



**Special Council Meeting  
Wednesday, January 29, 2020 – 5:00 p.m.  
The Kingston Frontenac Rotary Auditorium,  
County Administrative Building  
2069 Battersea Road, Glenburnie, ON**

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## **AGENDA**

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### **Call to Order**

### **Disclosure of Pecuniary Interest and General Nature Thereof**

#### **Eastern Ontario Regional Network Cell Gap Coverage Project**

- a) **Ms. Lisa Serverson**, EORN Communications/Stakeholder Relations Officer will provide all Member Councils with an overview of the Cell Gap Coverage project, including working assumptions, process and timing.

#### **Regional Roads**

- a) **Consultant Presentation:** Ms. Anne Lindsay and Mr. Bruce Peever of KPMG, will present the Frontenac Regional Roads Network Final Report

- b) **2020-009  
Office of the Chief Administrative Officer  
Regional Roads Network – Report from KPMG**

#### **Recommendation:**

**Be It Resolved** that the Office of the Chief Administrative Officer – Regional Roads Network – Report from KPMG report be received;

**And Further That** the report of KPMG be received;

**And Further That** County Council direct staff to engage KPMG Canada to complete a second phase of the Regional Roads Network project at an upset cost of \$26,000;

**And Further That** this be expensed from the Municipal Modernization Fund and/or the Stabilization Reserve.

### **Public Question Period**

3 - 9

**By-Laws – General By-laws and Confirmatory By-law**

- a) First and Second Reading

**Resolved That** leave be given the mover to introduce by-law a) that has been circulated to all Members of County Council and that by-law a) be read a first and second time.

- b) Third Reading

**Resolved That** by-law a) be read a third time, signed, sealed and finally passed.

**By-Laws**

To Confirm All Actions and Proceeding of County Council at its special meeting on January 29, 2020  
[Proposed By-law No. 2020-0007]

**Adjournment**



**Be It Resolved That** the Office of the CAO Report 2019-105, Regional Roads – Option Analysis and Business Plan be received;

**And Further That** County Council direct staff to:

1. Engage KPMG Canada to complete an option analysis and business plan for consideration by County Council as part of the 2020 County Budget.

**Carried As Amended**

KPMG will be presenting their report at the Special Meeting of County Council. The purpose of this report is to provide Council with a recommendation from the Chief Administrative Officers regarding next steps.

**Comment**

A range of six options for consideration were developed by the CAOs and presented at a joint Council meeting on April 17, 2019. Subsequently, the four Townships and County Council were asked to review the options and provide their input. The options are attached **Appendix ‘A’**.

The table below summarizes the responses:

<b>Township</b>	<b>Option #3</b> (Contracted Engineering)	<b>Option #5</b> (Regional Approach – Similar to Lennox & Addington)
North Frontenac	Yes	Yes
Central Frontenac	Yes	Yes
South Frontenac	Yes	No
Frontenac Islands	Yes	Yes
County	Yes	Yes

As per County Council’s recommendation, KPMG was commissioned to review Options 3 and 5 from the list of options presented at the April 17<sup>th</sup> meeting.

The Chief Administrative Officers, Treasurers and Public Works Managers held four meetings with KPMG:

- October 11, 2019 – Meeting to review the project charter and proposed scope of work
- October 21, 2019 – Individual meetings with each municipal staff team to review options, issues, local circumstances and concerns
- December 16, 2019 – Meeting to review first draft of the report
- January 13, 2020 – Meeting to review final report

At our January 13<sup>th</sup> meeting it was the consensus of the Chief Administrative Officers that KPMG be retained to conduct further research and consultation with respect to refining the recommendation and examining the potential of implementing a variation of Option #5 – being the regional in-house approach.

While there is general support and optimism for an in-house approach to regional roads management, the Chief Administrative Officers feel that variations to the County-led governance structure and/or operating model identified in Option 5 should be considered before a more detailed business case is developed.

Further, the KPMG report acknowledges a possible reduction of provincial grant funding in the near term; however, based on announcements at the recent Rural Ontario Municipal Association conference (ROMA) and a desire to be prepared should funding cuts not materialize, the Chief Administrative Officers feel the Townships should remain open to the 1% ownership transfer to the County or other means of improving access to those grants.

The work plan proposed for this work is as follows:

**Phase One: Start-Up**

- Meet with the CAOs, Treasurers and Public Works managers to:
  - Review results of local Council discussions resulting from the Joint Council meeting
  - Explore options for governance and operations model for the RRN
  - Develop a consensus on the preferred option

**Phase Two:**

- Research and further interviews if necessary

**Phase Three: Pro Forma and Work Plan**

- Develop a 5 year Pro Forma budget for the RRN including potential sources of funding and phasing

**Phase Four: Presentation of the Final Report**

- Joint Meeting of Council (TBD)

**Strategic Priority Implications**

**Priority 2: Explore new funding sources and invest wisely in critical long-term infrastructure.**

- 2.1** To meet the needs of future capital projects, explore new sources of funding support (current and future programs), cost-sharing options and other potential economies.
- 2.5** Explore a collaborative upper-tier role for the County in securing potential funding and support for township maintenance of roads & bridges in a regional road system.

**Priority 3: Champion and coordinate collaborative efforts with partners to resolve complex problems otherwise beyond the reach of individual mandates and jurisdictions.**

- 3.1** Work with the townships, other municipalities and levels of government on broad infrastructure issues — ranging from environmental concerns to regional transportation strategies for residential, social and economic purposes, and access to funding.
- 3.3** Continue to pursue collaborative opportunities to achieve service and cost efficiencies and other economies through cost-sharing and shared services.

**Financial Implications**

The estimated cost for this phase is \$26,000. The original project budget was \$40,000.

**Organizations, Departments and Individuals Consulted and/or Affected**

Member Municipalities – Treasurers, Public Works Managers  
County of Lennox & Addington

<b>Issue</b>	<b>Option One Status Quo</b> (Similar to Hastings County)	<b>Option Two Regional Approach – Limited County Involvement</b> (No Known Precedent)	<b>Option Three Regional Approach – Contracted Engineering – Limited County Involvement</b> (No Known Precedent)	<b>Option Four Regional Approach – County Augments Resources at Selected Municipality</b> (No Known Precedent)	<b>Option Five Regional Approach – County Resources</b> (Similar to Lennox & Addington County)	<b>Option Six – Regional Approach – Full County Model</b> (Similar to UCLG and Lanark County)
<b>Description</b>	All roads are local responsibility. No regional road collaboration.	County assumes 1% ownership in regional roads and bridges, but provides no support to the project. All grant applications are developed, submitted, managed and reported by the benefitting municipality. Only County role is “signing off” on grant applications.	County assumes 1% ownership in regional roads and bridges, but provides no support to the project and engages an independent engineering firm to lead the program.	County assumes 1% ownership in regional roads and bridges, but provides no support to the project but would contract with one of the four member municipalities to provide oversight, management of a regional system.	County assumes 1% ownership in regional roads and bridges. Similar to Lennox & Addington County, the County employs a limited engineering staff complement to administer the program, maintain roads needs study and provide project management/support.	County assumes 100% ownership in regional roads and bridges. Similar to Lanark and Leeds & Grenville, the County employs a full engineering staff complement, maintenance and operations staff to administer the program, maintain roads needs study, provide project management/support and provide day to day operations and maintenance of the regional roads.
<b>Operational Model</b>	No change. Roads remain local. Shared procurement where a business case warrants. No County involvement.	Existing municipal public works managers and treasurers assume a larger role.	A contracted engineering firm would be hired by the County to develop a work program that would include maintaining regional road priority schedules, recommending projects, working with township public works managers on project coordination. Working with township treasurers on accounting/reporting. County submits application on behalf of the Township.	County would pay a portion of the Manager of Public Works salary (say 50%), plus an additional FTE dedicated to the regional roads project.	All “on the ground” maintenance works would continue to be local and managed in the same manner as currently. Regional Engineer, plus project manager would be employed commencing in early-mid 2020. Adding a .5 FTE in 2021. (Approximately 50% of the L&A Model)	Based upon a review of comparators models, would require the employment of 25+ employees, plus related fleet and maintenance facilities.
<b>Deficiencies</b>	No ability to apply for regional grants.	There are no County staff or dollars available to support this approach. County may assume some liability for work performed by township employees.	There are no County staff or dollars available to support this approach. County may assume some liability for work performed by township employees. May be cost prohibitive. Consulting fees generally are billed at 2-2.5x the salary of the consultant.	Divided reporting/accounting relationships. May stretch existing municipal resources.	Funding model would need to be developed to address cost sharing and perhaps the cost related with the municipal share of the capital costs.	Highest cost option. Staffing, fleet and property acquisition would be time consuming and protracted.

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<b>County Impact</b>	No ability to apply for regional roads grants. No increase in grant funding can be anticipated.	Increased liability. Could be resolved through an indemnity agreement. County will incur legal and (perhaps) survey costs to assume 1% ownership in the regional road network. Grant dollars received in excess of current County gas tax allocation would be available for County use on regional projects such as trails and community improvement plans.	No County involvement other than submission of grant applications prepared by the Consultant. Increased liability. Could be resolved through an indemnity agreement. County will incur legal and (perhaps) survey costs to assume 1% ownership in the regional road network.	No County involvement other than submission of grant applications prepared by the contracted municipality. Increased liability. Could be resolved through an indemnity agreement. County will incur legal and (perhaps) survey costs to assume 1% ownership in the regional road network. Grant dollars received in excess of current County gas tax allocation would be available for County use on regional projects such as trails and community improvement plans.	Currently, no physical space allocated for new staff. Additional governance/oversight required by Council/CAO. Increased liability. County will incur legal and (perhaps) survey costs to assume 1% ownership in the regional road network. Grant dollars received in excess of current County gas tax allocation would be available for County use on regional projects such as trails and community improvement plans.	This option would require a considerable phase in period, likely involving negotiations regarding staffing/staff sharing, property and fleet acquisition.
<b>Member Municipality Impact</b>	No change	Now eligible to receive regional grants. Increased work load for public works and treasury staff.	Now eligible to receive regional grants. Increased work load for public works and treasury staff. Township may need to engage additional resources to support this model.	Now eligible to receive regional grants. Increased work load for public works and treasury staff. County to pay for increased staffing required to support the model.	Now eligible to receive regional grants. Regional projects administered solely or jointly with member municipality. Current resources will be freed up.	Now eligible to receive regional grants. Regional projects administered by the County.

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<b>Governance</b>	No change. All roads decisions continue to be made locally.	The four public works managers and treasurers prepare an annual report for review by the five chief administrative officers in June of each year for presentation to County Council for consideration in September. The report would highlight works completed in the prior year and recommendations for the following year. County Council approves the final report. Member municipalities would provide input into the plan through their public works manager and CAO as appropriate.	The Consultant working with the four public works managers and treasurers prepare an annual report for review by the five chief administrative officers in June of each year for presentation to County Council for consideration in September. The report would highlight works completed in the prior year and recommendations for the following year. County Council approves the final report. Member municipalities would provide input into the plan through their public works manager and CAO as appropriate.	The contracted municipality working with the three public works managers and treasurers prepare an annual report for review by the five chief administrative officers in June of each year for presentation to County Council for consideration in September. The report would highlight works completed in the prior year and recommendations for the following year. County Council approves the final report. Member municipalities would provide input into the plan through their public works manager and CAO as appropriate.	The Regional Engineer working with the four public works managers and five treasurers prepare an annual report for review by the five chief administrative officers in June of each year for presentation to County Council for consideration in September. The report would highlight works completed in the prior year and recommendations for the following year. County Council approves the final report. Member municipalities would provide input into the plan through their public works manager and CAO as appropriate. Consulting engineering will need to be evaluated on a project by project basis, but would be included in the overall project cost.	Regional plans centrally developed, with input from member municipalities. Final approval rest with County.
<b>Recommendation</b>	<b>Not Recommended</b>	<b>Not Recommended</b>	<b>Recommended for Further Consideration</b>	<b>Not Recommended</b>	<b>Recommended for Further Consideration</b>	<b>Not Recommended</b>