Plan (MFP), linked to this report, to evaluate the current capacity of Fire and Emergency Management Services (FEMS) and address the current and future risk in the community.

Master Fire Plans are considered a blueprint for local fire protection that address all legislative and regulatory requirements while taking into account the community's capability to fund and support the level of service determined by City Council. Annual business and/or operational planning should be part of the benchmarking of the implementation of the approved Master Fire Plan.

The municipality is responsible for providing fire protection services, as articulated in the Fire Protection and Prevention Act (FPPA). By completing and implementing a Master Fire Plan, Council will continue to demonstrate that it is taking the necessary steps to provide fire protection services based upon risk.

The intent of the plan is to enhance the delivery of fire protection services for residents and visitors presently and into the future. This report identifies risks and evaluates the current capabilities of FEMS based upon the three lines of defence:

- 1) public education
- 2) inspection and code enforcement and
- 3) emergency response (suppression)

A Master Fire Plan Committee was established in 2015, met nineteen times and also created a number of sub-committees to develop the 2017 Master Fire Plan. As a result, the plan identifies 16 recommendations that the Committee agrees, if implemented, strengthen the overall fire protection delivery system.

Report

The significant findings of the Master Fire Plan, based upon the completed evaluation are:

1. A comprehensive risk based approach to the delivery of all components of the fire protection service should be used as a continuous, proactive and systematic process to understand, manage, and communicate risk from an organization-wide perspective. It is about making strategic decisions that contribute to the achievement of FEMS.
2. To ensure timely arrival of emergency personnel, as per the current Council endorsed standard, appropriate staffing and equipment, as well as infrastructure maintenance and renewal, must continue to be a priority.
3. Additional officers, staff and resources are required to manage ever increasing workloads, legislative requirements, and scope of programs delivered as proposed by the department, as well as to keep pace with any proposed growth of the department and the City as a whole.

The risk to the City, as faced by all other communities and as demonstrated in this Master Fire Plan, is two-fold:

- 1) Community risk due to fire and other emergencies and
- 2) Organization risk

Understanding the specific risk associated with the delivery of fire protection services, and developing the means to address those risks is fundamental to providing fire protection services.

As part of the Master Fire Plan each component of the fire protection delivery service was analyzed against a set criteria and the risk to the community. Based upon this analysis where either a gap was identified or the ability to provide the optimal level of effective and efficient services, recommendations or opportunities for improvement were developed.

While the present fire protection delivery service is efficient and effective, current capabilities should be enhanced to provide for a level of service consistent with the needs and circumstances of the community.

The recommendations presented in Master Fire Plan are the result of:

- 1) Analysis of simplified risk assessment;
- 2) Consideration of current and future capabilities;
- 3) Identification of ways to address risks and/or improve services.

The Master Fire Plan Committee has consensus that the recommendations within this report will enhance services and should be recognized as priorities by the City of St. Catharines. Understanding that some of the recommendations require financial investment, the Committee has suggested an implementation schedule which uses a phased-in approach to allow for future planning.

Next Steps

The Committee further recommends an annual review of the plan to follow up on recommendations, including those listed as important for monitoring and ongoing review. To ensure the annual review is conducted, a new Master Fire Plan Implementation and Review Team will be established.

As identified in the City's new committee structure, departmental working groups are led by staff for obtaining ongoing input regarding an area of municipal responsibility that lies primarily within the mandate of a single department. Participation is by invitation and Councillors are not members. These meetings are not open to the public and do not follow procedural rules. Departmental working groups are a resource to staff and act as a focus group to assist with continuous service delivery improvement.

The MFP Committee is confident that the recommendations presented before Council, if approved, will ensure fire protection services is delivered in a way that is reflective of current and future needs of the community to reduce the risk to lives and property loss.

Financial Implications

While there are 16 recommendations as part of the Master Fire Plan, a number of the recommendations are not anticipated to have any financial implications or are anticipated as part of the City's asset management plan or fleet vehicle replacement schedule.

The recommendations which do require financial investment on the part of the City are included as part of a suggested implementation schedule which allows for future planning and preparation. It's important to note that the implementation schedule and priorities may change as the plan is a living document and circumstances may change. As such, FEMS has recommended the plan be reviewed annually. At that time, Council will be provided more details, as well as an opportunity to consider the recommendations, the financial investment, and how best to move forward. Financial details are further explored within the MFP.

Relationship to Strategic Plan

The Master Fire Plan provides a framework for fire service operations that will strengthen the overall fire protection delivery system. An effective fire service helps to provide its residents, industries, businesses and visitors with a safe environment to live, work and play.

This is consistent with the mission for the City of St. Catharines, as set out in the Strategic Plan which states; Together with our community and guided by our strategic goals, we will provide quality municipal services that enhance our social fabric, environmental sustainability, and cultural vitality; contributing to economic prosperity of our community.

The Master Fire Plan identifies the current services provided by FEMS and makes recommendations for improvements to ensure quality services are being delivered in an effective and cost efficient manner. This will assist in providing our residents with a safe and affordable community in which to live.

Additionally, effective fire prevention, public education and fire suppression services help to lessen the effects of fire on our environment, thereby assisting in air and water quality.

A fire safe community may also encourage economic prosperity and growth as businesses wishing to expand or re-locate are confident their assets are well protected.

Conclusion

In conclusion, this report recommends that Council adopt and approve the 10-year Master Fire Plan. Further, at Council's direction, a Master Fire Plan Implementation and Review Team is to be formed for the purpose of reviewing the plan on an annual basis and making recommendations to Council on the implementation schedule.

Final approval for the implementation of each recommendation that has a financial implication will rest with Council, upon the annual recommendations of the Implementation and Review Team.

Notification

That the Master Fire Plan Committee be informed of Council's decision and, if approved, be so notified of the dissolution of the Committee.

Prepared by:

Maggie Riopelle,
Commissioners Office

Jeff McCormick,
Acting Fire Chief, Director of Fire and Emergency Management Services

Submitted and Approved by:

Jeff McCormick,
Acting Fire Chief, Director of Fire and Emergency Management Services



Corporate Report

Report from Financial Management Services, Director

Date of Report: August 31, 2017

Date of Meeting: October 18, 2017

Report Number: FMS-232-2017

File: 10.57.99, 35.60.19

Subject: Allocation of Hydro Dividends

Committee Recommendation

That the report from Financial Management Services dated June 2, 2017, regarding the allocation of extra dividend funds from Hydro, be referred to City Council for consideration and approval. FORTHWITH

Staff Recommendation

That the Budget Standing Committee (BSC) approve the allocation of the extra hydro dividends of \$4 million for the following purposes:

- Infrastructure Levy Reserve - \$1,000,000
- Building Improvement Reserve - \$1,000,000
- Tax Stabilization Reserve - \$750,000
- Motor Vehicle Replacement Reserve - \$550,000
- Winter Control Reserve - \$300,000
- Litigation/Insurance Reserve - \$200,000
- Training Reserve - \$200,000

Background

Following the cancellation of the Shickluna project, on May 29, 2017, St. Catharines Hydro provided a cheque to the City of St. Catharines of \$4 million to be considered as special dividends.

As part of its 2018 work plan, the BSC directed staff to prepare a report on how those extra dividends should be allocated, including the feasibility of an incentive program for affordable housing units in the Community Improvement Plan (CIP).

FMS-B029-2017 was brought to the BSC on June 19, 2017, for deliberation. The report was deferred to the following meeting, and the proposed allocations and motions can be found in the [June 19, 2017 Minutes linked here](#).

Report

At the August 28, 2017 BSC meeting, the Committee further deliberated the report and the staff recommendation to allocate the \$4 million in extra dividend funds for six different purposes.

Several alternatives were put forward and these proposed allocations and motions can be found in the [August 28, 2017 BSC Minutes linked here](#). The following motion was then passed:

That the Budget Standing Committee refer the report to Council for their consideration.

Provided in Appendix 1 is FMS-B029-2017 for Council's consideration and approval.

Council, at its In-Camera meeting of September 25, provided new direction to staff related to litigation / insurance reserve. This direction has been reflected in revised recommendation being considered by Council.

Direction was also provided to staff to provide an update on the costs of destination pools as well as an updated costs required to address parks in critical condition. The requested information is as follows:

In 2017 there was one nearby outdoor pool that opened, which was Nelson pool in Burlington. The project cost was approximately \$4 million, however it did not include an accessible change house, nor did the site require servicing for hot water. The firm that constructed that project has indicated that including those components, the project would have cost approximately \$6 million.

The estimated funding required for parks in critical condition has been updated to reflect work that has been completed, and is now \$4.48 million over three years (or \$1.5 million annually for three years).

Prepared by:

Adam Smith, CPA, CMA; Director Financial Management Services (Acting)

Approved by:

Kristine Douglas, CPA, CMA; Commissioner of Corporate Services (Acting)



This item was deferred from the June 19 and August 24 Budget Standing Committee meeting.

Memorandum

To: Budget Standing Committee

Cc: Senior Management Team

From: Ertelt, Robyn

Date: July 5, 2017

Subject: Allocation of Extra Dividends from Hydro - Deferred Report

At the June 19, 2017 Budget Standing Committee meeting deferred the FMS-B029-2017 report and the following recommendations.

Staff Recommendation:

That the Budget Standing Committee (BSC) approve the allocation of the extra hydro dividends of \$4 million for the following purposes.

- *Infrastructure Levy Reserve - \$1.2,000,000*
- *Building Improvement Reserve - \$1,000,000*
- *Tax Stabilization Reserve - \$750,000*
- *Motor Vehicle Replacement Reserve - \$550,000*
- *Winter Control Reserve – \$300,000*
- *Training Reserve - \$200,000*

Recommendation – Councillor Britton:

Whereas the Standing Budget Committee received the Parks Renewal Plan report PRCS-B007-2017 on January 25, 2017 which stated, “The capital forecast to manage the assets identified for renewal over the next five years is approximately \$5,000,000 in 2016 dollars”; and

Whereas that same report stated that \$5,000,000 deficit does not include costing for “other park amenities, including trails, irrigation, underdrainage, fences and benches” as well as washrooms, parking lots, and outdoor aquatic facilities; and

Whereas the report also says that “The risk of not proceeding with replacement of these amenities within the recommended timeframe is a compounding budgetary need each year and that amenities are deemed unsafe and are closed or removed without replacement, reducing the existing services level to the community. In addition, if the

amenities are allowed to degrade and become unusable, the inventory would no longer be appropriate to service the community's needs."

Be It Resolved That the Budget Standing Committee (BSC) approve the allocation of the extra hydro dividends of \$4 million to Parks and Recreation for the purposes fulfilling the Parks Renewal Plan.

Appendix

Report from Financial Management Services, Director

Date of Report: June 2, 2017

Date of Meeting: June 19, 2017

Report Number: FMS-B029-2017

File: 10.57.99

Subject: Allocation of Extra Dividends from Hydro

Recommendation

That the Budget Standing Committee (BSC) approve the allocation of the extra hydro dividends of \$4 million for the following purposes:

- Infrastructure Levy Reserve - \$1,200,000
- Building Improvement Reserve - \$1,000,000
- Tax Stabilization Reserve - \$750,000
- Motor Vehicle Replacement Reserve - \$550,000
- Winter Control Reserve - \$300,000
- Training Reserve - \$200,000

Background

With the cancellation of the Shickluna project, funds reserved by St. Catharines Hydro for that project can now be considered as possible special dividends to be declared. At its annual general meeting on May 29, 2017, St. Catharines Hydro provided a cheque to the City of St. Catharines for extra dividends in the amount of \$4 million.

As part of its 2018 work plan, the BSC directed staff to prepare a report on how those extra dividends should be allocated including the feasibility of an incentive program for affordable housing units in the Community Improvement Plan (CIP)

This report provides staff recommendation on how these extra funds should be allocated.

Report

Existing Reserves

At the end of each year staff reports on the balances in the City's reserves and reserves funds. During the 2016 budget process staff prepared a report on the reserves and reserves funds with a target balance for each reserve fund. This information is attached as Appendix 1. The reserve target balances have been updated to reflect the 2016 year

end amounts. The majority of the City's reserve funds are not at their target balances. Chart 1 below shows the percentage of the various infrastructure reserve and the current balance as percentage of target balance.

CHART 1

Reserve	Target Balance	Current Balance as % of Target Balance	Current Balance as % of target balance with additional allocation
Infrastructure Levy	Currently no target balance	N/A	N/A
Building Improvement	\$49,839,600	3.22%	5.24%
Tax Rate Stabilization	\$9,810,900	4.59%	9.68%
Motor Vehicle Replacement	\$8,963,000	78.90%	85.04%
Winter Control	\$2,277,360	6.59%	19.76%

In addition, the pressures of the past three budget years have resulted in the allocations to the equipment and building reserves being lower than staff recommendations, in order to meet the budget guidance set. Therefore, when additional funds, such as these extra hydro dividends, become available a portion of them should be allocated to certain reserves to move closer to the target balances.

Infrastructure Levy

Based on BSC recommendation, Council approved an Infrastructure Levy as part of the 2016 budget process. For the past two years funds have been allocated to this reserve based on one percent of the City's portion of the current year tax levy. This one percent is established for five years, with 2016 being the first year. The Infrastructure Levy policy identifies eligible renewal and replacement projects to be funded by this levy.

The following is a list of these items:

- Road improvements
- Walkway improvements
- Traffic signal replacement
- Playground equipment
- Building improvements
- Tree planting
- Sidewalk improvements
- Park amenities

Currently there is no target balance for the Infrastructure Levy reserve as the City's infrastructure gap is significant, over approximately \$140 million. The allocation of more funds to this reserve helps to address this deficit. This also assists with the Parks Renewal to be more achievable. The balance of this reserve as of December 31, 2016 is \$890,000.

As playground equipment, park amenities and tree planting are significant priorities for this Council, staff recommend a larger allocation to this reserve. Staff recommend an allocation of \$1,200,000 to this reserve.

Building Improvement

During the 2016 budget process the building reserve was created. The target balance is set as 10% of the estimated replacement cost of buildings owned by the City, which is \$49,839,600, as of December 31, 2016. The balance as of December 31, 2016 is \$1,609,722. Therefore staff recommend an allocation of \$1,000,000 to this reserve to be used towards future building improvements.

Tax Rate Stabilization Reserve

Based on BSC recommendation, Council approved a Tax Rate Stabilization Reserve as part of the 2016 budget process. The purpose of this reserve is to minimize the fluctuation of tax rate increases due to extraordinary or unforeseen events. In addition, it provides an alternative to increasing tax levies. The target balance is set at 5 to 10% of annual total tax levies. The 2017 budgeted tax levies are \$98,109,000. Therefore 10% equals \$9,810,900 which would be the current maximum target balance. The balance as of December 31, 2016 is \$450,000. Staff are recommending an allocation to this reserve of \$750,000. Increased costs related to the transition to another CAO creates one pressure on the 2018 budget. By allocating some funds to this reserve would allow usage during 2018 budget and not result in an increase in the 2018 budget related to this item. This is a one-time or extremely rare occurrence and the usage of this reserve for an item such as this is one of the reasons for its creation.

Motor Vehicle Replacement

The target balance for this reserve is set at 50% of total estimated replacement cost of motor vehicles owned by the City, which is \$8,963,000, as of December 31, 2016. The balance of this reserve as of December 31, 2016 is \$7,072,202. Therefore staff recommend an allocation of \$550,000 to this reserve fund.

Winter Control

Based on BSC recommendation, Council approved a Winter Control reserve as part of the 2016 budget process. This reserve is to fund potential shortfalls in the winter control budget due to higher than anticipated incidents of inclement weather. The target balance equals 100% of the previous five year rolling average of Winter Control Program expenditures. The rolling average for 2012 to 2016 is \$2,277,360. The balance of this reserve as of December 31, 2016 is \$150,000. Therefore staff

recommend an allocation of \$300,000 to this reserve fund, which will increase the reserve balance to 19.8% of its target balance.

Potential New Reserves

In the last two budget cycles, the BSC established seven new reserves: Winter Control, FirstOntario Performing Arts Centre Capital Sustainability, the Tax Rate Stabilization Reserve, Election Reserve, Litigation/Insurance Reserve, Meridian Centre Capital Fund Reserve and Meridian Centre Event Fund Reserve.

With the extra hydro dividends staff are recommending the creation of one additional reserve, a training reserve.

Training Reserve

In 2015 budget, the City's Skills Development and Training budget of \$112,000 was eliminated. Training is needed for development of skills and knowledge of changes to legislation. In addition, there are a significant number of staff that will be eligible to leave the corporation in the next three to five years. Staff have estimated this number to be between 31% and 38%. St. Catharines is not alone in this issue. Many municipalities across the province are facing the same issue. This increases the need to adequately succession plan.

Succession planning is not a replacement plan. With succession planning it is not a canned program and it needs to be fluid so that it can evolve and change. One option to succession planning is the development of talent pools. This begins with the identification of "key" or "critical" positions within the organization based on evaluation criteria. This training reserve would assist with the development of staff to progress in the corporation. There is new legislation annually that requires staff training and development.

Staff support the inclusion of training and development in the annual operating budget. In recent years due to other pressures the annual operating budget could not accommodate the training and development line item. Therefore staff recommend an allocation of \$200,000 to this reserve. There is an existing staff training policy and with the approval of this reserve this policy will need to be further refined with an increased focus on succession planning.

Other Uses

Community Improvement Plan (CIP)

The City currently has two CIP programs: Brownfield Tax Assistance and Tax Increment Finance Program. During the 2016 budget process, staff presented a plan to fund the CIP. This funding plan began with a base funding of \$825,000 plus 10% of the value of taxes for each CIP project paid out in that year. As of December 31, 2016 the balance of the CIP reserve for approved projects was \$4,572,593.

The BSC requested that staff review the feasibility of an incentive plan for affordable housing. In a two-tier municipal structure, Affordable Housing falls under the responsibility of the upper tier. Therefore, it would be the Region of Niagara's responsibility to create an Affordable Housing CIP. An Affordable Housing CIP is a tool that is intended to stimulate the development of affordable housing units within the City/Region. The need for affordable housing is not only an issue for the City of St. Catharines, but also for the Niagara Region and province wide. The Federal and Provincial governments have provided some short-term and not sustainable funding for this initiative to Niagara Regional Housing, such as the Social Infrastructure Fund (SIF) \$9,462,700 and \$6,079,500 from the Social Housing Improvement Program (SHIP).

A CIP could assist with the development of affordable housing. One main obstacle to the creation of these units are the costs associated with planning approvals, building permit fees and increased tax rates. These costs are passed on by the developer to the owner in the form of higher rental rates.

The Housing Action Plans which was received by Council on June 12, 2017 indicates that there needs to be a review of the City's CIP program related to the provision of affordable housing. It is recommended that a full review of this incentive program be completed by the City's Planning and Building Services with assistance from Financial Management Services in order for a fulsome report to be prepared and presented to BSC for its consideration. Further, it is staff's understanding that there is most likely to be additional funds received from hydro this year that could be allocated to this initiative should BSC be in favour of recommending such a program to City Council.

Financial Implications

The financial implications are addressed throughout the report.

Conclusion

Staff are recommending that the extra hydro dividends of \$4 million be used for the following purposes.

- Infrastructure Levy Reserve - \$1,200,000
- Building Improvement Reserve - \$1,000,000
- Tax Stabilization Reserve - \$750,000
- Motor Vehicle Replacement Reserve - \$550,000
- Winter Control Reserve - \$300,000
- Training Reserve - \$200,000

Relationship to Strategic Plan

Economic Sustainability

Goal: Be an affordable city for young people, families and older adults.

Action: Update financial controls and debt management strategy to better manage escalating costs of City operations and services.

Action: Implement multi-year budgeting to improve long-term financial planning.

Prepared and Submitted by:

Kristine Douglas, Director, Financial Management Services

Approved by:

Shelley Chemnitz, Commissioner, Corporate Services

Attachments:

Appendix 1 – City of St. Catharines – Reserves and Reserve Funds

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
Working Funds	Cash management device for cash flow and to reduce the need for short-term loans	- Annual operating budget contribution	- Unforeseen expenditures that may occur - Unbudgeted/new expenditures	\$ -	NA	The 2015 budget utilized the remaining funds in this reserve. The purposes of the reserve will now be achieved through the tax stabilization reserve
Accumulated Sick Leave	IAPFF Local 485 employees can accumulate unused sick leave which could be taken as cash on termination	- Annual operating budget contribution	- Sick leave paid out upon termination/retirement for eligible employees	\$ 3,005,640	\$ 5,035,000	\$5,035,038 - Total accumulated sick leave calculated as at December 31, 2015
Fire Equipment Replacement	Replacement of major equipment	- Annual operating budget contribution - Gain on disposition of major fire fighting equipment - Proceeds on disposition of major fire fighting equipment	- Purchase of major fire fighting equipment	\$ 833,191	\$ 1,093,000	- Maximum balance of 10% estimated replacement cost of major fire fighting equipment
Motor Vehicle Replacement	Replacement of major equipment	- Annual operating budget contribution - Gain on disposition of motor vehicle equipment - Proceeds on disposition of motor vehicle equipment	- Purchase of motor vehicle equipment	\$ 7,072,202	\$ 9,946,500	- Maximum balance of 50% of total estimated replacement cost of motor vehicle equipment owned by the City Estimated replacement cost as at December 31, 2016: \$19,892,986 x 50% = \$9,946,493
Encumbrances	Fund unliquidated encumbrances or commitments	- Annual operating budget contribution - Annual water and wastewater budget contribution	- Obligations that were included as part of the operating or water and wastewater budget for which payment is outstanding at year end.	\$ 19,540,710	N/A	Fluctuates as Balance is dependent on obligations for which payment is outstanding at year end

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
Building Improvement	Provide for commitments to building improvement projects	- Annual operating budget contribution - Grants/rebates on building improvement expenditures	- Building improvement projects	\$ 1,609,722	\$ 49,839,600	- Maximum balance of 10% of total estimated replacement cost of buildings owned by the City Estimated replacement cost as at December 31, 2016: \$498,395,520 x 10% = \$49,839,552
Cemetery	Net cemetery activity to be used for capital items	- Transfer of annual net cemetery revenues - Surcharges on cemetery transactions	- Capital items used in cemetery operations	\$ 29,842	\$ 345,000	- Maximum balance of 25% of annual Cemetery revenues 2015 budgeted Cemetery revenues: \$1,378,500 x 25% = \$344,625
Brownfield Reserve	Brownfield development	- Contribution from Province of Ontario - Cost recovery - billing of City partners	- Expenditures related to Brownfield development (professional fees, capital expenditures, etc).	\$ -	- N/A - One-time legacy fund to be drawn down over time	- N/A - One-time legacy fund to be drawn down over time
Community Improvement Plan Reserve	To fund the City Community Improvement Plan	-Annual operating budget contribution	-Council Approved CIP projects	\$ 4,572,593		
Hydro Funds	One time hydro funding source	-One time special dividend received from Hydro	-Operating Budget support	\$ 200,000	- N/A - One-time funding	- N/A - One-time funding and to be fully utilized in 2017
Infrastructure Levy Reserve	Infrastructure Levy to support capital projects to address infrastructure gap	-1% annual tax levy	-as per Infrastructure levy policy	\$ 890,000	-No upper funding level as infrastructure gap is significant	-No upper funding level as infrastructure gap is significant
Winter Control	Fund potential shortfalls in the winter control budget due to higher than anticipated incidents of inclement weather	- Transfer of annual winter control surplus (if any)	- Transfer to cover annual winter control deficit (if any)	\$ 150,000	\$ 2,277,360	- Maximum balance equating to 100% of the previous five year rolling average of Winter Control Program expenditures - Rolling average for 2012 to 2016 \$2,277,360 '- Target Balance should be updated annually to the current rolling average of program expenditures

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
Tax Rate Stabilization Reserve	Minimize the fluctuation of tax rate increases due to extraordinary or unforeseen events. Provides an alternative to raising total tax levies	- Annual operating budget contribution - Transfer of annual operating budget surplus	- Annual operating budget contribution - Unforeseen expenditures that may occur - Unbudgeted/new expenditures	\$ 450,000	\$ 9,810,900	- Maximum balance of 5% to 10% of annual total tax levies. 2017 budgeted tax levies: \$98,109,000 x 10% (maximum) = 9,810,900
FirstOntario Performing Arts Centre - Capital Sustainability Reserve	To offset the capital needs of the PAC for the next 25 years to ensure that the building remains in good status with modern equipment without tax base support or debt financing	- \$2 surcharge added to each ticket sold at the PAC	- Capital items used in PAC operations (replacement of existing capital and/or upgrades) - Unforeseen or unbudgeted/new expenditures	\$ 129,795	\$ 6,075,000	- Maximum balance of 10% of total estimated replacement cost of PAC the Project Budget for the PAC: \$60,757,101 x 10% = \$6,075,710
Election Reserve	To fund the cost of the municipal election	- Annual operating budget contribution equal to 25% of anticipated election costs	- election expenses in election year	\$ 400,000	\$500,000	-Target Balance represents the cost of the municipal election which occurs every four years.
Litigation/Insurance Reserve	To fund "unknown matters" and to provide additional amounts to pay legal expenses and damages below City's deductible.	-Unspent funds in the City's Legal and Court Cost; and Self-Insurance expenditures -allocations from year end surplus	-unknown litigation matters and legal cost and damages below City's insurance premium deductible	\$ 200,000	\$400,000	-Target balance represents approximately 50% of the annual self-insurance; and legal & court cost expenditures.
Meridian Centre Capital Reserve	To fund capital replacements and upgrades	- Surplus funds from annual operating budgets	-capital expenses based on capital plan approved as part of the City's annual capital upgrade program	\$ 59,588	\$ 5,264,000	- Maximum balance of 10% of net facility assets. Net facility assets as at December 31, 2015: \$51,140,000 x 10% = \$5,114,000
Meridian Centre Event Fund Reserve	To support events that have significant benefit to the community and create additional revenue generating potential	- Surplus funds from annual operating budgets -Portion of additional revenues generated from events that this fund was used to support	-capital or other expenses related to the attraction of events to the facility, subject to approve of the Governance Committee	\$ 50,000	\$ 5,264,000	-\$150,000 for event fund portion.
TOTAL				\$ 39,193,283		

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
DISCRETIONARY RESERVE FUNDS						
Future Mausoleum	Fund debt repayment and future mausoleum construction	<ul style="list-style-type: none"> - Surcharges on cemetery transactions - mausoleum plot sales include a surcharge used to fund future mausoleum construction - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Expenditures related to new mausoleum construction 	\$ 101,457	\$ 1,500,000	- Projected cost of future mausoleum construction incorporating construction price index
Antifest	Legacy fund from Senior Games for programmes promoting healthy lifestyles for Seniors 55+	<ul style="list-style-type: none"> - Transfer of surplus from 2004 Ontario Senior Games - Grants - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Expenditures related to the promotion of healthy lifestyles for citizens aged 55+ years 	\$ 5,658	- N/A - One-time legacy fund to be drawn down over time	- N/A - One-time legacy fund to be drawn down over time
Civic Project Fund	Fund community projects, external cultural and community improvement initiatives. Used to fund significant new facility construction and/or purchases	<ul style="list-style-type: none"> - Proceeds from St. Catharines Hydro Inc. / Hamilton Hydro Inc. merger in 2005 - Interest income - internal loan re: construction of Seymour Hannah - Interest on reserve fund balance - Sale of land 	<ul style="list-style-type: none"> - Community grants - Interest paid to support Operating Fund - Cultural Investment Program - Physician Recruitment - Heritage Grant Program - Habitat for Humanity - Contributions towards major capital projects 	\$ 11,383,636	\$ 68,591,000	<ul style="list-style-type: none"> - Maximum balance of 10% of net City assets. <p>Net City assets as at December 31, 2014: \$685,910,000 x 10% = \$68,591,000</p>
Parking Operations	Net revenue from parking operations	<ul style="list-style-type: none"> - Transfer of annual net parking operations revenue - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Parking lot acquisition, construction and improvements - Purchase of parking control equipment 	\$ 1,741,232	\$ 8,000,000	<ul style="list-style-type: none"> - Maximum balance of 10% of total estimated replacement cost of parking infrastructure owned by the City <p>Estimated replacement cost at December 31, 2015: \$80,000,000 x 10% = \$8,000,000</p>

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
OBLIGATORY RESERVE FUNDS						
Future Sidewalks	When sidewalk requirements are waived by Council the funds are placed in a reserve for a period of 20 years	- Transfer of sidewalk deposits - Interest on reserve fund balance	- Sidewalk construction and improvements	\$ 1,001,035	- N/A - Contributions dependent upon development activity therefore upper limit not applicable	- N/A - Annual contributions dependent upon development activity - Funds should be utilized in a timely manner upon receipt rather than remaining in reserve indefinitely
Payment in Lieu of Parkland	5% cash-in-lieu of parkland dedication - Sec 542(15) <i>Planning Act</i>	- Cash payments made by the developer to the municipality in lieu of conveyance of land - Interest on reserve fund balance	- Parkland construction and improvements	\$ 1,090,441	- N/A - Contributions dependent upon development activity therefore upper limit not applicable	- N/A - Annual contributions dependent upon development activity - Funds should be utilized in a timely manner in accordance with the <i>Planning Act</i> upon receipt rather than remaining in reserve indefinitely
Building Code	Net building permit fees - Provincial legislation	- Transfer of annual net building permit income (if any) - Interest on reserve fund balance	- Transfer to cover annual net building permit deficit (if any)	\$ 265,454	\$ 1,560,000	- Maximum balance of one year's worth of building permit department's expenditures. Balance represents 2016 budgeted expenditures for Building & Plumbing department - Sufficient to cover future potential net building permit deficits
Subdivider Deposits	Fund expenditures for the specific subdivision	- Payments from developers held by the municipality as a deposit	- Refund of deposit back to developer upon successful completion of project - Amount taken from deposit and moved into revenue if developer unable to complete work and City is required to complete works	\$ 872,024	- N/A - Contributions dependent upon development activity therefore upper limit not applicable	- N/A - Annual contributions dependent upon development activity - Funds should be utilized in timely manner upon receipt rather than remaining in reserve indefinitely

City of St. Catharines - Reserves and Reserve Funds

Reserve Name	Purpose	Revenues	Expenditures	Balance as at December 31, 2016	Targeted Balance	Basis for Targeted Balance
Residential Development Charges	Fund growth-related net capital costs for which the Development Charge was imposed - Sec 16(1) <i>Development Charge Act</i>	<ul style="list-style-type: none"> - Payments from developers collected to fund growth related capital expenditure - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Eligible project costs for capital projects defined and listed in the approved Development Charge Background Study and By-Law 	\$ 3,514,509	\$ 3,514,509	<ul style="list-style-type: none"> - Development Charges set in accordance with the approved Development Charge Background Study and By-Law - Balance collected sufficient to fund growth related expenditures as per Development Charge Background Study and By-Law
Gas Tax Reserve - Provincial	Public transportation	<ul style="list-style-type: none"> - Payments from Provincial Government to fund public transportation - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Transfers to St. Catharines Transit for upgrades to public transportation infrastructure 	\$ 897,463	- N/A - funding levels set by Ministry of Transportation	- N/A - funding levels set by Ministry of Transportation
Gas Tax Reserve - Federal	Infrastructure projects - roads sewers, watermains	<ul style="list-style-type: none"> - Payments through Association of Municipalities of Ontario on behalf of the Federal Government - Interest on reserve fund balance 	<ul style="list-style-type: none"> - Eligible project costs for infrastructure supporting cleaner air, cleaner water or reduced greenhouse gas emissions in accordance with Federal Gas Tax Agreements 	\$ 8,723,152	- N/A - funding levels set by Infrastructure Canada (Federal Government)	- N/A - funding levels set by Infrastructure Canada (Federal Government)