

Additions & Corrections to the Agenda

Additional items to this Agenda are shown under the Addendum header.

Declarations of Pecuniary Interest

Presentations & Recognitions

1. Mr. Paul Ferguson, President, Newmarket Hydro Holdings Inc. to present a PowerPoint presentation regarding the Newmarket Hydro Holdings Inc. Annual General Meeting. p. 1
2. Mr. Andrew Walasek, Manager, Municipal Engagement, Government Affairs, Canada Post Corporation to address the Committee regarding changes to postal service and public engagement measures.

Deputations

3. Mr. John Blommestein to address the Committee regarding Integrity Commissioner's Report. p. 45

Consent Items (Items # 4 to 18)

4. Correspondence from Ms. Beverly Verwey, Branch Council Chair, Region of York Branch of the Canadian Red Cross dated January 9, 2015 requesting proclamation of the month of March, 2015 as "Red Cross Month" in the Town of Newmarket. p. 47

Recommendation:

a) THAT the correspondence dated January 9, 2015 from Beverly Verwey, Branch Council Chair, Region of York Branch of the Canadian Red Cross be received and the following recommendations be adopted:

i) THAT the Town of Newmarket proclaim the month of March, 2015 as "Red Cross Month";

ii) AND THAT the proclamation be advertised in the Town Page advertisement and on the Town's website www.newmarket.ca

5. Correspondence from Mr. David Harper, Volunteer Manager, Epilepsy York Region dated February 10, 2015 requesting proclamation of the month of March, 2015 as "Epilepsy Awareness Month" and March 26, 2015 as "Purple Day" in the Town of Newmarket. p. 49

Recommendation:

a) THAT the correspondence dated February 10, 2015 from Mr. David Harper, Volunteer Manager, Epilepsy York Region be received and the following recommendations be adopted:

i) THAT the Town of Newmarket proclaim the month of March, 2015 as "Epilepsy Awareness Month" and March 26, 2015 as "Purple Day";

ii) AND THAT the proclamation be advertised in the Town Page advertisement and on the Town's website www.newmarket.ca

6. Correspondence from Ms. Tracey Nesbitt, Manager, OASW Central Ontario Branch dated January 28, 2015 requesting proclamation of the week of March 2-8, 2015 as "Social Work Week" in the Town of Newmarket. p. 51

Recommendation:

a) THAT the correspondence dated January 28, 2015 from Ms. Tracey Nesbitt, Manager, OASW Central Ontario Branch be received and the following recommendations be adopted:

i) THAT the Town of Newmarket proclaim the week of March 2-8, 2015 as "Social Work Week";

ii) AND THAT the proclamation be advertised in the Town Page advertisement and on the Town's website www.newmarket.ca

7. Correspondence from Mr. Peter Stojanov, Director, Canadian Institute of Plumbing and Heating, Ontario Region dated February 10, 2015 requesting proclamation of March 11, 2015 as "World Plumbing Day" in the Town of Newmarket. p. 52

Recommendation:

a) THAT the correspondence dated February 10, 2015 from Mr. Peter Stojanov, requesting proclamation of March 11, 2015 as "World Plumbing Day" be received and the following recommendations be adopted:

i) THAT the Town of Newmarket proclaim March 11, 2015 as "World Plumbing Day";

ii) AND THAT the proclamation be advertised in the Town Page advertisement and on the Town's website www.newmarket.ca

8. Central York Fire Services - Joint Council Committee Minutes of September 2, 2014 and January 6, 2015. p. 53

The Central York Fire Services - Joint Council Committee recommends:

a) THAT the Central York Fire Services - Joint Council Committee Minutes of September 2, 2014 and January 6, 2015 be received.

9. Item 3 of the Central York Fire Services - Joint Council Committee Minutes of September 2, 2014 - Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter. p. 60

The Central York Fire Services - Joint Council Committee recommends to Council:

a) THAT the Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter be received for information purposes;

b) AND THAT the Town of Newmarket be requested to transfer the balance in its Fire Training Reserve to Central York Fire Services' Asset Replacement Fund.

10. Central York Fire Services - Joint Council Committee (Closed Session) Minutes of January 6, 2015.

The Central York Fire Services - Joint Council Committee recommends:

a) THAT the Central York Fire Services - Joint Council Committee (Closed Session) Minutes of January 6, 2015 be received.

11. Newmarket Public Library Board Minutes of December 17, 2014. p. 61

The Newmarket Public Library Board recommends:

a) THAT the Newmarket Public Library Board Minutes of December 17, 2014 be received.

12. Development and Infrastructure Services Report - Public Works Services 2015-16 dated February 9, 2015 regarding Sidewalk Snow Clearing Operations. p. 66

The Commissioner of Development and Infrastructure Services and Director of Public Works Services recommend:

a) THAT Development and Infrastructure Services Report - Public Works Services 2015-16 dated February 9, 2015 regarding Sidewalk Snow Clearing for All Sidewalks be received and the following recommendation be adopted:

i) THAT Council consider the proposed enhancement of winter sidewalk maintenance service levels to include all municipally owned sidewalks with priority to be given to schools, Main Street, Regional roads and primary transit locations as part of the 2015 draft budget deliberations.

13. Joint Development and Infrastructure Services, Public Works Services and Corporate Services - Financial Services Report 2015-17 dated February 10, 2015 regarding Advanced Metering Infrastructure Proposed Fixed Network System. p. 73

The Commissioner of Development and Infrastructure Services, the Commissioner of Corporate Services, the Director of Public Works Services and the Director of Financial Services recommend:

a) THAT Joint Development and Infrastructure Services Report - Public Works Services and Corporate Services - Financial Services Report 2015-17 dated February 10, 2015 regarding Advanced Metering Infrastructure be received and the following recommendations be adopted:

i) THAT Council consider the benefits of Advanced Metering Infrastructure as outlined in conjunction with the draft 2015 capital budget submission;

ii) AND THAT Council give consideration to initiating a Meter Replacement Program in the 2015 budget through a Request for Proposal process.

14. Development and Infrastructure Services Report - Public Works Services 2015-12 dated January 29, 2015 regarding Northern Six Waste Collection Contract, 2017-2027 - Tender Preparation Update. p. 76

The Commissioner of Development and Infrastructure Services and the Director of Public Works Services recommend:

a) THAT Development and Infrastructure Services Report - Public Works Services 2015-12 dated January 29, 2015 regarding Northern Six Waste Collection Contract 2017-2027 – Tender Preparation Update be received and the following recommendations be adopted:

i) THAT staff be directed to work collaboratively with the Northern Six municipalities on the preparation of the procurement documents and tender for a Northern Six Waste Collection Contract;

ii) AND THAT Council directs staff to prepare an updated Memorandum of Understanding between the Northern Six Municipalities to provide governance and direction during the next Contract period;

iii) AND THAT Council directs staff to prepare the Tender for a Contract period of eight (8) to ten (10) years commencing from the expiry or termination of the existing contract;

iv) AND THAT Council continues to endorse the principles of the Region of York 2012 Integrated Waste Management Master Plan (SM4RT Living Plan) including waste reduction and the provision of a three stream waste diversion program with Blue Box Material recycling and Source Separated Organics recycling;

v) AND THAT Staff reports back with opportunities to harmonize all Waste Collection By-laws in the Northern Six municipalities with the aim to improve efficiencies in the Contract Administration and customer service;

vi) AND THAT Staff reports back to Council for direction with respect to opportunities for improvements in the service level(s) provided, range of services provided, opportunities for further waste diversion, and cost efficiencies.

15. Correspondence dated February 4, 2015 from Ms. Suzanne Craig in relation to a Council Code of Conduct complaint received by the Chief Administrative Officer on December 1, 2014. p. 82

Recommendation:

THAT the correspondence dated February 4, 2015 from Ms. Suzanne Craig in relation to a Council Code of Conduct complaint received by the Chief Administrative Officer on December 1, 2014 be received.

16. Chief Administrative Officer Report 2015-02 dated February 11, 2015 regarding Council Code of Conduct Update. p. 87

The Chief Administrative Officer recommends:

a) THAT Chief Administrative Officer Report 2015-02 dated February 11, 2015 regarding Council Code of Conduct Update be received and the following recommendations be approved:

i) THAT staff be directed to investigate best practices on policy issues such as Councillor supported community events/not for profit organizations and clarification of official e-mail address use;

ii) AND THAT findings be brought back as part of the draft Council Code of Conduct;

iii) AND THAT future Code complaints related to matters currently under review be held in abeyance until the review has been completed and reported on to Council;

iv) AND THAT future Code complaints follow the Interim Code Complaint Process as outlined in this report until a new Council Code of Conduct has been adopted.

17. List of Outstanding Matters. p. 100

Recommendation:

a) THAT the list of Outstanding Matters be received.

Action Items

Correspondence & Petitions

Reports by Regional Representatives

Notices of Motion

Motions

Closed Session (if required)

New Business

Public Hearing Matters

Addendum (Additions and Corrections)

18. Development and Infrastructure Services Report - Public Works Services 2015-18 dated February 17, 2015 regarding Snow Storage at Ray Twinney Complex. p. 105

The Commissioner of Development and Infrastructure Services and the Director of Public Works Services recommend:

a) THAT Development and Infrastructure Services Report - Public Works Services 2015-18 dated February 17, 2015 regarding Snow Storage at Ray Twinney Complex be received and the following recommendations be adopted:

i) THAT staff continue to try to secure temporary or permanent snow disposal site(s) for the remainder of the 2014/2015 winter and onwards, and work with partners such as York Region to establish alternates for the existing Ray Twinney Complex site;

ii) AND THAT staff limit the amount of snow storage at the Ray Twinney Complex parking lot site by limiting the operations to 4:00 p.m. whenever possible and depending on weather, 11:00 p.m. in rare and more extreme circumstances;

iii) AND THAT staff and contractors utilize the Eagle Street entrance as the primary route into and out of the complex, to minimize the use of the other entrances where possible;

iv) AND THAT staff, provide full security fencing and signage around snow holding area and provide daily checks for any breaches or concerns;

v) AND THAT staff establish regular garbage/debris pickups during melting periods;

vi) AND THAT staff communicate with drivers and contractors to minimize noise where possible.

Adjournment



590 Steven Court, Newmarket, Ontario L3Y 6Z2

Tel: [905] 895-2309

Fax: [905] 895-8931

Email: nmhydro@nmhydro.ca

Newmarket Hydro Holdings Inc.

January 12, 2015

Newmarket Hydro Holdings Inc. Report of the President

TO: Town of Newmarket Committee of the Whole

SUBJECT: Newmarket Hydro Holdings Inc. 2013 Annual General Meeting

ORIGIN: President, Newmarket Hydro Holdings Inc.

RECOMMENDATIONS:

THAT the Newmarket Hydro Holdings Inc. Report of the President dated January 12, 2015 regarding the financial statements of Newmarket Hydro Holdings Inc. (the "Corporation"), the written resolutions of Newmarket – Tay Power Distribution Ltd. ("NT Power") and appointment of the sole director and auditors be received and the following recommendations be adopted:

WHEREAS the Corporation of the Town of Newmarket (the "Sole Shareholder") is the sole shareholder of the Corporation;

AND WHEREAS the Sole Shareholder by a Shareholder Declaration dated November 1, 2000 appointed the Mayor as its legal representative for the purpose of communicating any shareholder consent or approval required by either the terms of the Shareholder Declaration or the *Business Corporations Act* (Ontario) (the "*OBCA*");

AND WHEREAS the Corporation owns a majority of the common shares of NT Power;

AND WHEREAS pursuant to s.102(2) of the *OBCA* where a body corporate is the shareholder of a corporation the corporation shall recognize any individual properly authorized by the body corporate to represent it at meetings of shareholders of the corporation;

AND WHEREAS pursuant to s.104 of the *OBCA* a written resolution dealing with all the matters required to be dealt with at a shareholders meeting and signed by the shareholders entitled to vote at that meeting satisfies all requirements of the *OBCA* relating to that meeting of shareholders;

Newmarket Hydro Holdings Inc. 2013 Annual General Meeting

NOW THEREFORE BE IT RESOLVED by the Municipal Council of the Corporation of the Town of Newmarket as follows:

1. THAT the Mayor, as the Sole Shareholder's legal representative, is directed to sign the following Corporation Shareholder resolutions:

- a. THAT the Corporation's financial statements for the financial year ended December 31, 2013 together with the report of the Corporation's auditors, Collins Barrow, thereon dated June 26, 2014 be approved and adopted.
- b. THAT Collins Barrow, Chartered Accountants, be appointed auditors of the Corporation to hold office until the next annual meeting of shareholders at such remuneration as may be fixed by the sole director and the sole director is authorized to fix such remuneration.
- c. THAT R.N. Shelton be appointed as the sole director of the Corporation to hold office until the next annual meeting of shareholders or until his successor is elected or appointed.
- d. THAT R.N. Shelton, so long as he is the sole director of the Corporation, shall represent the Corporation at meetings of shareholders of NT Power;
- e. AND THAT all acts, contracts, bylaws, proceedings, appointments elections and payments, enacted, made, done and taken by the sole director and sole officer of the Corporation to December 31, 2013, as the same are set out or referred to in the resolutions of the sole director, or in the financial statements of the corporation, are approved, sanctioned and confirmed.

2. AND THAT the Mayor, as the Sole Shareholder's legal representative, direct R.N. Shelton, the sole director and legal representative of the Corporation, to sign the following NT Power shareholder resolutions in lieu of an annual meeting:

- a. THAT the financial statements of NT Power for the financial year ended December 31, 2013 together with the report of NT Power's auditors, Collins Barrow, thereon dated April 23, 2014 be approved and adopted.
- b. THAT Collins Barrow, Chartered Accountants, be appointed auditors of NT Power to hold office until the next annual meeting of shareholders at such remuneration as may be fixed by the directors and the directors are authorized to fix such remuneration.

Newmarket Hydro Holdings Inc. 2013 Annual General Meeting

c. THAT T. Van Bynen, S. Warnock, P. Daniels, R. Betts, A. Ott, C. Prattas and P. Ferguson are elected directors of NT Power to hold office until the next annual meeting of shareholders or until their successors are elected or appointed.

d. AND THAT all acts, contracts, bylaws, proceedings, appointments elections and payments, enacted, made, done and taken by the directors and officers of NT Power to December 31, 2013, as the same are set out or referred to in the resolutions of the board of directors, the minutes of the meetings of the board of directors or in the financial statements of NT Power, are approved, sanctioned and confirmed.

Financial Statements of the Corporation

The audited financial statements for the Corporation and NT Power are attached. The president will provide a verbal overview of the highlights and answer any questions regarding them.

Appointment of Auditors

The Board of Directors of NT Power recommends the re-appointment of Collins Barrow for the period January 1 to December 31, 2014 for both the corporation and NT Power.

Election of Directors for the Corporation

Upon the merger of Newmarket Hydro Ltd. and Tay Hydro Electric Distribution Company Inc. on May 1, 2007, Mr. R.N. Shelton was appointed as the sole director of the corporation. There has been no change requested by the Shareholder to this appointment.

Election of Directors – NT Power

The existing directors of NT Power are:

T. Van Bynen, Mayor of the Town of Newmarket
S. Warnock, Mayor of the Township of Tay
R. Betts, Independent Director
Dr. U. Phillip Daniels, Independent Director
C. Prattas, Independent Director
Andy Ott, Independent Director
P.D. Ferguson, President of NT Power

Newmarket Hydro Holdings Inc. 2013 Annual General Meeting

The appointments of The Mayor of Newmarket, the Mayor of Tay and the President are de facto. The independent directors Betts, Daniels, Prattas and Ott are eligible for re-appointment and are recommend by the Board of Directors.

[Original signed by]

P.D. Ferguson P.Eng.
President,
Newmarket Hydro Holdings Inc.

February __, 2015

Moved by: _____

Seconded by: _____

RESOLUTION R -

WHEREAS the Town of Newmarket established Newmarket Hydro Holdings Inc. (the "Corporation") as a holding company by Resolution R5-2000;

AND WHEREAS the Town of Newmarket is the sole shareholder of the Corporation;

THEREFORE BE IT RESOLVED by the Municipal Council of the Corporation of the Town of Newmarket as follows:

1. **THAT** the financial statements of the Corporation for the financial year ended December 31, 2013 together with the report of the Corporation's auditors, Collins Barrow, thereon dated June 26, 2014 are approved and adopted.
2. **THAT** Collins Barrow, Chartered Accountants, be appointed auditors of the Corporation to hold office until the next annual meeting of shareholders at such remuneration as may be fixed by the directors and the directors are authorized to fix such remuneration.
3. **THAT** R.N Shelton is the elected director of the Corporation to hold office until the next annual meeting of shareholders or until his successor is elected or appointed.
4. **AND THAT** all acts, contracts, bylaws, proceedings, appointments elections and payments, enacted, made, done and taken by the director and officers of the Corporation to December 31, 2013, as the same are set out or referred to in the resolutions of the director or in the financial statements of the Corporation, are approved, sanctioned and confirmed.

Tony Van Bynen, Mayor

**Resolutions of the Shareholders
of
Newmarket – Tay Power Distribution Ltd.**

Receipt of the financial statements of the Corporation for the financial year ended on December 31, 2013 together with the report of the auditors thereon, is hereby acknowledged by the undersigned.

1. RESOLVED THAT the financial statements of the Corporation for the financial year ended December 31, 2013 together with the report of the Corporation's auditors, Collins Barrow, thereon dated April 23, 2014 are approved and adopted.
2. RESOLVED THAT Collins Barrow, Chartered Accountants, be appointed auditors of the Corporation to hold office until the next annual meeting of shareholders at such remuneration as may be fixed by the directors and the directors are authorized to fix such remuneration.
3. RESOLVED THAT T. Van Bynen, S. Warnock, P. Daniels, R. Betts, A. Ott, C. Prattas and P. Ferguson are elected directors of the Corporation to hold office until the next annual meeting of shareholders or until their successors are elected or appointed.
4. AND FURTHER RESOLVED THAT all acts, contracts, bylaws, proceedings, appointments elections and payments, enacted, made, done and taken by the director and officers of the Corporation to December 31, 2013, as the same are set out or referred to in the resolutions of the board of directors, the minutes of the meetings of the board of directors or in the financial statements of the Corporation, are approved, sanctioned and confirmed.

* * * * *

Each of the foregoing resolutions is hereby consented to by all the shareholders of the Corporation pursuant to the *Business Corporations Act* (Ontario) as of the ____ day of _____, 2015

NEWMARKET HYDRO HOLDINGS INC.

Per:

TAY HYDRO INC.

Per:

R.N. Shelton
Sole Director

Robert Lamb
Sole Director

**CONSOLIDATED
FINANCIAL STATEMENTS OF**

NEWMARKET HYDRO HOLDINGS INC.

December 31, 2013

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	
FINANCIAL STATEMENTS	
Consolidated Balance Sheet	1
Consolidated Statement of Retained Earnings	2
Consolidated Statement of Income	3
Consolidated Statement of Cash Flows	4
Notes to the Consolidated Financial Statements	5 - 17

Collins Barrow Kawarthas LLP
272 Charlotte Street
Peterborough, Ontario
K9J 2V4

INDEPENDENT AUDITORS' REPORT

T. 705.742.3418
F. 705.742.9775

www.collinsbarrowkawarthas.com

To the Shareholders of
Newmarket Hydro Holdings Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Newmarket Hydro Holdings Inc., which comprise the consolidated balance sheet as at December 31, 2013, and the consolidated statements of retained earnings, income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian generally accepted accounting principles, and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Newmarket Hydro Holdings Inc. as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow Kawarthas LLP

Chartered Professional Accountants
Peterborough, Ontario
June 26, 2014

NEWMARKET HYDRO HOLDINGS INC.**CONSOLIDATED BALANCE SHEET**

As at December 31, 2013

	2013	2012
	\$	\$
ASSETS		
Current assets		
Cash	8,778,807	7,943,135
Short-term investments (note 3)	3,349,379	3,339,347
Accounts receivable	9,394,733	8,947,648
Inventory	808,950	947,105
Prepaid expenses	376,146	395,761
Income taxes receivable	571,239	915,112
Unbilled revenue	9,819,789	8,525,292
	33,099,043	31,013,400
Other assets		
Property, plant and equipment (note 4)	55,288,116	53,885,877
Future income taxes (note 5)	3,500,000	3,560,000
	58,788,116	57,445,877
	91,887,159	88,459,277
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	12,083,736	10,639,451
Note payable	87,412	87,412
Current portion of deposits held	425,000	325,000
	12,596,148	11,051,863
Long-term liabilities		
Long-term debt (note 7)	24,742,821	24,742,821
Deposits held	2,875,806	3,096,717
Employee future benefits (note 8)	1,107,432	1,059,572
Deferral accounts (note 9)	5,358,684	4,739,270
	34,084,743	33,638,380
Non-controlling interest (note 11)	2,990,276	2,896,574
Shareholders' equity		
Share capital (note 12)	29,609,342	29,609,342
Retained earnings	12,606,650	11,263,118
	42,215,992	40,872,460
	91,887,159	88,459,277

Approved on behalf of the Board

Director_____
Director*The accompanying notes are an integral part of these financial statements*

NEWMARKET HYDRO HOLDINGS INC.
CONSOLIDATED STATEMENT OF RETAINED EARNINGS
For the year ended December 31, 2013

	2013	2012
	\$	\$
Retained earnings - beginning of year	11,263,118	9,893,449
Net income for the year	3,318,166	2,821,669
Dividends (note 13)	(1,974,634)	(1,452,000)
Retained earnings - end of year	12,606,650	11,263,118

The accompanying notes are an integral part of these financial statements

NEWMARKET HYDRO HOLDINGS INC.**CONSOLIDATED STATEMENT OF INCOME**

For the year ended December 31, 2013

	2013	2012
	\$	\$
Revenue		
Service revenue	15,152,692	13,094,439
Cost of power revenue (note 2h)	66,052,608	58,954,390
Other operating revenue	1,026,176	1,111,386
	82,231,476	73,160,215
Cost of power purchased	66,052,608	58,954,390
Gross profit	16,178,868	14,205,825
Expenses		
Customer billing and collecting	1,903,757	1,925,847
Amortization	2,745,298	2,661,719
Interest on long-term debt	1,344,336	1,331,890
Administration	2,944,634	2,641,334
System operation and maintenance	2,595,424	2,239,264
	11,533,449	10,800,054
Income before undernoted items and income taxes	4,645,419	3,405,771
Other expenses (income)		
Loss (gain) on sale of property, plant and equipment	103,273	(179,701)
Investment income	(102,195)	(224,452)
Non-controlling interest (note 11)	93,702	81,179
	94,780	(322,974)
Income before income taxes	4,550,639	3,728,745
Provision for income taxes (note 5)		
Current	1,172,473	497,076
Future	60,000	410,000
	1,232,473	907,076
Net income for the year	3,318,166	2,821,669

The accompanying notes are an integral part of these financial statements

NEWMARKET HYDRO HOLDINGS INC.**CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended December 31, 2013

	2013	2012
	\$	\$
CASH PROVIDED FROM (USED FOR)		
Operating activities		
Net income for the year	3,318,166	2,821,669
Items not affecting cash		
Amortization	2,745,298	2,661,719
Future income taxes	60,000	410,000
Loss (gain) on sale of property, plant and equipment	103,273	(179,701)
Employee future benefits	47,860	185,231
Increase in non-controlling interest (note11)	93,702	81,180
	6,368,299	5,980,098
Change in non-cash working capital items (note 14)	73,403	(299,268)
	6,441,702	5,680,830
Investing activities		
Purchase of property, plant and equipment	(4,271,200)	(6,334,839)
Proceeds on disposal of property, plant and equipment	20,390	1,595,447
Increase in deferral accounts	619,414	3,072,743
	(3,631,396)	(1,666,649)
Financing activity		
Dividends	(1,974,634)	(1,452,000)
Increase in cash	835,672	2,562,181
Cash - beginning of year	7,943,135	5,380,954
Cash - end of year	8,778,807	7,943,135
Other information		
Interest paid	1,404,398	1,352,638
Income taxes paid	1,533,600	1,213,600

The accompanying notes are an integral part of these financial statements

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

1. NATURE OF OPERATIONS

Newmarket Hydro Holdings Inc. ("the Company") was incorporated April 10, 2000 under the Business Corporations Act of the Province of Ontario. The Company commenced operations on November 1, 2000. Newmarket Hydro Holdings Inc. is wholly-owned by the Town of Newmarket.

The principal activity of the Company is to distribute electricity to the residents and businesses in the Town of Newmarket and the Township of Tay under a licence issued by the Ontario Energy Board (OEB). The Company is regulated by the OEB and adjustments to its distribution rates require OEB approval.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

(a) Consolidation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The consolidated financial statements include the accounts of its subsidiary, Newmarket-Tay Power Distribution LTD. Tay Hydro Inc. has a 7% interest in Newmarket-Tay Power Distribution Ltd.

(b) Electricity regulation

The Company is subject to rate regulation by the Ontario Energy Board (OEB). The OEB is charged with the responsibility of approving rates for the transmission and distribution of electricity. The following regulatory policy is practiced in a rate regulated environment:

Deferral accounts

Deferral accounts consist of deferred qualifying transition costs and various rate and retail variance accounts. Deferral accounts include amounts recoverable and repayable. The amounts included in these accounts are deferred for accounting purposes because it is probable that they will be recovered (repaid) in future rates. Deferral accounts recognized at December 31, 2013 are disclosed in note 9. The Company continually assesses the likelihood of the recovery of recoverable assets. If recovery is no longer considered probable, the amounts are charged to operations in the year the assessment is made.

(c) Cash

Cash consists of balances with a major financial institution.

(d) Short-term investments

Investments are recorded at fair value. Unrealized gains and losses as a result of fair value adjustments at year end are included in investment income for the year.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(e) Inventory

Inventory is valued at the lower of cost and net realizable value with cost being determined on a weighted average basis.

(f) Property, plant and equipment

Property, plant and equipment are recorded at cost. The Company provides for amortization using the straight-line method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Buildings	25 to 30 years
Transmission and distribution	40 to 50 years
Office equipment	5 to 10 years
Leasehold improvements	7 years
Computer software	3 to 5 years
Operational equipment	10 to 15 years
Transportation equipment	5 to 10 years
Land rights	30 years

Contributions for capital construction consist of third party contributions toward the cost of constructing distribution assets. The third party contribution is calculated through an economic evaluation as per the OEB Distribution Service Code. Contributed capital amounts are recorded as received and amortized over the same period as the asset to which they relate being 30 to 50 years.

(g) Related parties

Related party transactions are in the normal course of operations and have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Details of related party transactions and balances are disclosed in note 10.

(h) Employee future benefits

The Company pays certain health, dental and life insurance benefits on behalf of its retired employees. The Company recognizes these post-retirement costs in the period in which the employees earn the benefits. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method prorated on length of service and management's best estimate of salary escalation, retirement ages of employees, employee turnover and expected health and dental care costs. The most recent actuarial valuation of the obligation was performed for December 31, 2012. Details related to the post-employment benefits are detailed in note 8.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Revenue recognition

Service revenue and cost of power revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the period. The related cost of power revenue is recorded on the basis of the power billed by the Independent Electricity System Operator. Other operating revenue is recorded when services are provided.

The cost of power is shown on the statement of income net of rebates. The total gross cost of power was \$72,380,505 with \$6,327,897 of incentives for a net amount of \$66,052,608 (2012 - \$63,685,270 with \$4,730,880 of incentives for a net amount of \$58,954,390).

(j) Income taxes

Under the Electricity Act, 1998, the Company is required to make payments in lieu of income taxes (PILS) to the Ontario Electricity Financial Corporation (OEFC). Future income taxes are calculated using the liability method of tax accounting. In providing for corporate income taxes, temporary differences between the tax basis of assets or liabilities and their carrying amounts are reflected as future income taxes. The tax rates anticipated to be in effect when these temporary differences reverse are used to calculate future income taxes. Additional details related to the calculation and method of accounting for PILS is included in note 5.

(k) Management estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Key areas where management has made complex or subjective judgments (often as a result of matters that are inherently uncertain) include, among others, the fair value of certain assets, useful lives of capital assets, impairment of assets, inventory provisions, amortization, revenues, allowance for doubtful accounts, environmental and asset retirement obligations, employee future benefits, deferral accounts and income taxes. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

(l) Asset retirement obligations

Canadian generally accepted accounting principles require the Company to determine the fair value of the future expenditures required to settle legal obligations to remove fixed assets on retirement. If reasonably estimable, a liability is recognized equal to the present value of the estimated future removal expenditures.

Some of the Company's assets may have asset retirement obligations. As the Company expects to use the majority of its fixed assets for an indefinite period, no removal costs can be determined and, consequently, a reasonable estimate of the fair value of any asset retirement obligations has not been made at this time.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(m) International Financial Reporting Standards (IFRS)

On February 13, 2008 the Accounting Standards Board (AcSB) confirmed that IFRS will be required to be adopted by publicly accountable enterprises and certain government enterprises for annual reporting purposes for fiscal years beginning on or after January 1, 2012. On September 10, 2011 the AcSB granted an optional one year deferral of IFRS adoption for entities subject to rate regulation. Subsequent to this, through a series of additional one year extensions, the mandatory change over date for entities with rate regulated activities has been extended to January 1, 2015. At its December 2012 meeting, the International Accounting Standards Board (IASB) decided to develop an interim IFRS on rate regulated activities that "grandfathers" existing recognition and measurement policies. The Company has elected to continue the deferral of transition to IFRS, pending resolution of these matters before the IASB.

On January 30, 2014, the AcSB issued interim Standard IFRS 14 *Regulatory Deferral Accounts*. IFRS 14 permits first-time adopters of IFRS to continue to use their previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral account balances.

The interim standard requires regulatory deferral account balances and movements therein to be presented as separate line items on the face of the financial statements. In addition, further disclosure is required to identify the nature of, and risk associated with, rate regulation, and the effect of rate regulation on the entity's financial position, performance and cash flows. IFRS 14 is effective from January 1, 2016, with early adoption permitted.

The IASB continues to move forward with its project to consider the broad issues of rate regulation with plans to publish a discussion paper on this subject in 2014, and a final comprehensive standard expected to follow in the coming years.

The Company has elected to continue the deferral of transition to IFRS, pending resolution of these matters before the IASB. The Company is continuing to assess the financial reporting impacts of the adoption to IFRS. At this time, the requirements of interim Standard IFRS 14 do not appear that they would have a significant impact on the financial reporting, future financial position or results of operations of the Company. However, the impact of any future changes that may be included in the discussion paper or the final comprehensive standard is not reasonably determinable. The impact of new IFRS standards and interpretations not yet effective has also not been assessed.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

3. **SHORT-TERM INVESTMENTS**

	2013 \$	2012 \$
Bond	-	500,000
Mutual funds	3,349,379	2,839,347
	<u>3,349,379</u>	<u>3,339,347</u>

Included in investment revenue is a loss on investments of \$34,318 (2012 - \$59,931 gain).

4. **PROPERTY, PLANT AND EQUIPMENT**

	Cost \$	Accumulated amortization \$	2013 Net book value \$	2012 Net book value \$
Land	4,220,923	-	4,220,923	3,612,170
Buildings	291,530	87,654	203,876	202,648
Transmission and distribution	95,445,502	47,613,556	47,831,946	46,749,412
Office equipment	818,263	450,750	367,513	394,540
Leasehold improvements	1,095,041	656,173	438,868	518,884
Computer software	1,124,124	589,226	534,898	512,997
Operational equipment	741,440	478,751	262,689	275,934
Transportation equipment	2,946,004	1,918,959	1,027,045	1,209,041
Land rights	517,173	116,815	400,358	410,251
	<u>107,200,000</u>	<u>51,911,884</u>	<u>55,288,116</u>	<u>53,885,877</u>

5. **INCOME TAXES**

a) The components of future income tax balances are as follows:

	2013 \$	2012 \$
Future income tax asset		
Tax basis of equipment in excess of carrying amount	2,956,000	2,957,000
Reserves deductible when paid	265,000	313,000
Cumulative eligible capital available for tax purposes	279,000	290,000
	<u>3,500,000</u>	<u>3,560,000</u>

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

5. **INCOME TAXES, continued**

- b) The provision for income taxes recorded in the consolidated financial statements differs from the amount which would be obtained by applying the statutory income tax rate of 26.5% (2012 - 26.5%) to the income for the years as follows:

	2013 \$	2012 \$
Income for the year before income taxes	4,551,000	3,729,000
Anticipated income tax expense	1,206,015	988,185
Permanent expense differences	3,975	3,975
Impact of tax rate changes and other	22,483	(85,084)
Income tax expense	1,232,473	907,076

6. **ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	2013 \$	2012 \$
Accounts payable - purchased power	4,816,413	3,755,206
Other trade accounts payable and accrued liabilities	3,967,438	3,685,979
Water and sewer billings payable (note 10)	1,792,634	1,704,054
Credits on customer accounts	1,270,166	901,976
Independent Electric System Operator	75,198	75,198
Ontario Power Authority program payable	161,887	517,038
	12,083,736	10,639,451

7. **LONG-TERM DEBT**

	2013 \$	2012 \$
Note payable, 5.48% - Town of Newmarket	22,000,000	22,000,000
Note payable, 5.48% - Township of Tay	1,742,821	1,742,821
Committed term facility, 3.07%, due December 31, 2015	1,000,000	1,000,000
	24,742,821	24,742,821

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

7. LONG-TERM DEBT, continued

The notes are unsecured and have no specific terms of repayment. Since the holders of the notes have indicated that it is not their intention to request repayment of this amount during the next fiscal year, this amount has been classified as a non-current liability in the accompanying financial statements.

The committed term facility was drawn for the purpose of the purchase of smart meters. The Company is required to make monthly interest payments only with 100% of the remaining balance due December 31, 2015. At December 31, 2013, the Company was in compliance with all covenants. A general security agreement covering all assets of the Company has been pledged as security for the committed term facility.

8. EMPLOYEE FUTURE BENEFITS

The Company provides certain health, dental and life insurance benefits for retired employees pursuant to the Company's policy. The accrued benefit obligation and net periodic expense for the year were determined by actuarial valuation. The most recent valuation was performed for December 31, 2012.

The unamortized past service cost obligation resulting from the inclusion of the former Tay Hydro Electric Distribution Company Inc. employees in the plan, is being amortized over the remaining service life of those employees, being 11 years with 5 years remaining to be amortized.

Significant actuarial assumptions employed for the valuations are as follows: future general inflation level of 2.5%, discount rate of 3.9%, salary and wage level increases at 3.3% per annum. A 8% annual increase in the per capita cost for health benefits was used for 2013. This rate will decrease to 7.47% for 2014; 6.93% for 2015; 6.4% for 2016; 5.87% for 2017; 5.33 for 2018; 4.8% for 2019 and thereafter. A 6.88% annual rate of increase in the per capita cost of covered dental costs was used for 2013. This rate will decrease to 6.5% for 2014; 6.13% for 2015; 5.75% for 2016; 5.38% for 2017; 5.0% for 2018 and thereafter.

Information about the Company's defined benefit plan is included as follows:

	2013 \$	2012 \$
Accrued benefit obligation, beginning of period	1,059,572	874,341
Current service cost	80,827	147,561
Actuarial loss	-	57,888
Amortization of past service costs	13,204	13,204
Benefits paid	(46,171)	(33,422)
	1,107,432	1,059,572
Unamortized past service cost	57,217	70,421
	1,164,649	1,129,993

20
NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

9. DEFERRAL ACCOUNTS

	2013 \$	2012 \$
Deferral accounts approved for recovery	2,139,096	2,130,324
Recovered to date	(2,913,758)	(2,678,320)
Repayment - payment in lieu of taxes	(755,086)	(1,333,036)
	(1,529,748)	(1,881,032)
Power purchased for resale	(581,759)	(819,156)
Smart meters	(381,848)	(380,407)
Change in useful life of property, plant and equipment	(3,120,305)	(1,762,969)
Retail settlements and other	254,976	104,294
	(3,828,936)	(2,858,238)
	(5,358,684)	(4,739,270)

Pursuant to The Ontario Energy Board Decision on EB 2011-0184 the Company is returning an unintentional over collection of charges related to Payments in Lieu of Taxes. These charges were collected from 2002 to 2006. The repayment of \$755,086 (2012 - \$1,333,036) will continue through the 2014 fiscal year.

In 2012, the Company has adjusted the estimated useful life related to the amortization period for certain capital assets, based upon the Ontario Energy's Board regulatory accounting direction as contained in the revised 2012 Accounting Procedures Handbook for Electricity Distributors. As a result of OEB direction related to the settlement of these amounts, the Company has recorded a payable in the deferral account of \$3,120,305 (2012 - \$1,762,969) and a reduction in service revenue of \$1,357,336 in 2013 (2012 - \$1,762,969).

10. ADVANCES FROM RELATED COMPANIES AND RELATED PARTY TRANSACTIONS

- (a) During the year, the Company entered into transactions with its majority parent, Newmarket Hydro Holdings Inc. (NHHI) and with The Town of Newmarket which is the sole shareholder of Newmarket Hydro Holdings Inc. Revenue charged during the year included energy, street light capital and street light maintenance charged at commercial rates to the Town of Newmarket.

Included in accounts payable (note 6) are water and sewer amounts collected which are due to the Town. These amounts are collected and remitted in accordance with a contract with URB Olameter and remitted on their behalf.

Included in long term debt (note 7) are notes payable to related parties.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

10. **ADVANCES FROM RELATED COMPANIES AND RELATED PARTY TRANSACTIONS,**
continued

(b) Transactions

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2013 \$	2012 \$
Revenue		
Energy sales	2,995,243	3,642,968
Services - Street light capital	12,147	4,097
Services - Street light maintenance	267,809	267,809
	<u>3,275,199</u>	<u>3,914,874</u>
Expenses		
Interest	1,205,600	1,205,600
Rent and property tax	386,770	382,244
	<u>1,592,370</u>	<u>1,587,844</u>

(c) The following amount is due from the Town of Newmarket and included in the financial statements:

	2013 \$	2012 \$
Accounts receivable	333,155	318,309

11. **NON-CONTROLLING INTEREST**

The changes in non-controlling interest consist of:

	2013 \$	2012 \$
Balance - beginning of the year	2,896,574	2,815,394
Proportional share of income	232,336	197,180
Proportional share of dividends paid	(138,634)	(116,000)
Balance - end of the year	<u>2,990,276</u>	<u>2,896,574</u>

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

12. **SHARE CAPITAL**

Authorized

Unlimited number of common shares

Issued

	2013	2012
	\$	\$
10,000 common shares	29,609,342	29,609,342

13. **DIVIDENDS**

During the year the Company declared and paid \$1,974,634 of dividends. \$138,634 of this amount was charged against the non-controlling interest as described in note 11.

14. **CHANGE IN NON-CASH WORKING CAPITAL ITEMS**

	2013	2012
	\$	\$
Increase in short-term investments	(10,032)	(173,522)
Increase in accounts receivable	(447,085)	(821,542)
Decrease (increase) in inventory	138,155	(114,143)
Decrease (increase) in prepaid expenses	19,615	(27,804)
Decrease (increase) in income taxes receivable	343,873	(119,062)
Decrease (increase) in unbilled revenue	(1,294,497)	1,001,791
Increase (decrease) in accounts payable and accrued liabilities	1,444,284	(97,319)
Increase (decrease) in deposits held	(120,910)	52,333
	73,403	(299,268)

15. **SHORT TERM CREDIT FACILITIES**

The Company has \$3,500,000 available in operating facilities from a major chartered bank. The facilities are 364 day revolving operating loan, bearing interest at prime plus 0.5%, to be repaid within one year from date of acquisition unless extended by the bank. A standby fee of 10 basis points, payable quarterly in arrears applies to any unused portion of the facility. As at the balance sheet date, the Company has no balance outstanding (2012 - Nil) on this facility. The operating loan includes restrictive clauses with respect to repayment.

In addition, the Company has provided prudential support in the amount of \$2,765,940 to the Independent Electricity System Operator. The prudential support is secured by a letter of credit with a major chartered bank for \$2,765,940 and contains restrictive clauses with respect to debt repayments.

A general security agreement covering all assets of the Company has been pledged as security for the operating facilities.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

16. PENSION AGREEMENT

The Company makes contributions to the Ontario Municipal Employees' Retirement Fund (O.M.E.R.S.), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of retirement benefits to be received by the employees based on the length of service and rates of pay.

The amount contributed to O.M.E.R.S. for the year ended was \$438,733 (2012 - \$386,294).

17. CAPITAL DISCLOSURES

The Company's primary objective when managing capital is to address the expectations as provided in the Shareholder Agreement between the Company's parent company, Newmarket Hydro Holdings Inc. and its shareholder, the Town of Newmarket. The expectation is that the Company will maintain a prudent financial structure in order to safeguard the Company's assets and to provide adequate returns for its shareholders and benefits to the stakeholders.

The Ontario Energy Board sets rates based on a deemed capital structure of 60% debt and 40% equity.

Changes to the Company's capital structure are constrained by existing covenants contained in the banking agreement. The Company must maintain a maximum debt to capitalization ratio of 0.60 to 1 and maintain a debt service coverage ratio of 1.2.

The Company's current capital structure is defined as follows:

	2013 \$	2012 \$
Long term debt	24,742,821	24,742,821
Total debt	24,742,821	24,742,821
Share capital	29,609,342	29,609,342
Retained earnings	12,616,446	11,263,118
Non-controlling interest	2,990,276	2,896,574
Capital	45,216,064	43,769,034
Debt-to-adjusted capital ratio	0.55	0.57

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

18. FINANCIAL INSTRUMENTS

Fair value

The carrying value of the accounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

The short-term investments are carried at fair value, with changes in value recognized in income in the year.

The fair value of the advances from parent company detailed in note 10 are less than carrying value, as the amounts have no terms of repayment, the fair value cannot be calculated with any degree of certainty.

The carrying value of long-term debt approximates the fair value as the interest rates are consistent with the current rates offered to the Company for debt with similar terms.

Interest rate risk

The Company manages exposure to interest rate risk through a combination of fixed and floating rate borrowings. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate cash flow risk to the extent that the floating rate credit facility bears interest at a floating rate. The Company is also exposed to interest rate price risk to the extent that loans bear interest at fixed rates (note 7 and 10).

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Company is exposed to credit risk from customers. However, the Company has a significant number of customers which minimizes the concentration of credit risk. An allowance for collection of doubtful accounts in the amount of \$214,867 (2012 - \$220,523) has been recorded.

Market risk

The securities held as short term investments exposes the Company to market risk due to the potential for changes in market prices.

Liquidity risk

The Company does have a liquidity risk in the accounts payable and accrued liabilities of \$12,083,736 (2012 - \$10,639,451). Liquidity risk is the risk that the Company cannot repay its obligations when they become due to its creditors. The Company reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Company is low and is not material.

NEWMARKET HYDRO HOLDINGS INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2013

19. **COMMITMENT**

The company has an operating lease agreement with the Town of Newmarket, expiring December 31, 2017 for the rental of the building. Minimum lease payments over the next five year period under this commitment are as follows;

	\$
2014	275,000
2015	275,000
2016	275,000
2017	275,000
	<u>1,100,000</u>

20. **CONTINGENT LIABILITIES**

(a) In the normal course of business, the Company enters into agreements that meet the definition of a guarantee. The guarantees include indemnities under lease agreements, purchase and sale agreements, confidentiality agreements, outsourcing, service and information agreements. The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability related to the likelihood and predictability of future events. Historically, the Company has not made any significant payments under similar indemnification agreements and therefore no amount has been accrued in the balance sheet with respect to these agreements.

(b) Indemnity has been provided to all directors and/or officers of the Company for various items including, but not limited to, all costs to settle suits or actions due to association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential suits or actions. The amount of any potential future liability which exceeds the amount of insurance coverage cannot reasonably be determined.

(c) The Company participates with other municipal utilities in Ontario in an agreement to exchange reciprocal contracts of indemnity through the Municipal Electric Association Reciprocal Insurance Exchange. Under this agreement, the Company is contingently liable for additional assessments to the extent that premiums collected are not sufficient to cover actual losses, claims and costs experienced.

(d) The Company is currently assessing the Connection and Cost Recovery Agreement for Holland Transformer Station with Hydro One Networks. Under this agreement, there are potential capital contributions towards the Holland Transformer Station at year five (2014) and year ten (2019) of the agreement based upon actual load on the station. The Company at this time cannot reasonably estimate the amount of any capital contributions that may be required.

21. **COMPARATIVE FIGURES**

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

FINANCIAL STATEMENTS OF

NEWMARKET-TAY POWER DISTRIBUTION LTD.

December 31, 2013

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	
FINANCIAL STATEMENTS	
Balance Sheet	1
Statement of Retained Earnings	2
Statement of Income	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 17

Collins Barrow Kawarthas LLP
 272 Charlotte Street
 Peterborough, Ontario
 K9J 2V4

INDEPENDENT AUDITORS' REPORT

T. 705.742.3418
 F. 705.742.9775

www.collinsbarrowkawarthas.com

To the Shareholders of
 Newmarket-Tay Power Distribution Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of Newmarket-Tay Power Distribution Ltd., which comprise the balance sheet as at December 31, 2013, and the statements of retained earnings, income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Newmarket-Tay Power Distribution Ltd. as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Collins Barrow Kawarthas LLP

Chartered Professional Accountants
 Peterborough, Ontario
 April 23, 2014

NEWMARKET-TAY POWER DISTRIBUTION LTD.**BALANCE SHEET**

As at December 31, 2013

	2013 \$	2012 \$
ASSETS		
Current assets		
Cash	8,697,037	7,862,381
Short-term investments (note 3)	3,349,379	3,339,347
Accounts receivable	9,394,591	8,947,506
Inventory	808,950	947,105
Prepaid expenses	376,146	395,761
Income taxes receivable	350,000	705,000
Unbilled revenue	9,819,789	8,525,292
	32,795,892	30,722,392
Other assets		
Property, plant and equipment (note 4)	55,285,337	53,883,098
Future income taxes (note 5)	3,500,000	3,560,000
	58,785,337	57,443,098
	91,581,229	88,165,490
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (note 6)	12,073,996	10,629,713
Current portion of deposits held	425,000	325,000
	12,498,996	10,954,713
Long-term liabilities		
Long-term debt (note 7)	24,742,821	24,742,821
Advances from parent company (note 10)	2,313,323	2,232,689
Deposits held	2,875,807	3,096,717
Employee future benefits (note 8)	1,107,432	1,059,572
Deferral accounts (note 9)	5,358,684	4,739,270
	36,398,067	35,871,069
Shareholders' equity		
Share capital (note 11)	27,140,206	27,140,206
Retained earnings	15,543,960	14,199,502
	42,684,166	41,339,708
	91,581,229	88,165,490

Approved on behalf of the Board

Director_____
Director*The accompanying notes are an integral part of these financial statements*

NEWMARKET-TAY POWER DISTRIBUTION LTD.**STATEMENT OF RETAINED EARNINGS**

For the year ended December 31, 2013

	2013 \$	2012 \$
Retained earnings - beginning of year	14,199,502	13,054,071
Net income for the year	3,319,092	2,811,716
Dividends paid	(1,974,634)	(1,666,285)
Retained earnings - end of year	15,543,960	14,199,502

The accompanying notes are an integral part of these financial statements

NEWMARKET-TAY POWER DISTRIBUTION LTD.**STATEMENT OF INCOME**

For the year ended December 31, 2013

	2013 \$	2012 \$
Revenue		
Service revenue	15,152,692	13,094,439
Cost of power revenue (note 2)	66,052,608	58,954,390
Other operating income	1,026,176	1,111,386
	82,231,476	73,160,215
Cost of power purchased	66,052,608	58,954,390
Gross profit	16,178,868	14,205,825
Expenses		
Customer billing and collecting	1,903,757	1,925,847
Amortization	2,745,298	2,661,719
Interest on long-term debt	1,460,674	1,447,861
Administration	2,940,883	2,637,565
System operation and maintenance	2,595,424	2,239,264
	11,646,036	10,912,256
Income before undernoted items and income taxes	4,532,832	3,293,569
Other expenses (income)		
Loss (gain) on sale of property, plant and equipment	103,273	(179,701)
Investment revenue	(99,533)	(223,446)
	3,740	(403,147)
Income before income taxes	4,529,092	3,696,716
Provision for income taxes (note 5)		
Current	1,150,000	475,000
Future	60,000	410,000
	1,210,000	885,000
Net income for the year	3,319,092	2,811,716

The accompanying notes are an integral part of these financial statements

NEWMARKET-TAY POWER DISTRIBUTION LTD.**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2013

	2013 \$	2012 \$
CASH PROVIDED FROM (USED FOR)		
Operating activities		
Net income for the year	3,319,092	2,811,716
Items not affecting cash		
Amortization	2,745,298	2,661,719
Future income taxes	60,000	410,000
Loss (gain) on sale of property, plant and equipment	103,273	(179,701)
Employee future benefits	47,860	185,231
	6,275,523	5,888,965
Change in non-cash working capital items (note 12)	84,529	(287,741)
	6,360,052	5,601,224
Investing activities		
Purchase of property, plant and equipment	(4,271,200)	(6,334,839)
Proceeds on disposal of property, plant and equipment	20,390	1,595,447
Deferral accounts	619,414	3,072,743
	(3,631,396)	(1,666,649)
Financing activities		
Advances from parent company	80,634	292,906
Dividends paid	(1,974,634)	(1,666,285)
	(1,894,000)	(1,373,379)
Increase in cash	834,656	2,561,196
Cash - beginning of year	7,862,381	5,301,185
Cash - end of year	8,697,037	7,862,381
Other information		
Interest paid	1,404,398	1,352,638
Interest received	134,392	166,122
Income taxes paid	1,500,000	1,180,000
Dividends paid	1,974,634	1,666,285

The accompanying notes are an integral part of these financial statements



NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

1. NATURE OF OPERATIONS

Newmarket-Tay Power Distribution Ltd. (the "Company") is a subsidiary of Newmarket Hydro Holdings Inc. and was formed as a result of the amalgamation of Newmarket Hydro Ltd. and Tay Hydro Electric Distribution Company Inc. on May 1, 2007. Tay Hydro Inc. has a 7% non-controlling interest in the Company.

The principal activity of the Company is to distribute electricity to the residents and businesses in the Town of Newmarket and the Township of Tay under licence issued by the Ontario Energy Board (OEB). The Company is regulated by the OEB and adjustments to its distribution rates require OEB approval.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The significant policies are detailed as follows:

(a) Electricity regulation

The Company is subject to rate regulation by the Ontario Energy Board (OEB). The OEB is charged with the responsibility of approving rates for the transmission and distribution of electricity. The following regulatory policy is practiced in a rate regulated environment:

Deferral accounts

Deferral accounts consist of deferred qualifying transition costs and various rate and retail variance accounts. Deferral accounts include amounts recoverable and repayable. The amounts included in these accounts are deferred for accounting purposes because it is probable that they will be recovered (repaid) in future rates. Deferral accounts recognized at December 31, 2013 are disclosed in note 9. The Company continually assesses the likelihood of the recovery of recoverable assets. If recovery is no longer considered probable, the amounts are charged to operations in the year the assessment is made.

(b) Cash

Cash consists of balances with a major financial institution.

(c) Short-term investments

Investments are recorded at fair value. Unrealized gains and losses as a result of fair value adjustments at year end are included in investment income for the year.

(d) Inventory

Inventory is valued at the lower of cost and net realizable value with cost being determined on a weighted average basis.

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued*(e) Property, plant and equipment*

Property, plant and equipment are recorded at cost. The Company provides for amortization using the straight-line method at rates designed to amortize the cost of the property, plant and equipment over their estimated useful lives. The annual amortization rates are as follows:

Buildings	25 to 30 years
Transmission and distribution	40 to 50 years
Office and computer equipment	5 to 10 years
Leasehold improvements	7 years
Computer software	3 to 5 years
Operational equipment	10 to 15 years
Transportation equipment	5 to 10 years
Land rights	30 years

Contributions for capital construction consist of third party contributions toward the cost of constructing distribution assets. The third party contribution is calculated through an economic evaluation as per the OEB Distribution Service Code. Contributed capital amounts are recorded as received and amortized over the same period as the asset to which they relate being 30 to 50 years.

(f) Related parties

Related party transactions are in the normal course of operations and have been measured at the exchange amount which is the amount of consideration established and agreed to by the related parties. Details of related party transactions and balances are disclosed in note 10.

(g) Employee future benefits

The Company pays certain health, dental and life insurance benefits on behalf of its retired employees. The Company recognizes these post-retirement costs in the period in which the employees earn the benefits. The cost of employee future benefits earned by employees is actuarially determined using the projected benefit method prorated on length of service and management's best estimate of salary escalation, retirement ages of employees, employee turnover and expected health and dental care costs. The most recent actuarial valuation of the obligation was performed for December 31, 2012. Details related to the post-employment benefits are detailed in note 8.

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued*(h) Revenue recognition*

Service revenue and cost of power revenue is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the period. The related cost of power revenue is recorded on the basis of the power billed by the Independent Electricity System Operator. Other operating revenue is recorded when services are provided.

The cost of power is shown on the statement of income net of rebates. The total gross cost of power was \$72,380,505 with \$6,327,897 of incentives for a net amount of \$66,052,608 (2012 - \$63,685,270 with \$4,730,880 of incentives for a net amount of \$58,954,390).

(i) Income taxes

Under the Electricity Act, 1998, the Company is required to make payments in lieu of income taxes (PILS) to the Ontario Electricity Financial Corporation (OEFC). Future income taxes are calculated using the liability method of tax accounting. In providing for corporate income taxes, temporary differences between the tax basis of assets or liabilities and their carrying amounts are reflected as future income taxes. The tax rates anticipated to be in effect when these temporary differences reverse are used to calculate future income taxes. Additional details related to the calculation and method of accounting for PILS is included in note 5.

(j) Management estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Key areas where management has made complex or subjective judgments (often as a result of matters that are inherently uncertain) include, among others, the fair value of certain assets, useful lives of capital assets, impairment of assets, inventory provisions, amortization, revenues, allowance for doubtful accounts, environmental and asset retirement obligations, employee future benefits, deferral accounts and income taxes. Actual results could differ from these and other estimates, the impact of which would be recorded in future periods.

(k) Asset retirement obligations

Canadian generally accepted accounting principles require the Company to determine the fair value of the future expenditures required to settle legal obligations to remove fixed assets on retirement. If reasonably estimable, a liability is recognized equal to the present value of the estimated future removal expenditures.

Some of the Company's assets may have asset retirement obligations. As the Company expects to use the majority of its fixed assets for an indefinite period, no removal costs can be determined and, consequently, a reasonable estimate of the fair value of any asset retirement obligations has not been made at this time.

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

2. SIGNIFICANT ACCOUNTING POLICIES, continued*(I) International Financial Reporting Standards (IFRS)*

On February 13, 2008 the Accounting Standards Board (AcSB) confirmed that IFRS will be required to be adopted by publicly accountable enterprises and certain government enterprises for annual reporting purposes for fiscal years beginning on or after January 1, 2012. On September 10, 2011 the AcSB granted an optional one year deferral of IFRS adoption for entities subject to rate regulation. Subsequent to this, through a series of additional one year extensions, the mandatory change over date for entities with rate regulated activities has been extended to January 1, 2015. At its December 2012 meeting, the International Accounting Standards Board (IASB) decided to develop an interim IFRS on rate regulated activities that "grandfathers" existing recognition and measurement policies. The Company has elected to continue the deferral of transition to IFRS, pending resolution of these matters before the IASB.

On January 30, 2014, the AcSB issued interim Standard IFRS 14 *Regulatory Deferral Accounts*. IFRS 14 permits first-time adopters of IFRS to continue to use their previous GAAP accounting policies for the recognition, measurement, impairment and derecognition of regulatory deferral account balances.

The interim standard requires regulatory deferral account balances and movements therein to be presented as separate line items on the face of the financial statements. In addition, further disclosure is required to identify the nature of, and risk associated with, rate regulation, and the effect of rate regulation on the entity's financial position, performance and cash flows. IFRS 14 is effective from January 1, 2016, with early adoption permitted.

The IASB continues to move forward with its project to consider the broad issues of rate regulation with plans to publish a discussion paper on this subject in 2014, and a final comprehensive standard expected to follow in the coming years.

The Company has elected to continue the deferral of transition to IFRS, pending resolution of these matters before the IASB. The Company is continuing to assess the financial reporting impacts of the adoption to IFRS. At this time, the requirements of interim Standard IFRS 14 do not appear that they would have a significant impact on the financial reporting, future financial position or results of operations of the Company. However, the impact of any future changes that may be included in the discussion paper or the final comprehensive standard is not reasonably determinable. The impact of new IFRS standards and interpretations not yet effective has also not been assessed.

3. SHORT-TERM INVESTMENTS

	2013 \$	2012 \$
Bond	-	500,000
Mutual funds	3,349,379	2,839,347
	3,349,379	3,339,347

Included in investment revenue is a loss on investments of \$34,318.20 (2012 - \$59,931 gain).

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2013 Net book value	2012 Net book value
	\$	\$	\$	\$
Land	4,218,144	-	4,218,144	3,609,391
Buildings	291,530	87,654	203,876	202,648
Transmission and distribution	95,445,502	47,613,556	47,831,946	46,749,412
Office and computer equipment	818,263	450,750	367,513	394,540
Leasehold improvements	1,095,041	656,173	438,868	518,884
Computer software	1,124,124	589,226	534,898	512,997
Operational equipment	741,440	478,751	262,689	275,934
Transportation equipment	2,946,004	1,918,959	1,027,045	1,209,041
Land rights	517,173	116,815	400,358	410,251
	107,197,221	51,911,884	55,285,337	53,883,098

5. INCOME TAXES

a) The components of future income tax balances are as follows:

	2013	2012
	\$	\$
Future income tax asset		
Tax basis of equipment in excess of carrying amount	2,956,000	2,957,000
Reserves deductible when paid	265,000	313,000
Cumulative eligible capital available for tax purposes	279,000	290,000
	3,500,000	3,560,000

b) The provision for income taxes recorded in the financial statements differs from the amount which would be obtained by applying the statutory income tax rate of 26.5% (2012 - 26.5%) to the income for the years as follows:

	2013	2012
	\$	\$
Income for the year before income taxes	4,529,000	3,697,000
Anticipated income tax expense	1,200,185	979,705
Permanent expense differences	3,975	3,975
Impact of tax rate changes and other	5,840	(98,680)
Income tax expense	1,210,000	885,000

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2013	2012
	\$	\$
Accounts payable - purchased power	4,806,673	3,745,468
Other trade accounts payable and accrued liabilities	3,967,438	3,685,979
Water and sewer billings payable (note 10)	1,792,634	1,704,054
Credits on customer accounts	1,270,166	901,976
Independent Electric System Operator	75,198	75,198
Ontario Power Authority program payable	161,887	517,038
	12,073,996	10,629,713

7. LONG-TERM DEBT

	2013	2012
	\$	\$
Note payable, 5.48% - Town of Newmarket	22,000,000	22,000,000
Note payable, 5.48% - Township of Tay	1,742,821	1,742,821
Committed term facility, 3.07%, due December 31, 2015	1,000,000	1,000,000
	24,742,821	24,742,821

The notes are unsecured and have no specific terms of repayment. Since the holders of the notes have indicated that it is not their intention to request repayment of this amount during the next fiscal year, this amount has been classified as a non-current liability in the accompanying financial statements.

The committed term facility was drawn for the purpose of the purchase of smart meters. The Company is required to make monthly interest payments only with 100% of the remaining balance due December 31, 2015. At December 31, 2013, the Company was in compliance with all covenants. A general security agreement covering all assets of the Company has been pledged as security for the committed term facility.

38
NEWMARKET-TAY POWER DISTRIBUTION LTD.
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2013

8. EMPLOYEE FUTURE BENEFITS

The Company provides certain health, dental and life insurance benefits for retired employees pursuant to the Company's policy. The accrued benefit obligation and net periodic expense for the year were determined by actuarial valuation. The most recent valuation was performed for December 31, 2012.

The unamortized past service cost obligation resulting from the inclusion of the former Tay Hydro Electric Distribution Company Inc. employees in the plan, is being amortized over the remaining service life of those employees, being 11 years with 5 years remaining to be amortized.

Significant actuarial assumptions employed for the valuations are as follows: future general inflation level of 2.5%, discount rate of 3.9%, salary and wage level increases at 3.3% per annum. A 8% annual increase in the per capita cost for health benefits was used for 2013. This rate will decrease to 7.47% for 2014; 6.93% for 2015; 6.4% for 2016; 5.87% for 2017; 5.33 for 2018; 4.8% for 2019 and thereafter. A 6.88% annual rate of increase in the per capita cost of covered dental costs was used for 2013. This rate will decrease to 6.5% for 2014; 6.13% for 2015; 5.75% for 2016; 5.38% for 2017; 5.0% for 2018 and thereafter.

Information about the Company's defined benefit plan is included as follows:

	2013 \$	2012 \$
Accrued benefit obligation, beginning of period	1,059,572	874,341
Current service cost	80,827	147,561
Actuarial loss	-	57,888
Amortization of past service costs	13,204	13,204
Benefits paid	(46,171)	(33,422)
	1,107,432	1,059,572
Unamortized past service cost	57,217	70,421
	1,164,649	1,129,993

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

9. DEFERRAL ACCOUNTS

	2013	2012
	\$	\$
Deferral accounts approved for recovery	2,139,096	2,130,324
Recovered to date	(2,913,758)	(2,678,320)
Repayment - payment in lieu of taxes	(755,086)	(1,333,036)
	(1,529,748)	(1,881,032)
Power purchased for resale	(581,759)	(819,156)
Smart meters	(381,848)	(380,407)
Change in useful life of property, plant and equipment	(3,120,305)	(1,762,969)
Retail settlements and other	254,976	104,294
	(3,828,936)	(2,858,238)
	(5,358,684)	(4,739,270)

Pursuant to The Ontario Energy Board Decision on EB 2011-0184 the Company is returning an unintentional over collection of charges related to Payments in Lieu of Taxes. These charges were collected from 2002 to 2006. The repayment of \$755,086 (2012 - \$1,333,036) will continue through the 2014 fiscal year.

In 2012, the Company has adjusted the estimated useful life related to the amortization period for certain capital assets, based upon the Ontario Energy's Board regulatory accounting direction as contained in the revised 2012 Accounting Procedures Handbook for Electricity Distributors. As a result of OEB direction related to the settlement of these amounts, the Company has recorded a payable in the deferral account of \$3,120,305 (2012 - \$1,762,969) and a reduction in service revenue of \$1,357,336 in 2013 (2012 - \$1,762,969).

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

10. ADVANCES FROM RELATED COMPANIES AND RELATED PARTY TRANSACTIONS

- (a) During the year, the Company entered into transactions with its majority parent, Newmarket Hydro Holdings Inc. (NHHI) and with The Town of Newmarket which is the sole shareholder of Newmarket Hydro Holdings Inc. Revenue charged during the year included energy, street light capital and street light maintenance charged at commercial rates to the Town of Newmarket.

Included in accounts payable (note 6) are water and sewer amounts collected which are due to the Town. These amounts are collected and remitted in accordance with a contract with URB Olameter and remitted on their behalf.

Included in long term debt (note 7) are notes payable to related parties.

- (b) Transactions

These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

	2013 \$	2012 \$
Revenue		
Energy sales	2,995,243	3,642,968
Services - Street light capital	12,147	4,097
Services - Street light maintenance	267,809	267,809
	3,275,199	3,914,874
Expenses		
Interest	1,205,600	1,205,600
Rent and property tax	386,770	382,244
	1,592,370	1,587,844

- (c) The following amount is due from the Town of Newmarket and included in the financial statements:

	2013 \$	2012 \$
Accounts receivable	333,155	318,309

- (d) The following amount is due to the parent company:

	2013 \$	2012 \$
Newmarket Hydro Holdings Inc.	2,313,323	2,232,689

Advances from the parent company, Newmarket Hydro Holdings Inc. are unsecured and have no specific terms of repayment. The note may be called with 13 months notice. Interest is calculated at the OEB deemed debt rate of 5.48% for 2013 (2012 - 5.48%).

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

11. SHARE CAPITAL

Authorized

Unlimited number of common shares

Issued

	2013	2012
	\$	\$
10,000 common shares	27,140,206	27,140,206

12. CHANGE IN NON-CASH WORKING CAPITAL ITEMS

	2013	2012
	\$	\$
Increase in short-term investments	(10,032)	(173,522)
Increase in accounts receivable	(447,085)	(821,541)
Decrease in inventory	138,155	1,001,791
Decrease (increase) in prepaid expenses	19,615	(114,143)
Decrease (increase) in income taxes receivable	355,000	(27,804)
Increase in unbilled revenue	(1,294,497)	(107,538)
Increase (decrease) in accounts payable and accrued liabilities	1,444,283	(97,317)
Increase (decrease) in deposits held	(120,910)	52,333
	84,529	(287,741)

13. SHORT TERM CREDIT FACILITIES

The Company has \$3,500,000 available in operating facilities from a major chartered bank. The facilities are 364 day revolving operating loan, bearing interest at prime plus 0.5%, to be repaid within one year from date of acquisition unless extended by the bank. A standby fee of 10 basis points, payable quarterly in arrears applies to any unused portion of the facility. As at the balance sheet date, the Company has no balance outstanding (2012 - Nil) on this facility. The operating loan includes restrictive clauses with respect to repayment.

In addition, the Company has provided prudential support in the amount of \$2,765,940 to the Independent Electricity System Operator. The prudential support is secured by a letter of credit with a major chartered bank for \$2,765,940 and contains restrictive clauses with respect to debt repayments.

A general security agreement covering all assets of the Company has been pledged as security for the operating facilities.

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

14. PENSION AGREEMENT

The Company makes contributions to the Ontario Municipal Employees' Retirement Fund (O.M.E.R.S.), which is a multi-employer plan, on behalf of its employees. The plan is a defined benefit plan which specifies the amount of retirement benefits to be received by the employees based on the length of service and rates of pay.

The amount contributed to O.M.E.R.S. for the year ended was \$438,733 (2012 - \$386,294).

15. CAPITAL DISCLOSURES

The Company's primary objective when managing capital is to address the expectations as provided in the Shareholder Agreement between the Company's parent company, Newmarket Hydro Holdings Inc. and its shareholder, the Town of Newmarket. The expectation is that the Company will maintain a prudent financial structure in order to safeguard the Company's assets and to provide adequate returns for its shareholders and benefits to the stakeholders.

The Ontario Energy Board sets rates based on a deemed capital structure of 60% debt and 40% equity.

Changes to the Company's capital structure are constrained by existing covenants contained in the banking agreement. The Company must maintain a maximum debt to capitalization ratio of 0.60 to 1 and maintain a debt service coverage ratio of 1.2.

The Company's current capital structure is defined as follows:

	2013	2012
	\$	\$
Long term debt	24,742,821	24,742,821
Advances from parent company	2,313,323	2,232,689
Total debt	27,056,144	26,975,510
Share capital	27,140,206	27,140,206
Retained earnings	15,810,367	14,199,502
Capital	42,950,573	41,339,708
Debt-to-adjusted capital ratio	0.63	0.65

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS****For the year ended December 31, 2013****16. FINANCIAL INSTRUMENTS***Fair value*

The carrying value of the accounts receivable and accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

The short-term investments are carried at fair value, with changes in value recognized in income in the year.

The fair value of the advances from parent company detailed in note 10 are less than carrying value, as the amounts have no terms of repayment, the fair value cannot be calculated with any degree of certainty.

The carrying value of long-term debt approximates the fair value as the interest rates are consistent with the current rates offered to the Company for debt with similar terms.

Interest rate risk

The Company manages exposure to interest rate risk through a combination of fixed and floating rate borrowings. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate cash flow risk to the extent that the floating rate credit facility bears interest at a floating rate. The Company is also exposed to interest rate price risk to the extent that loans bear interest at fixed rates (note 7 and 10).

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Company is exposed to credit risk from customers. However, the Company has a significant number of customers which minimizes the concentration of credit risk. An allowance for collection of doubtful accounts in the amount of \$214,867 (2012 - \$220,523) has been recorded.

Market risk

The securities held as short term investments exposes the Company to market risk due to the potential for changes in market prices.

Liquidity risk

The Company does have a liquidity risk in the accounts payable and accrued liabilities of \$12,073,996 (2012 - \$10,629,713). Liquidity risk is the risk that the Company cannot repay its obligations when they become due to its creditors. The Company reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate line of credit to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Company is low and is not material.

NEWMARKET-TAY POWER DISTRIBUTION LTD.**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2013

17. COMMITMENT

The company has an operating lease agreement with the Town of Newmarket, expiring December 31, 2017 for the rental of the building. Minimum lease payments over the next five year period under this commitment are as follows;

	\$
2014	275,000
2015	275,000
2016	275,000
2017	275,000
	<u>1,100,000</u>

18. CONTINGENT LIABILITIES

(a) In the normal course of business, the Company enters into agreements that meet the definition of a guarantee. The guarantees include indemnities under lease agreements, purchase and sale agreements, confidentiality agreements, outsourcing, service and information agreements. The nature of these indemnification agreements prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability related to the likelihood and predictability of future events. Historically, the Company has not made any significant payments under similar indemnification agreements and therefore no amount has been accrued in the balance sheet with respect to these agreements.

(b) Indemnity has been provided to all directors and/or officers of the Company for various items including, but not limited to, all costs to settle suits or actions due to association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential suits or actions. The amount of any potential future liability which exceeds the amount of insurance coverage cannot reasonably be determined.

(c) The Company participates with other municipal utilities in Ontario in an agreement to exchange reciprocal contracts of indemnity through the Municipal Electric Association Reciprocal Insurance Exchange. Under this agreement, the Company is contingently liable for additional assessments to the extent that premiums collected are not sufficient to cover actual losses, claims and costs experienced.

(d) The Company is currently assessing the Connection and Cost Recovery Agreement for Holland Transformer Station with Hydro One Networks. Under this agreement, there are potential capital contributions towards the Holland Transformer Station at year five (2014) and year ten (2019) of the agreement based upon actual load on the station. The Company at this time cannot reasonably estimate the amount of any capital contributions that may be required.

19. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

Deputation and Further Notice Request Form

Please complete this form to speak at a meeting of Town Council or Committee of the Whole. If filling out by hand please print clearly.

Please email to clerks@newmarket.ca, fax to 905-953-5100 or mail or drop off at Legislative Services Department, Town of Newmarket Municipal Offices, 395 Mulock Drive, PO Box 328, STN Main, L3Y 4X7

Subject: Integrity Commissioner's Report

Date of Meeting: February 23rd

Agenda Item No.: Agenda Not Posted Yet

☒ I wish to address Council / Committee

☐ I request future notification of meetings.

Name: John Blommestein

Organization / Group/ Business represented:

Address: Omitted for Privacy Reasons

Postal Code: Omitted for Privacy Reasons

Email: Omitted for Privacy Reasons

Home Phone: Omitted for Privacy Reason

Business Phone: Omitted for Privacy Reasons

Be advised that all Council and Committee of the Whole meetings are audio-video recorded and live streamed online. If you make a presentation to Council or Committee of the Whole, your presentation becomes part of the public record and you will be listed as a presenter in the minutes of the meeting. We post our minutes online, so the listing of your name in connection with the agenda item may be indexed by search engines like Google.

Personal information on this form will be used for the purposes of sending correspondence relating to matters before Council. Your name, address, comments, and any other personal information, is collected and maintained for the purpose of creating a record that is available to the general public in a hard copy format and on the internet in an electronic format pursuant to Section 27 of the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c.M.56, as amended. Questions about this collection should be directed to the Director of Legislative Services/Town Clerk, Town of Newmarket, 395 Mulock Drive, P.O. Box 328, STN Main, Newmarket, ON L3Y 4X7; Telephone 905 895-5193 Ext. 2211 Fax 905-953-5100.

From: Brouwer, Andrew
Sent: February-11-15 11:58 AM
To: Moor, Linda
Subject: Note to be accompanied with deputation request form

Mr. Blommestein has requested additional time for his deputation at the February 23, 2015 Committee of the Whole with regard to the report of the Integrity Commissioner.

Please attach this email with his deputation request form such that Council can give consideration to this request.

Thank you,

Andrew Brouwer, Town Clerk

Sent from my iPad

January 9, 2015

Mayor Tony Van Bynen
The Town of Newmarket
395 Mulock Drive, P.O. Box 328
Newmarket, ON, L3Y 4X7

MAYOR'S OFFICE		
INCOMING MAIL	REFERRED TO	COPIED TO
COUNCIL		
CAO		
FEB 04 2015		
COMMISSIONER		
DEPARTMENT	✓	
CLERKS		
CONCERNS		



**CANADIAN
RED CROSS**

Region of York Branch
1311 Yonge Street, Unit 204
Richmond Hill, ON L4E 3L6
Canada
T 905-830-9565
F 905-773-7587
redcross.ca

Dear Mayor Tony Van Bynen,

When a community is in crisis at home or around the world, providing for the immediate needs of the most vulnerable is the number one priority – and the Red Cross is always there to help. Each year, the Red Cross celebrates "March is Red Cross Month", and we would like to invite the Town of Newmarket to join us in raising public awareness about the work of the Red Cross in our community. This year marks 115 years of service that the Red Cross has given to the communities in York Region.

To acknowledge March is Red Cross Month, we would again appreciate you making a proclamation recognizing March as Red Cross Month, in conjunction with a flag-raising ceremony. Please contact me with the best date for us to join you in a flag-raising ceremony in March.

Every four minutes, the Canadian Red Cross responds to a disaster in Canada. Last year, several communities across Ontario were affected by large-scale disasters, including the December ice storm in Toronto and York Region. The Red Cross also responded to personal emergencies including house fires and evacuations in York Region and other areas in Ontario.

Thanks to the generosity of Canadians, Red Cross volunteers respond to all of these disasters by providing support such as shelter, clothing, food and water, personal items (such as hygiene and baby items), and helping to reunite loved ones who were affected.

In addition to our work in disaster management, the Region of York branch also provides first aid training, violence and abuse prevention workshops and a variety of community support services including health equipment loans.

For 115 years, the Red Cross in York Region has provided help and hope to those in need at home and around the world. We will continue with our mission for many more years to come thanks to your continued support. I would be pleased to provide you with more information or discuss the proclamation or flag-raising ceremony with you in person. I can be reached at beverly.verwey@redcross.ca

Sincerely,

Beverly Verwey
Branch Council Chair
Region of York Branch

Encl.

CORPORATE SERVICES		
INCOMING MAIL	REFD TO	COPY TO
FEB 05 2015		

March is Red Cross Month 2015

Proclamation

Whereas, the Canadian Red Cross Society has been engaged in preventing and alleviating human suffering across Canada and around the world for over 100 years, and

Whereas, the Canadian Red Cross Society has helped thousands of Canadians through its Disaster Relief and Community Services, including our own citizens of the Town of Newmarket, and

Whereas, the Canadian Red Cross Society is a reflection of the Canadian spirit of generosity, caring and selflessness,

Therefore, I, Mayor Tony Van Bynen of the Town of Newmarket hereby proclaim March 2015 as Red Cross Month here in the Town of Newmarket. I also urge all residents of the Town of Newmarket to support the Canadian Red Cross Society and our community by regularly volunteering their time or by financially supporting Red Cross programs, across the world and across the street.

In witness whereof, I have herewith set my hand and caused the great seal of the Town of Newmarket to be affixed.

Finnerty, Chrisanne

From: Bondi, Janice
Sent: February-10-15 1:18 PM
To: Finnerty, Chrisanne
Subject: FW: March Awareness
Attachments: PROCLAMATION.doc



Janice Bondi
 Legislative Services
 Associate
 Legislative Services
 905-953-5300, press
 2, ext. 2209
jbondi@newmarket.ca
www.newmarket.ca
 Follow us on [Twitter](#)
[@townofnewmarket](#)
 Newmarket: A
 Community Well
 Beyond the Ordinary

From: Bates, Tina **On Behalf Of** Mayor Van Bynen
Sent: February-10-15 12:26 PM
To: dharper@epilepsyork.org
Cc: Clerks
Subject: FW: March Awareness

Hello David,
 By copy of this email I am asking staff to process your proclamation request.



Tina Bates
 Assistant to the Office of the Mayor
 905-953-5300, press 2, ext. 2003
 Fax: 905-953-5102
tbates@newmarket.ca
www.newmarket.ca
 Follow us on [Twitter](#) [@townofnewmarket](#)
 Newmarket: A Community Well Beyond the Ordinary

From: David Harper, Epilepsy York [<mailto:dharper@epilepsyork.org>]
Sent: February 10, 2015 11:57 AM
To: Mayor Van Bynen
Subject: March Awareness

Dear Mayor Bynen and Members of Council

Epilepsy York Region would appreciate it if the Town of Newmarket would recognize March as Epilepsy awareness month and March 26th as Purple day, with a Proclamation.
 I have taken the liberty of attaching suggested proclamation.

Thank you for your support

Yours truly

David

David Harper
 Volunteer Manager
 Epilepsy York Region
 11181 Yonge St.
 Richmond Hill, ON.
 905-508-5404

Proclamation.

Proclamation



Epilepsy awareness month.

Whereas: March 26th is a Purple Day. It is a global effort dedicated to promoting epilepsy awareness in countries around the world, and

Whereas: Epilepsy is one of the most common neurological conditions, estimated to affect over 50 million people worldwide and over 300,000 thousand people in Canada, and

Whereas: One in ten persons will have at least one seizure during his or her lifetime, and

Whereas: March is Epilepsy awareness month, Purple Day will be celebrated on March 26th annually to increase understanding, reduce stigma and improve the quality of life for people with epilepsy throughout the country and globally.



Mendonca, Barbara

From: Bates, Tina on behalf of Mayor Van Bynen
Sent: January-30-15 11:39 AM
To: Clerks
Cc: Mayor Van Bynen
Subject: FW: Social Work Week 2015

CORPORATE SERVICES		
INCOMING MAIL	REFD TO	COPY TO
JAN 30 2015		
COW		

Please see the proclamation request below for your attention. Thank you.

Tina Bates

Assistant to the Office of the Mayor
 Town of Newmarket
 905-953-5300, press 2, ext. 2003

From: OASW Central Ontario Branch [<mailto:oaswcentral@bellnet.ca>]
Sent: January 28, 2015 6:42 PM
To: Mayor Van Bynen
Subject: Social Work Week 2015

Dear Mayor Van Bynen,

We are writing to request that you proclaim March 2-8, 2015 as **Social Work Week** in the Town of Newmarket.

The theme for Social Work Week 2015 is **Social Workers: Mobilizing Strengths in Individuals & Communities**. Social workers across Ontario will be celebrating the role and contribution of the profession by hosting a wide variety of events during the first week of March.

This year's theme was selected to highlight the significant role that social workers play in helping people improve the quality of their lives and achieve their goals. Dr. Betsy Clark, the former Executive Director of the National Association of Social Workers observed that: "The foundation for growth and change in any individual, family or community is existing strengths. Understanding and utilizing these strengths are essential to improving the emotional health and well-being of society. Social workers look for inherent strengths that can be used as a starting point for future growth."

Few professions match social work for the wide variety of settings in which they work and the range of services they provide. Social workers work as front-line practitioners, clinicians, managers, supervisors, and administrators. They are also therapists, educators, and researchers. They work at all levels of government and some hold political office.

Social Work Week provides an opportunity each year for social workers to promote and celebrate their profession and the life-changing work that they champion in the Town of Newmarket and communities throughout the province.

Thank you very much for your continued support. Please do not hesitate to contact me if you require any further information.

Tracey Nesbitt

Tracey Nesbitt, Manager
 OASW Central Ontario Branch
 410 Jarvis St.
 Toronto ON M4Y 2G6
oaswcentral@bellnet.ca
 (416) 923-4360



**CANADIAN INSTITUTE OF PLUMBING & HEATING
L'INSTITUT CANADIEN DE PLOMBERIE ET DE CHAUFFAGE**

A National Voice with Regional Roots | Une histoire régionale, une voix nationale

February 10, 2015

Office of the Mayor
Mayor Tony Van Bynen
Town of Markham
395 Mulock Drive
P.O. Box 328, STN Main,
Newmarket, Ontario L3y 4X7

**SUBJECT: Request for Proclamation
World Plumbing Day - March 11, 2015**

On behalf of the Board of Directors of the Canadian Institute of Plumbing and Heating, I am submitting this request to have March 11, 2015 proclaimed "World Plumbing Day" in the Town of Newmarket.

With an increased global focus on climate change the plumbing industry around the world, across Canada and right there in Newmarket, is a major player in relation to water conservation, use and reuse issues and in the installation and maintenance of equipment using renewable sources of energy.

The Canadian Institute of Plumbing and Heating and the World Plumbing Council along with related organizations around the world will join together on March 11, 2015 to raise awareness of this importance of proper plumbing in relation to protecting the planet and its citizens.

CIPH is a not-for-profit trade association, founded in Montreal in 1933. Our members include most of the manufacturers, distributors, and allied companies who directly employ more than 20,000 Canadians in the plumbing and hydronics (modern hot water heating) industries. In 2013 CIPH celebrated 80 years of helping our members, the industry, allied organizations, government and consumers.

The World Health Organization estimates that over 3 million children under the age of 5 die each year due to water related diseases: simple plumbing solutions could make all the difference in saving lives. In many developing countries, plumbing is either very limited or even non-existent and the lack of an effective plumbing infrastructure is a huge factor in the tragic statistics which show that an unacceptably high proportion of the world population does not have access to safe water or to effective sanitation systems.

Respectfully submitted,

Peter Stojanov, Onward Sales & Marketing
Director – CIPH Ontario Region



MINUTES

Tuesday, September 2, 2014 at 9:30 AM
Town of Newmarket - Mulock Room

The meeting of the CYFS - JCC was held on Tuesday, September 2, 2014 in Town of Newmarket - Mulock Room, 395 Mulock Drive, Newmarket.

Members Present: Newmarket: Councillor Emanuel
 Councillor Kerwin
 Councillor Twinney

 Aurora: Mayor Dawe
 Councillor Abel
 Councillor Gallo

Staff Present: Newmarket: R. J. Shelton, Chief Administrative Officer
 M. Mayes, Director of Financial Services/Treasurer
 L. Georgeff, Director of Human Resources
 L. Lyons, Deputy Clerk

 Aurora: N. Garbe, Chief Administrative Officer
 D. Elliott, Director of Corporate and Financial
 Services/Treasurer

CYFS: I. Laing, Fire Chief
 R. Comeau, Deputy Fire Chief
 P. Leslie, Deputy Fire Chief

The meeting was called to order at 9:30 a.m.

Councillor Twinney in the Chair.

Additions & Corrections to the Agenda

None.

Declarations of Pecuniary Interest

None.

Approval of Minutes

1. Central York Fire Services - Joint Council Committee Minutes of July 15, 2014.

Moved by: Councillor Kerwin
 Seconded by: Councillor Gallo

THAT the Central York Fire Services - Joint Council Committee Minutes of July 15, 2014 be approved.

Carried

Items

2. Correspondence from the Town of Aurora regarding Appointment to the Joint Council Committee (Central York Fire Services).

Moved by: Councillor Kerwin
 Seconded by: Councillor Gallo

a) THAT the correspondence from the Town of Aurora regarding Appointment to the Joint Council Committee (Central York Fire Services) be received;

b) AND THAT Mayor Geoffrey Dawe be welcomed to the Joint Council Committee.

Carried

3. Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter.

The Director of Financial Services/Treasurer, Town of Newmarket, provided an overview of the report. Discussion ensued regarding training grants, development charges in the Town of Aurora, and transfer of Newmarket's training reserve funds to the Central York Fire Services Asset Replacement Fund.

Moved by: Councillor Emanuel
 Seconded by: Councillor Abel

a) THAT the Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter be received for information purposes;

b) AND THAT the Town of Newmarket be requested to transfer the balance in its Fire Training Reserve to Central York Fire Services' Asset Replacement Fund.

Carried

New Business

- a) Councillor Emanuel advised that this meeting would be his last and thanked the Committee and staff for their support over the past 11 years.
- b) Councillor Kerwin thanked Councillor Emanuel for his work with the Joint Council Committee and summarized some of the highlights of his terms on the Joint Council Committee. In addition, Councillor Kerwin advised that he was struck by a car on July 5 and thanked Central York Fire Services staff for their rapid response and assistance.
- c) The Fire Chief advised that a Public Information Centre will be planned this fall in order to obtain input from the public regarding the Draft Master Fire Plan.

Closed Session

The Chair advised that there was no requirement for a Closed Session.

Adjournment

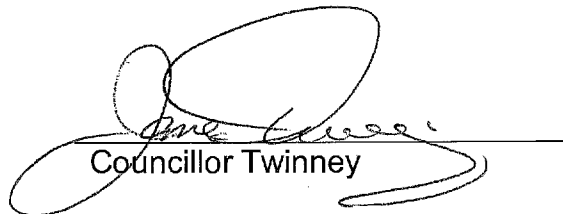
Moved by: Councillor Emanuel
Seconded by: Councillor Abel

THAT the meeting adjourn.

Carried

There being no further business, the meeting adjourned at 9:42 a.m.

Jan. 6, 2015
Date


Councillor Twinney



MINUTES

Tuesday, January 6, 2015 at 9:30 AM
Town of Newmarket - Cane A & B

The meeting of the CYFS - JCC was held on Tuesday, January 6, 2015 in Town of Newmarket - Cane A & B, 395 Mulock Drive, Newmarket.

Members Present:	Newmarket:	Councillor Hempen Councillor Twinney
	Aurora:	Councillor Abel Councillor Mrakas Councillor Thompson
		v
Absent:	Newmarket:	Councillor Sponga
Staff Present:	Newmarket:	A. Moore, Commissioner of Corporate Services M. Mayes, Director of Financial Services/Treasurer L. Lyons, Deputy Clerk F. Wu, Senior Financial Analyst
	Aurora:	N. Garbe, Chief Administrative Officer D. Elliot, Director of Corporate and Financial Services/Treasurer
CYFS:		I. Laing, Fire Chief R. Comeau, Deputy Fire Chief P. Leslie, Deputy Fire Chief

The meeting was called to order at 9:40 a.m.

The Commissioner of Corporate Services opened the meeting and proceeded with introductions.

1. Election of Chair and Vice-Chair.

The Deputy Clerk outlined the provisions of the Consolidated Fire Services Agreement with respect to the election of a Chair and Vice Chair.

The floor was opened for nominations of Chair of the CYFS - Joint Council Committee for 2015/2016.

Moved by Councillor Twinney
Seconded by Councillor Thompson

THAT Councillor Abel, Town of Aurora, be appointed as Chair of the CYFS - Joint Council Committee for 2015/2016.

Carried

The floor was opened for nominations for Vice Chair of the CYFS - Joint Council Committee for 2015/2016.

Moved by Councillor Abel
Seconded by Councillor Mrakas

THAT Councillor Twinney, Town of Newmarket, be appointed as Vice Chair of the CYFS - Joint Council Committee for 2015/2016.

Carried

Councillor Abel assumed the Chair.

Additions & Corrections to the Agenda

None.

Declarations of Pecuniary Interest

None.

Approval of Minutes

2. Central York Fire Services - Joint Council Committee Minutes of September 2, 2014.

Moved by: Councillor Twinney
Seconded by: Councillor Thompson

THAT the Central York Fire Services - Joint Council Committee Minutes of September 2, 2014 be approved.

Carried

Items

3. Central York Fire Services - Joint Council Committee 2015 Meeting Schedule.

Moved by: Councillor Mrakas

Seconded by: Councillor Twinney

THAT the Central York Fire Services - Joint Council Committee 2015 Meeting Schedule be approved.

Carried

4. PowerPoint Presentation regarding Central York Fire Services - Joint Council Committee Orientation.

The Fire Chief presented a PowerPoint presentation regarding the roles and responsibilities of Central York Fire Services and the Joint Council Committee.

Moved by: Councillor Thompson

Seconded by: Councillor Hempen

THAT the PowerPoint presentation regarding Central York Fire Services - Joint Council Committee Orientation be received.

Carried

Closed Session

Moved by Councillor Hempen

Seconded by Councillor Thompson

THAT the CYFS - Joint Council Committee resolve into a Closed Session for the purpose of discussing labour relations.

Carried

The Committee resolved into Closed Session at 11:10 a.m.

The CYFS - Joint Council Committee (Closed Session) Minutes are recorded under separate cover.

The Committee resumed into Public Session at 11:29 a.m.

New Business

- a) The Director of Financial Services/Treasurer, Town of Newmarket, reported that three reports related to budget will be provided at the next CYFS - Joint Council Committee meeting.
- b) The Fire Chief provided an update on budget processes for the benefit of new and returning members.

Adjournment

Moved by: Councillor Twinney
Seconded by: Councillor Mrakas

THAT the meeting adjourn.

Carried

There being no further business, the meeting adjourned at 11:37 a.m.

Date

Feb 3 / 15

Councillor Abel, Chair

3. Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter.

The Director of Financial Services/Treasurer, Town of Newmarket, provided an overview of the report. Discussion ensued regarding training grants, development charges in the Town of Aurora, and transfer of Newmarket's training reserve funds to the Central York Fire Services Asset Replacement Fund.

Moved by: Councillor Emanuel

Seconded by: Councillor Abel

a) THAT the Joint Central York Fire Services and Corporate Services Report 2014-33 dated July 17, 2014 regarding the 2014 Central York Fire Services Budget Report - Second Quarter be received for information purposes;

b) AND THAT the Town of Newmarket be requested to transfer the balance in its Fire Training Reserve to Central York Fire Services' Asset Replacement Fund.

Carried



**Newmarket Public Library Board
Regular Board Meeting
Wednesday, December 17, 2014
Newmarket Public Library Board Room**

Present: Joan Stonehocker – Chair
Tom Vegh – Vice Chair
Tara Brown – (arrived at 6:10 PM)
Michael Castro
Tom Hempen

Regrets: Wes Playter
John Taylor

Staff Present: Todd Kyle, CEO
Linda Peppiatt, Deputy CEO
Lianne Bond, Administrative Coordinator

The Chair called the meeting to order at 5:55 pm

1. Adoption of Agenda Items

- a) Adoption of Regular Agenda
- b) Adoption of the Closed Session Agenda
- c) Adoption of Consent Agenda items

The Chair asked if there were any additions to the agenda.

Motion 14.12.344

**Moved by Tom Vegh
Seconded by Michael Castro**

That Agendas a) to c) be adopted as presented.

Carried

2. Declarations

None were declared.

3. Consent Agenda Items:

- a) Adoption of the Regular Board Meeting Minutes for Wednesday, November 19, 2014
- b) Strategic Operations Report for November, 2014
- c) Library Statistical Data for November, 2014
- d) Monthly Bank Transfer

- e) Correspondence from the Division Manager, Content and Technology, Ottawa Public Library

Motion 14.11.345

Moved by Tom Vegh

Seconded by Michael Castro

That Consent Agenda Item a) to e) be received as presented.

Carried

4. Business Arising

- a) 2015 Draft Operating and Capital Budget

The CEO reviewed the draft 2015 Operating budget with Library Board members.

Motion 14.12.346

Moved by Tom Vegh

Seconded by Michael Castro

That the Library Board approve the 2015 Operating Budget submission option to the Town of Newmarket that meets the Town of Newmarket Finance Department's guidelines.

Carried

The CEO reviewed the two proposed enhancement submissions for 2015 with the Library Board. The Library Board considered the proposed enhancement to open on Mondays, and the proposed enhancement to open Sundays year round.

Motion 14.13.347

Moved by Tom Hempen

Seconded Michael Castro

That the Library Board approve Sunday openings year round at an operating cost of \$18,720 to be funded from the reserves as a pilot project for one year and that the results from the pilot project be brought back to the Library Board for further review.

Carried

The CEO reviewed the 2015 Capital Budget requests with the Library Board.

Motion 14.12.348

Moved by Tom Vegh

Seconded by Tara Brown

That the Library Board approve the 2015 Capital Project requests for Computer Hardware/Software and Furniture/Equipment submission to the Town of Newmarket as presented.

Carried

Motion 14.12.348

**Moved by Tom Vegh
Seconded by Tom Hempen**

That the Library Board approved 2015 Capital Project request New Library Option 1 submission to the Town of Newmarket as presented.

Carried

b) Action List

The Board reviewed Action List

Motion 14.12.349

**Moved by Tara Brown
Seconded by Tom Vegh**

That the Library Board receive the Action List as presented.

Carried

5. Motion to Convene into a Closed Session

Motion 14.12.350

**Moved by Tom Vegh
Seconded by Tara Brown**

That the Library Board convene into a closed session at 6:45 pm for the purposes of discussing labour relation matters.

Carried

Motion 14.12.351

**Moved by Tara Brown
Seconded by Tom Vegh**

That the Library Board move out of the closed session at 6:50 pm.

Carried

Motion arising from the Closed Session:

Motion 14.12.352

**Moved by Tom Vegh
Seconded by Tara Brown**

That the Library Board receive the report on the 2015 economic adjustment for non-union staff.

Carried

6. Policies

a) Inter-Library Loan Policy

The Library Board reviewed the revised Inter-Library Loan Policy.

Motion 14.12.353

Moved by Tom Vegh

Seconded by Tara Brown

That the Library Board approve the revised Inter-Library Loan Policy as presented

That the Library Board affirm that fines for overdue inter-library loan items for all Library members are set at one dollar per day to a maximum of ten dollars.

Carried

b) Procurement Policy

The Library Board reviewed the proposed changes to the Procurement Policy.

Motion 14.12.354

Moved by Tara Brown

Seconded by Tom Hempen

That the Library Board approve the revised Procurement Policy as presented

Carried

7. New Business

There was no new business.

8. Date(s) of Future Meetings

The next regular Library Board meeting will be Wednesday, January 21, 2015 at 5:00 PM in the Library Board room

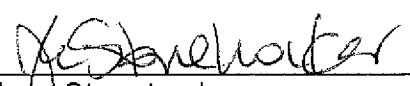
9. Adjournment

Motion 14.12.355

Moved by Tom Vegh

Seconded by Tom Hempen

That there being no further business meeting adjourned at 7:00 PM.


Joan Stonehocker
Chair


Todd Kyle, CEO
Secretary/Treasurer

**DEVELOPMENT AND INFRASTRUCTURE SERVICES – PUBLIC WORKS SERVICES**

TOWN OF NEWMARKET

395 Mulock Drive

P.O. Box 328

Newmarket, ON L3Y 4X7

www.newmarket.ca

info@newmarket.ca

905.895.5193

February 9, 2015

**DEVELOPMENT AND INFRASTRUCTURE SERVICES REPORT
PUBLIC WORKS SERVICES 2015-16**

TO: Committee of the Whole

SUBJECT: Sidewalk Snow Clearing for All Sidewalks

ORIGIN: Director of Public Works Services

RECOMMENDATION

THAT Development & Infrastructure Services Report – Public Works Services 2015-16 dated February 9, 2015, regarding Sidewalk Snow Clearing for All Sidewalks be received and the following recommendations be adopted:

- 1. THAT Council consider the proposed enhancement of winter sidewalk maintenance service levels to include all municipally owned sidewalks with priority to be given to schools, Main Street, Regional roads and primary transit locations as part of the 2015 draft budget deliberations.**

PURPOSE

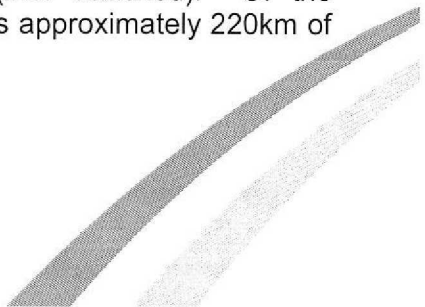
The purpose of this report is to outline our current snow clearing guidelines and service level, and provide details and costing on the enhanced service for delivering winter maintenance for sidewalks on all municipally owned sidewalks with prioritized service to specific areas.

BACKGROUND

In March of 2014 report 2014-21 Sidewalk Snow Clearing Review, was approved by Council and direction was given for staff to proceed with a review for clearing all sidewalks, walkways and primary trails in Town. This approach would see all sidewalks, walkways and paved trails cleared by the Town and a priority would be given to schools, Main Street, regional roads and primary transit locations.

Newmarket currently completes at least one pass to clear approximately 65% of sidewalks, walkways and trails within 24 hours of a snowfall as per the Town guideline NMS-19. The remaining 35% are cleared by the adjacent property owner as outlined in bylaw number 1996-38.

Municipal sidewalks, trails and walkway clearing is carried out in accordance with the current Town of Newmarket Winter Sidewalk & Walkway Maintenance guidelines NMS-19 (see attached). Of the approximately 340 km of sidewalk, walkways and trails, the Town currently clears approximately 220km of them.



The current sidewalk clearing guidelines (NMS-19) were originally issued in November of 2003 and most recently revised in December of 2009. The purpose and intent of this guideline is to ensure the Town can deliver the best winter sidewalk maintenance efforts given the resources available and average weather conditions. The guideline also states that snow removal operations will commence when the new fallen or windblown snow accumulated on the sidewalk surface is 5.0cm (2 inches). Arterial Roads, Primary and Minor Collectors as well as Local roads are to be cleared of snow within 24 hours after any snowfall. According to the guidelines, walkways and the Tom Taylor Trail are intended to be cleared after those priorities are in satisfactory condition.

Over the years, the processes have been streamlined, and often due to implemented efficiencies, service levels have exceeded the stipulations of the guideline. Trails and walkways have regularly been cleared within 24 hours. One of the primary reasons for this is the importance of walkways connecting to schools and the increased dependency on trails to be part of our active transportation system. In addition, there has been greater focus on the environmental and societal value of Transportation Demand Management with respect to walking and/or cycling. This evolution in pedestrian movement and alternative transportation systems requires us to ensure our snow clearing services are in line with the needs of the community.

The Guidelines will be reviewed and appropriate changes made once budget decisions have been finalized.

In 2010 and 2014 the Town undertook a community survey. Sidewalk snowplowing was ranked very low in satisfaction among Town services both times (51% and 43% respectively). The majority of complaints received for winter sidewalk maintenance center on the sidewalks adjacent to schools and regional roads and locations with regular senior pedestrians. The concerns raised often focused on the ability for these areas to be cleared in a reasonable amount of time. Additional inquiries also focus on selection processes for which sidewalks were done and which were not.

There are approximately 30 schools located throughout the Town, but all are not necessarily located on primary roads. While our current guidelines indicate that sidewalks around schools are completed, those guidelines do not give priority to their sequence of clearing. The result is some local roads or curb faced sidewalks are being done prior to a school or transit location. This also creates situations where a sidewalk fronting a school may be done after school has concluded for the day, as it may be at the end of a sidewalk clearing route. Current practices for snow clearing focus on efficiency of routes (shortest route from beginning to end) and do not identify areas that may warrant higher levels of service and increased use.

Other complaints are with respect to driving by sidewalks instead of clearing them. There is a significant difference between just driving a tractor past an area and plowing and salting sidewalks. The process to plow/salt is much slower, taking extra time and materials. The overall issue at hand is the fact that there is never just one isolated situation. There are currently many places throughout town that are much the same, and as a result, if staff plowed one area because we were passing by, we should be plowing all areas we are passing by. The sum of all these areas is very significant and unfortunately not within the resources we currently have. In addition, there is a time and material cost to plowing. Plowing occurs at a slower pace, and as a result it would require these additional staff and resources if we were to plow all areas.

ANALYSIS and PROPOSALS

In March of 2014, Council report 2014-21 provided three options for Council to consider regarding winter sidewalk maintenance. Those included:

Option 1: Maintain Current Service Levels

No change in current level of sidewalk snow clearing standards as per the guidelines NMS-19.

Option 2: Improved Priority Service to Specific Areas

A specific priority approach would provide a higher level of service to schools, Main Street, regional roads and primary transit locations. No new sidewalks would be added for winter maintenance.

Option 3: (Clearing of all Town Sidewalks, walkways and primary paved trails)

All sidewalks, walkways and paved trails would be cleared by the Town, and priority would be given to specific areas such as schools, Main Street, regional roads and primary transit locations.

Option 3 was selected by council for a further review, analysis and requested to be brought forward as part of the 2015 Budget Review Process.

This service level enhancement will see all sidewalks, walkways and paved trails cleared by the Town and priority given to specific priority areas in Town. These primary routes will be established to ensure all schools, Main Street, regional roads and primary transit locations are cleared prior to general residential sidewalks and walkways. Once these primary routes are found to be in good condition, sidewalk snow clearing will commence for all remaining sidewalks in Town. This approach is similar to the approach used on our roadways with primaries being cleared first and then services being extended to all other streets in Town.

This option will require additional resources (above any required to accommodate ongoing growth) in an attempt to maintain our current service level for clearing sidewalks, walkways and trails within 24 hours after a snowfall event.

ADDITIONAL CONSIDERATIONS

It has also been noted that any liabilities associated with a sidewalk, trails or walkway directly impact the Town, regardless of any bylaws outlining clearing requirements for property owners. The ability to clear all sidewalks ensures the Town can maintain and control a standard level of service. Often sidewalks are cleared by property owners, but the quality and timing of the service is inconsistent. Accessibility for Ontarians with Disabilities Act (AODA) regulations are also requiring a standard of service that allows for free movement of those with disabilities, thereby increasing responsibilities for compliance.

All sidewalks that are Town owned are the responsibility of the Corporation. Their condition is generally considered the Town's responsibility. How and when they are cleared can provide the Town with a strong defense if we ensure our guidelines are met. Through our bylaw and this proposed enhanced sidewalk clearing process, the Town can better manage the condition of the sidewalks and ultimately improve our defense during litigation processes.

Our by-law will continue to remain in effect requiring property owners to clear and maintain sidewalks. The purpose of maintaining the existing by-law is that sidewalk snow clearing by property owners will be seen as a secondary support to the Town's winter maintenance of sidewalks. This will see value to the community during significant storms where Town and contracted services are focused on maintaining the primaries and there may be a delay in addressing remaining sidewalks in Town.

This proposed service level change would provide a strong balance (approximately 60%:40%) between Town and contracted services for sidewalk snow clearing. One of the benefits to contracted services is the ability to request additional support during significant winter storms. This approach parallels that of the roads and ensures a more uniform and flexible approach to providing services to residents, specifically during peak demand situations.

COMMUNICATIONS AND CONSULTATIONS

Public Works staff will work with Corporate Communications and Customer Service to implement a detailed communication strategy for sidewalk, walkway and trail clearing, if this service enhancement is approved with the 2015 budget is approved. The primary intention of the outreach would be to ensure residents and property owners are educated on the Town's responsibilities as well as property owner obligations pertaining to snow clearing.

Feedback was also received from the Chair of the Accessibility Advisory Committee. Comments received indicated that the proposed enhancements are overdue and if implemented would be a very positive step forward for supporting improved accessibility within the Town.

FINANCIAL IMPACT

It is estimated that the Town would require an additional 5 routes for sidewalk snow clearing at an approximate cost of \$300,000.

It should be noted that the enhancement of this service level does not include the required additional resources to support ongoing growth, to maintain current levels for 2015. This has been separately included as part of the draft 2015 budget process as the Town has added 20.2 km of sidewalks, walkways and paved trails between the years of 2010 and 2014.

Town staff have reviewed neighbouring municipalities for costing on contracted services for sidewalk snow clearing. There are a number of variables that impact the cost of a contract such as the geographical size of a municipality, the density and the structure of how a contract is structured. These differences can make it difficult to accurately identify a cost. Staff reviewed other municipalities and when reviewed with a local municipality with similar conditions it is estimated that the contracted costs for plowing would be approximately \$300,000 for 5 additional routes. These additional routes would include the proposed prioritized service level for schools, Main Street, regional roads and primary transit locations. These annual costs would also include all aspects of the enhanced services such as standby costs, material and sod repairs.

While the annual operating costs are estimated at \$300,000 this is dependent on the weather, which varies on a season by season basis. Some years with excessive snow accumulation will see higher than average costs, and some years with lower snow accumulations will see lower than average costs. The winter reserve is in place to support years with excessive snow events.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

Living Well: Deliver efficient, effective and environmentally sound maintenance services to an appropriate level that achieves Council and/or Provincially mandated services levels, which meet public health and safety requirements and enhances quality of life while ensuring that system capital assets retain their value and are managed and funded according to sustainable, lifecycle based principles and practices.

BUDGET IMPACT

There would be an increase to the annual Public Works Services operating budget of \$300,000.

CONTACT

For more information on this report, contact: Mark Agnoletto, Senior Manager, Public Works Services at extension 2581.

Prepared by:



Mark Agnoletto
Senior Manager, Public Works Services

Reviewed by:



Christopher Kalimootoo, P.Eng. BA
Director, Public Works Services

Approved by:



Peter Noehammer, P.Eng
Commissioner, Development and Infrastructure Services

TOWN OF NEWMARKET
PUBLIC WORKS AND ENVIRONMENTAL SERVICES DEPARTMENT
MAINTENANCE SERVICES

WINTER SIDEWALK & WALKWAY MAINTENANCE

NMS - 19
(OPPOL-37)

The following TOWN OF NEWMARKET policy is a guideline only, and it is acknowledged that conditions may occur which will prevent the achievement of this level of service and that the Public Works Department must work within available resources such as funds, equipment and manpower

PURPOSE:

To set out the guidelines to be followed by the Public Works and Environmental Services Department for the provision of the best winter sidewalk maintenance efforts given the resources available and weather conditions.

PROCEDURES:

1. The guidelines for Winter Sidewalk & Walkway Maintenance shall be in accordance with the following:
 - Snow removal operations will commence when the maximum new fallen or wind blown snow accumulated on the sidewalk surface is 5.0cm (2 inches) in any one area.
 - PRIORITY #1 for snow removal and sanding/salting operations:

Arterial Roads	Sidewalks cleared on both sides
Primary & Minor Collectors	Sidewalks cleared on both sides
Local Roads	Certain sidewalks fronting Town Parks/Facilities and certain sidewalks near schools as shown on the "Sidewalk Snow Clearing Map"
	Winter Sidewalk Maintenance on sidewalks immediately adjacent to the street curb and/or with a hard surface blvd. of 0.400 meters or less – "Curb Face Sidewalk"
	(Sidewalks on local roads are not generally maintained by the Municipality during the winter)

Sidewalks shall be cleared of snow within twenty-four (24) hours after any snowfall (accumulation greater than 5.0cm) as per Town Bylaw 1996-38 and Bylaw 2001-100.

Original Issue: November, 2003

Revised: 2006-02-28

Revised: 2006-11-28

Revised: 2009-12-15

TOWN OF NEWMARKET
PUBLIC WORKS AND ENVIRONMENTAL SERVICES DEPARTMENT
MAINTENANCE SERVICES

- **PRIORITY #2** for snow removal and sanding/salting operations:

Walkways (Asphalt & Concrete Only)	Directly connecting two (2) streets (excluding walkways located in the War Camp area)
Walkways (Asphalt & Concrete Only)	Certain walkways leading into parks, as directed by the Director of Public Works & Environmental Services and as identified on the "Sidewalk Snow Clearing Map" (Appendix A).
Tom Taylor Trail	Winter Walkway Maintenance on the asphalt sections only

Priority #2 walkways shall be cleared of snow immediately upon satisfactory completion of sidewalks identified in Priority 1. Walkways leading into parks, which are not maintained, shall be signed accordingly (i.e. "Not Maintained in Winter").

- Sidewalk/Walkway surfaces may not be maintained to a bare surface (asphalt/concrete) during a storm; however, as a minimum, they shall be maintained in a snow packed condition.
- Snow clearing and sanding/salting around Canada Post mailboxes shall be the responsibility of Canada Post.
- Snow clearing and sanding/salting at Transit Stops shall be the responsibility of York Transit
- Sidewalks maintained by the municipality do not relieve property owners of their duty/responsibility to remove snow fronting their property as per Bylaw 1996-38 and Bylaw 2001-100.
- Unless an exception is granted for winter sidewalk maintenance, (as identified on the "Sidewalk Snow Clearing Map"), this policy applies to assumed roads only. For Subdivisions, which are not assumed, the property owner(s) is responsible to maintain the sidewalk fronting their property.

Original Issue: November, 2003

Revised: 2006-02-28

Revised: 2006-11-28

Revised: 2009-12-15



DEVELOPMENT AND INFRASTRUCTURE SERVICES – PUBLIC WORKS SERVICES
 TOWN OF NEWMARKET
 395 Mulock Drive
 P.O. Box 328
 Newmarket, ON L3Y 4X7

www.newmarket.ca
 info@newmarket.ca
 905.895.5193

February 10, 2015

**JOINT DEVELOPMENT & INFRASTRUCTURE SERVICES, PUBLIC WORKS SERVICES
 AND CORPORATE SERVICES, FINANCIAL SERVICES
 REPORT 2015-17**

TO: Committee of the Whole

SUBJECT: Advanced Metering Infrastructure (AMI) Proposed Fixed Network System

ORIGIN: Directors of Public Works Services and Financial Services

RECOMMENDATIONS

THAT Joint Development and Infrastructure Services Report – Public Works Services and Corporate Services – Financial Services Report 2015-17, dated February 10, 2015 regarding Advanced Metering Infrastructure be received and the following recommendation(s) be adopted:

- 1. THAT Council consider the benefits of Advanced Metering Infrastructure as outlined in conjunction with the draft 2015 capital budget submission;**
- 2. AND THAT Council give consideration to initiating a Meter Replacement Program in the 2015 budget through a Request for Proposal process.**

COMMENTS

Advanced Metering Infrastructure (AMI) technology allows water meters to be read electronically rather than through direct visual inspection by meter readers. The meters transmit customer consumption and time-of-use data to a central database for billing, troubleshooting and analyzing. Additionally, AMI data identifies and alerts staff and customers of unusual consumption patterns which could identify potential leaks within a customer's home, meter tampering and backflow. This will benefit both the user and the Municipality identifying problems quickly and minimizing water costs and usage.

Currently the Town of Newmarket owns and maintains over 25,000 residential and commercial water meters within our distribution system. Of these 25,000 plus meters, an estimated 12,173 are believed to be under registering usage by about 9% due to age. Typically after 10 years, the existing Positive Displacement water meter will lose 0.5% each year. This translates in a loss of revenue to the Municipality in excess of \$500,000 per year. The proposed AMI replacement of these meters would be with a new improved water meter that provides an innovative magnetic technology for reading consumption with no moving parts, low flow accuracy and lead free construction.

With such a large number of meters to be replaced, it is suggested the Town take this opportunity to convert from our present metering process of direct visual reads to an automated reading system that will strengthen our finances, customer service and asset management.

The following represents the benefits of a modernized AMI Fixed Network System:

Customer Service

- Customers can access their consumption data online with a dashboard feature.
- No inconvenience to the customer for meter reader access issues.
- Identifies abnormal usage patterns or spikes in consumption sooner, maybe before residents see their bill, therefore allowing quicker reaction time and less frustration from residents.
- Water loss is more accurately determined.

Environment

- Identifies residential backflow incidences protecting the public and our water system.
- Less carbon footprint because vehicles aren't needed on the road to read meters with two way communication.
- Water consumption usage will assist consumers in determining a water conservation strategy.

Financial

- Identifies potential water leaks so staff can investigate and react sooner with potential savings to customers and reduce unaccounted for and unbilled water.
- Stopped and tampered meters are identified in hours instead of days or months.
- Ability to accurately evaluate the difference between water production and water consumption.
- More precise readers that maintain accuracy longer and reduce unbilled water use.
- Cost savings of reducing water meter reader needs.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being *Well Managed through fiscal responsibility*.

CONSULTATION

The Utility Transition Task Force has been reviewing this potential project and has had presentations from potential suppliers. The Task Force has representation from across the corporation – Public Works, Engineering, Financial Services, Strategic Initiatives, Corporate Communications, Procurement Services and I.T.

HUMAN RESOURCE CONSIDERATIONS

The issuance of an RFP and the installation of new meters and AMI technology should have no direct impact on staffing levels. Opportunities to improve customer service may arise that could affect staffing levels, but they would be presented separately for consideration in the future.

BUDGET IMPACT

Operating Budget (Current and Future)

Investment in this project should have a positive effect on the operating budget. More accurate meter readings should increase revenues. There will be some reduction in maintenance costs; however, this amount would not be determined until the project has been fully implemented. Neither of these factors has been included in the proposed 2015 water and wastewater budgets at this time.

Capital Budget

This project will be included in the 2015 draft capital budget submission for consideration by Council. The project would be financed by a reserve fund loan per our Investment Strategy, and the loan would be repaid through operational savings. The suggested time frame is 15 years which would align with the life cycle and future replacement of the meters.

CONTACT

For more information on this report, please contact Bill Wilson at extension 2553; bwilson@newmarket.ca or Mike Mayes at extension 2102; mmayes@newmarket.ca.

Prepared by:



Bill Wilson, Manager, Water, Wastewater

Reviewed by:



Chris Kalimootoo,
Director, Public Works Services

Peter Noehammer
Commissioner, Development & Infrastructure
Services

Mike Mayes
Director, Financial Services

Anita Moote
Commissioner, Corporate Services



DEVELOPMENT & INFRASTRUCTURE SERVICES – PUBLIC WORKS SERVICES
 TOWN OF NEWMARKET
 395 Mulock Drive
 P.O. Box 328
 Newmarket, ON L3Y 4X7

www.newmarket.ca
 info@newmarket.ca
 905.895.5193

January 29, 2015

**DEVELOPMENT & INFRASTRUCTURE SERVICES REPORT
 PUBLIC WORKS SERVICES 2015-12**

TO: Committee of the Whole

SUBJECT: Northern Six Waste Collection Contract, 2017-2027
 Tender Preparation Update

ORIGIN: Director, Public Works Services

RECOMMENDATIONS

THAT Development and Infrastructure Services Report - Public Works Services – PWS 2015-12, dated January 29, 2015 regarding Northern Six Waste Collection Contract 2017-2027 – Tender Preparation Update be received and the following recommendation(s) be adopted:

1. THAT staff be directed to work collaboratively with the Northern Six municipalities on the preparation of the procurement documents and tender for a Northern Six Waste Collection Contract;
2. That Council directs staff to prepare an updated Memorandum of Understanding between the Northern Six Municipalities to provide governance and direction during the next Contract period
3. THAT Council directs staff to prepare the Tender for a Contract period of eight (8) to ten (10) years commencing from the expiry or termination of the existing contract;
4. THAT Council continues to endorse the principles of the Region of York 2012 Integrated Waste Management Master Plan (SM4RT Living Plan) including waste reduction and the provision of a three stream waste diversion program with Blue Box Material recycling and Source Separated Organics recycling;
5. THAT Staff reports back with opportunities to harmonize all Waste Collection By-laws in the Northern Six municipalities with the aim to improve efficiencies in the Contract Administration and customer service
6. THAT Staff reports back to Council for direction with respect to opportunities for improvements in the service level(s) provided, range of services provided, opportunities for further waste diversion, and cost efficiencies.

BACKGROUND

This report is to provide Council with an update with respect to the preparation of the Northern Six waste collection contract tender and to seek Council guidance as it relates to contract priorities respecting levels of service, convenience to residents, waste diversion and contract costs.

In 2007 the Northern Six Municipalities (N6) of York Region being; The Towns of Aurora, East Gwillimbury, Georgina, Newmarket, Whitchurch Stouffville and Township of King collectively entered into a ten-year waste collection contract.

This award winning contract was the first N6 initiative in which the municipalities collaborated with one another to leverage the economies of scale for the benefit of cost containment of municipally delivered services.

The N6 was recognized at both the Federation of Canadian Municipalities (FCM) Sustainable Community Awards, and the Association of Municipalities of Ontario (AMO) Conference. Together the six municipalities accepted top honours in the waste management category for the Northern Six Joint Waste Collection Contract and Green Bin program at FCM and the AMO P.J. Marshall Certificate of Merit Award for excellence in innovation.

The goal of the joint initiative was to maximize solid waste collection efficiencies, minimize solid waste system collection costs and introduce new waste diversion initiatives (e.g. a household organic collection program) with the aim to divert a minimum of 65% of waste from landfill as established through the 2006 Joint Municipal Waste Diversion Strategy.

The 2007-2017 N6 contract not only implemented a new waste collection system but it shared a communication and public education program, joint customer service arrangement, and distributed over 70,000 organic collection containers.

Collaborative savings of one million dollars per year was projected over the life of the contract. York Region conducted an audit on behalf of the municipalities and this audit confirmed that the 2008 savings were higher and costs were lower than expected.

In addition to savings to residents, the project provides residents with an increased level of service with respect to waste and recycling collection services. The new waste collection program provides garbage collection every other week, weekly blue box collection, weekly household organic waste collection, and yard waste collection every other week between April and November.

Building upon the successes of the 2007-2017 N6 waste collection contract, staff have initiated the preparation of the new contract with the intent of having tender documents prepared prior to the end of 2015. At the latest, the new waste contract will have to be awarded no later than the spring of 2016 to ensure the successful bidder has time to order trucks and equipment, and put processes in place for a September 2017 start.

ANALYSIS

Using the current N6 waste collection contract as a basis, staff will prepare the new contract taking into consideration the current contract performance, customer service levels, cost containment/savings, impact on the environment and implementation of new technologies. Staff will also incorporate such improvements as directed by Council for the benefit the residents of the Northern Six municipalities.

Additionally, and where feasible, the SM4RT Living Plan, Integrated Waste Management Master Plan will be incorporated into this contract.

As was done with the current waste contract, staff recommend that the services of a consultant with the experience and expertise in these types of contracts be retained to finalize the tender documents and prepare bid analysis. Sufficient funds will be requested through the 2015 budget deliberations to employ these services. Staff further recommend that a dedicated Contract Administrator position be created to oversee the contract and act as the municipal representative for the N6. This staffing resource would be shared among the N6 on an equitable basis and could either be an employee or a contracted position.

Before proceeding with preparation of the tender documents, staff wish to consult with each of the respective N6 Councils to ensure the new contract meets Council priorities.

Contract Priorities

Providing the highest level of service at the lowest possible cost to residents is the key consideration for any publically provided service. Staff have identified the following priorities for the future contract and will evaluate bids accordingly:

- Cost containment
- Maintain current level of service
- Convenience to resident
- Diversion rates

Staff identified early on in the tender preparation process that efficiencies and cost containment may be realized if the municipalities more closely align collection services. These aligned services are expected to help contain costs. Aligned services also provide the contractor flexibility in collection services, other efficiencies, and staff training.

Acknowledging that each of the Northern Six municipalities may choose to offer differing levels of service as is done now, staff identified the following possible changes/alignments in the next contract:

Harmonization of Waste Collection By-Laws

Although potentially controversial, staff anticipate harmonization of waste collection by-laws across the N6 could have significant positive benefits. This harmonization would provide for consistent messaging throughout the N6 including communications from our call centres, coordinated promotion and education materials and improved contract enforcement.

Harmonization would also provide maximum flexibility for the contractor delivering service across municipal boundaries, over large geographic areas and throughout the urban-rural makeup of the N6.

Harmonization of waste by-laws could include:

- Frequency of collection
- Type of waste collected
- Bag limits
- Implementation of clear garbage bags
- Ability to purchase bag tags and/or white good and bulky tags
- Enforcement
- Recycling at super mail boxes

SM4RT Living Plan, Integrated Waste Management Master Plan

The Integrated Waste Management Master Plan has been endorsed by York Region and each of the N6 municipalities. The plan is an innovative, long-term plan to drive waste reduction and reuse over the next 25 to 40 years.

The two principles that embody the SM4RT Living plan are:

- Decrease waste generation/increase material recovery
- Manage total cost of waste/recovery programs

The SM4RT Living Plan will not only incorporate the traditional 3R's (reduce, reuse, recycle) but will incorporate a fourth R – energy recovery from waste after all other diversion efforts have been exhausted.

Call Centre - Customer Service Approach

A contractor operated call centre for residents is a requirement of the current waste collection contract. This call centre addresses missed collections, damaged collection containers or other complaints. Residents are also able to schedule special waste collections using the call centre.

The call centre has significantly reduced the number of calls to N6 front-line staff.

Under consideration for call centre:

- Status quo - contractor operated
- Contracting out this service to a third party
- Contracting out this service to one of the N6 call centres

The first priority of a customer call centre is to provide a service to N6 residents. Staff feel the call centre can provide other valuable information to the municipalities and be used to evaluate key performance indicators and customer satisfaction. An independent call centre reporting directly to the N6 may also enhance contract enforcement by identifying potential collection issues affecting residents.

Contract Administration

Through a Memorandum of Understanding the N6 collectively manages the waste contract but more specifically the N6 appoints a "Municipal Relationship Manager" (MRM), typically a Director, who acts as the contract administrator on behalf of the N6. Each MRM carries the responsibilities for a term of approximately two years.

Each MRM takes on significant workload and responsibility on behalf of the other municipalities. The 2007-2017 contract has a value of \$100M. During normal operations, the role of MRM is manageable; however, during emergency events such as the severe winter and ice storm of 2013/2014, the administration of the contract can directly impact the MRM and respective municipality.

While there are efficiencies with this MRM model, the N6 realized that the scope of the contract necessitated a dedicated Contract Administrator. This role would better manage the day-to-day operations of the contract ensuring contract compliance while significantly reducing the resourcing risk for each of the N6. The N6 will continue to give this further thought and come back to Council if/when appropriate.

Other Contract Considerations

Staff will research new technologies for incorporation into the waste contract where appropriate to implement. Examples of such technologies might include: cameras to record curbside conditions before and after collection (remotely accessible by N6 representative), GPS route tracking including vehicle speed, direction of travel and time of day etc., radio-frequency identification (RFID) tags on front end container collection. Inclusion of new technologies are intended to improve contract conformance, service level improvements and accuracy of billing.

Staff identified an opportunity to embrace green fleet technology as an N6 commitment to the environmentally sustainable service delivery. This will be examined in the new contract as an option.

Under Ontario regulation, both the Public and Separate school Boards are required to implement waste diversion programs. Staff intend to include a piggyback clause in the N6 contract to assist the school boards in this statutory responsibility. The piggyback clause will permit the Boards to take advantage of the economies of scale and N6 contract pricing. If this piggyback clause is exercised by the Boards, the Boards will be required to undertake 100% of the administration of the services provided to the Boards.

Contracted Services

As with the preparation of the 2007-2017 waste collection contract the N6 propose to employ a consultant with the experience and expertise to assist with the consolidation of the tender documents and to assist the N6 with tender bid evaluations. Sufficient funds will be requested in the 2015 budget for the Town's portion of these costs.

CONCLUSION

The Northern Six Municipalities of York Region are preparing the "Northern Six Waste Collection Contract, 2017-2027" tender documents for the collection and haulage of collectible waste for the term 2017-2027.

Procurement documents will ensure that the future waste collection contract meets or exceeds the current level of service provided to residents.

Staff from all six municipalities are participating in the preparation of the tender documents and direction from this report will be incorporated into the future contract.

Tender results will be reported to Council no later than summer 2016 at which time Council can provide further direction regarding service levels.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

Well Equipped and Managed

Deliver affordable, efficient and effective water distribution, wastewater and solid waste collection services that meet or exceed provincially mandated requirements, Council and the public's expectations, while:

- a) ensuring that the systems capital assets retain their value and are managed/funded accordingly to sustainable, lifecycle based principles and practices; and

b) promoting and encouraging solid waste diversion through recycling, composting, rethinking, reusing, reducing and implementing programs to achieve a realistic diversion rate and environmental protection.

HUMAN RESOURCE CONSIDERATIONS

No impact to current staffing levels.

IMPACT ON BUDGET

Operating Budget (Current and Future)

Sufficient funding has been requested in the 2015 budget to fund the portion of the consultant costs associated with the preparation of tender documents on the 2017-2027 waste collection contract and the tender bid evaluation.

Future financial implications related to this tender will be addressed during the 2017 budget process.


Capital Budget


No impact to the Capital Budget.

CONTACT

For more information on this report, please contact Christopher Kalimootoo at extension 2551; ckalimootoo@newmarket.ca.

Prepared by:


C. Kalimootoo, BA, P.Eng, MPA, PMP
Director, Public Works Services


P. Noehammer, P. Eng., Commissioner,
Commissioner, Development & Infrastructure
Services

CODE OF CONDUCT REVIEW

Background

[1] On December 22, 2014, I entered into an agreement with the Town of Newmarket to "review, investigate and provide findings as necessary on the application of the Council Code of Conduct and associated policies with respect to a Code complaint received by the Chief Administrative Officer on December 1, 2014".

[2] The Commissioner, Corporate Services of the Town of Newmarket provided me with the letter dated November 12, 2014 (received by the Chief Administrative Officer – CAO – on December 1, 2014). The complaint referred to "previous correspondence" in relation to the CAO's response to an "earlier complaint". The December 1, 2014 letter concluded by requesting that the "Town of Newmarket retain an Integrity Commissioner to investigate the conduct of the Regional Councillor [Taylor] and Ms. Thorogood for non-compliance with the Town of Newmarket's Code of Conduct bylaw."

[3] The documents that I was provided to review and/or investigate were: 1. The letter dated November 12, 2014 (received by the CAO) on December 1, 2014; 2. A copy of a Basic Search Results from Canada Revenue Agency, Charities Listing for the Newmarket Children's Dream Charity; 3. A copy of the NewRoads Children's Dream Charity Golf Classic registration form; and 4. An email chain between the CAO and a former Town of Newmarket Councillor dating March 2013, in which the matter subject of this complaint was discussed.

[4] In order to conduct a preliminary review to determine whether or not there were grounds to commence an investigation under the Town of Newmarket Council Code of Conduct, I requested from the Town, the following documents:

- a) Town of Newmarket Council Code of Conduct (2007);
- b) Guidelines for Internet & e-Mail Acceptable Use Policy No. IT.1-01;
- c) Corporate Policy Manual Internet & e-Mail Acceptable Use Policy No. IT.1-01

[5] As part of my preliminary review, I spoke with the Chief Administrative Officer, the Commissioner of Corporate Services, Regional Councillor Taylor, the Complainant.

The Town of Newmarket Council Code of Conduct and Relevant Policies

[6] On April 16, 2007, the Town of Newmarket approved By-Law number 2007-42, which proclaimed into force the Council Code of Conduct (the "Code"). The Code rules apply to all Members of Newmarket Town Council and establish guidelines for appropriate conduct of elected officials to ensure that:

- The decision-making process of Town Council is open, accessible and equitable;
- Decisions are made through appropriate channels of government structure;
- Public office is not to be used for personal gain;
- Newmarket residents have confidence in the integrity of their local government;
- The conduct of Members of Council is of the highest standard; and
- There is fairness and respect for differences and a duty of work together for goodwill and common good.

In relation to the matter before me, there are two rules, in particular, of the Code which are triggered:

1. Part III – Conflict of Interest
2. Part VII – Use of Town Property

In addition, Part XI of the Code sets out the complaint procedure. It sets out the provision for an informal resolution to the complaint through which the complainant shall attempt to meet with the Member of Council. In the event that the complaint cannot be resolved informally, the Code provides that the complainant may request that “the CAO investigate the complaint and/or arrange for a third party to mediate the dispute”.

[7] The current language of the Code states that “[i]n the event the dispute cannot be resolved after exhausting the steps set out [in the section outlining the informal complaint procedure], Council may hold a special meeting of Committee of the Whole to determine if the member has breached this policy. The meeting shall be closed to the public”. However, in my previous work with the Town, I have advised and the Town Council has agreed, that *should I determine that an investigation is required*, in the spirit of the Accountability and Transparency provisions of the *Municipal Act*, I would follow a fair and objective complaint investigation procedure concluding with the presentation of my findings in a report to Council in open session.

[8] Part VII of the Code references the Council-Staff request for Information and Use of Resources Policy, CAO. 1-01 and the Use of Corporate Resources and Election Campaign Activities Policy Corp. 1-01. This Code rule requires Members of Council to respect Town property, limiting the use of Town property or services to activities connect with the discharge of official duties or associated community activities having the sanction of Council or its committees.

[9] Part III of the Code references the *Municipal Conflict of Interest Act*. In the Toronto Computer Leasing Inquiry, Commissioner Bellamy recommended that rules concerning conflict of interest should form part of a municipal code of conduct. As a result, following the 2006 amendments to the *Municipal Act*, many municipal councils in Ontario developed codes of conduct and have included mention of conflicts of interest in their codes. However, an integrity commissioner does not have legislative authority to address issues subject of the enforcement of the rules of the *Municipal Conflict of Interest Act* (the “MCIA”), which provides for court proceedings against the councillor to be commenced by an elector. The MCIA is restricted to the pecuniary interests of members of council in the deliberative and legislative contexts.

Additional considerations

[10] In the matter before me, I was asked by the Town to review a matter submitted by the Complainant. In my early discussions with the CAO, as part of my preliminary review, I was advised that he had received a similar complaint in 2013. The CAO’s review of the 2013 complaint, included the following:

- A review of the policy guidelines respecting the concern expressed to determine if the alleged behaviour represented a prohibited use of Corporate resources;
- A discussion with Regional Councillor Taylor and his executive assistant respecting the complaint. This included inquiring about the use of his administrative assistant in any activities of the charity. The CAO advised me that he was reassured by Regional Councillor Taylor and by his executive assistant that the staff time in relation to the charity work occurred during non-Town compensated hours;
- A review of the executive assistant's job description and confirmation that this position reports directly to the Regional Councillor. The CAO explained to me that, pursuant to the guidelines for the Town's Internet and e-mail Acceptable Use policy, volunteer activities approved by a supervisor is identified as an acceptable use.
- In addition, the CAO advised me that he reviewed the Council Code of Conduct which sets out the responsibility of the Elected Officials to ensure that Town property is not used for personal gain or any private purpose and that he discussed this rule matter with the Regional Councillor and was told that the event Charity Golf Tournament is for charity and does not relate to personal gain or private purpose. The CAO advised that he had relied on the information provided to him by the Regional Councillor, provided a response to the complainant and considered the matter concluded with no need for further investigation.

[11] In correspondence from and at my meeting with the Complainant, he requested that I look at a decision of the City of Toronto Integrity Commissioner. In this complaint report, the Toronto Integrity Commissioner investigated a complaint against the former Mayor who was alleged to have solicited donations for his charitable foundation from registered lobbyists. The City of Toronto has rules against receiving donations from registered lobbyists.

[12] The City of Toronto complaint dealt with the allegation that the Member of Council had improperly used City property to solicit donations for a private charitable Foundation, using City staff, mailing lists found on City software, City facilities, the City logo and a City Hall return address. The Toronto Integrity Commissioner concluded that "a clear boundary must be kept between the [Member's] public duties and his private fundraising. The public must be confident that the relationships between elected officials and suppliers, developers and lobbyists are clear and transparent".

Conclusion

[13] It is my understanding that the Town of Newmarket has been considering amendments to its current Code of Conduct. Based on the parameters of the complaint that the Town of Newmarket requested that I review, I am satisfied that I did not have to initiate an investigation to make a determination in relation to the allegations of the actions of the Regional Councillor.

[14] In discussions with the CAO, it was made clear to me that there had been a similar complaint brought to the CAO in 2013 (referenced in the email chain noted above paragraph [3]) and it had been reviewed with findings submitted to the complainant. The CAO explained to me that this was a Councillor to Councillor complaint and since this type of complaint was not

allowable under the Code, he had told the complainant that the complaint could be pursued further by bringing the matter to the Committee of the Whole. With reference to the second matter raised in the complaint, I am satisfied that the Regional Councillor's executive assistant did not carry out volunteer assistance to the NewRoads Charity Golf Classic during Town compensated hours.

[15] Notwithstanding the previous review of the matter, I do note that the Town municipal address has been listed on the Canada Revenue Agency Charity Listing for the Newmarket Children's Dream Charity. As stated by the Toronto Integrity Commissioner during the above-noted Toronto complaint investigation, the Member's charity, "was not officially sanctioned [municipal] business, in contrast to internal fundraising drives...which [are] corporately sponsored fundraising efforts [of the municipality]". While there are some similarities between the matter subject of the Toronto Integrity Commissioner's report and the matter before me, in discussions with the Newmarket Regional Councillor, it appears to me that the matter has reached the level of Code complaint because of the absence of policy guidelines and directive and not because of a willful desire to improperly use Town resources.

[16] I would suggest that recommendations for changes in Town policy, be it strengthening the Code of Conduct, or clarification on appropriate use of official email address, should be part of a broad debate with public input rather than the subject of a Code complaint. However, I recognize that this complaint has brought to light the need for policy clarification. There is a significant amount of meaningful work done throughout the GTA by charitable organizations sponsored by elected officials. Some municipalities, like the City of Vaughan have set valuable precedents in accountability and transparency in relation to Code provisions that strike a clear balance between allowing Members of Council to lend their support to and encourage community donations to registered charitable and not for profit groups and the blurring of lines of interaction with Town businesses and lobbyists.

[17] Use of municipal resources for non-Town sanctioned business, whether that be an email or municipal Town address, is not appropriate under the Code or otherwise. However, web postings have been removed, the CAO has advised that he has received assurances from the Regional Councillor regarding after hours use of staff time, the staff in question has confirmed their desire to voluntarily participate in assisting the charity outside of compensated Town hours and the Golf Tournament is organized by a committee. As leaders of municipal communities, elected Members of Council bring important focus to worthy endeavors. With the appropriate rules to ensure arm's length involvement, Members of municipal councils may use their name recognition to support community events. This is a recognized practice in several municipalities and has been endorsed through Council approved policies. The importance and impact to the Newmarket community of a charity like the Newmarket Children's Dream Foundation and the fundraising efforts therein, should not be diminished by the need for ramped up accountability rules for elected officials.

[18] I have not found under the parameters of my current assignment, that an investigation of this matter is required in relation to the actions of Regional Councillor Taylor.

[19] I do recommend that the Town develop clear and enforceable policy rules to ensure that Members of Council do not directly or indirectly manage monies or solicit donations in relation to charitable organization's fundraising. * To be clear, there is a difference between support to and encouragement of community endeavors and solicitation of donations. I encourage the Town to review best practices of other municipalities, to explore policy development to codify this distinction.

*The Mayor's Charity Golf Tournament is to be distinguished from the subject of this review as the Mayor is a role recognized by statute, as Head of Council and Chief Executive Officer of the Corporation.

Prepared by:

Suzanne Craig
Suzanne Craig

February 4, 2015



ROBERT N. SHELTON
CHIEF ADMINISTRATIVE OFFICER

February 11, 2015

CHIEF ADMINISTRATIVE OFFICER REPORT - #2015-02

TO: Committee of the Whole
SUBJECT: Council Code of Conduct Update
ORIGIN: CAO

RECOMMENDATIONS

THAT CAO Report - #2015-02 dated February 11, 2015 regarding the Council Code of Conduct Update be received and that the following recommendations be approved:

- 1) THAT staff be directed to investigate best practices on policy issues such as Councillor supported community events/not for profit organizations and clarification of official email address use;
- 2) AND THAT findings be brought back as part of the draft Council Code of Conduct;
- 3) AND THAT future Code complaints related to matters currently under review be held in abeyance until the review has been completed and reported on to Council;
- 4) AND THAT future Code complaints follow the Interim Code Complaint Process as outlined in this report until a new Council Code of Conduct has been adopted.

COMMENTS

By way of background information, I received a Council Code of Conduct complaint on December 1, 2014 and subsequently referred it to the Integrity Commissioner for review.

Recently the Town received the results of the review and as you will see in the Review Report of Ms. Craig dated February 4, 2015 (included as Item 15 on the February 23, 2015 Committee of the Whole agenda) an investigation of the matter is not required. However, the Review did contain some suggestions for enhanced policy wording. Many municipalities are reviewing these same matters and I believe that we can benefit from these emerging best practices.

A Council Code of Conduct helps to ensure that Members of Council share a common basis for acceptable conduct. It should establish guidelines and procedures to assist in this regard. The Town's current Council Code of Conduct was adopted in 2007 (see Attachment 'A') and staff have been working on developing a draft which reflects best practice and ensures relevance.

This report will also provide the status of the Council Code of Conduct review and will set out the approach to address comments contained within the Code of Conduct Review document. As earlier stated, these matters are ones that many municipalities are currently addressing and on which new policies are being developed.

<u>Item</u>	<u>Recommended Approach</u>
Draft Council Code of Conduct	During the last term of office, Council referred the draft Code of Conduct to this current term. Staff will investigate matters as set out in this report and will bring recommendations to Committee of the Whole at the same time that the draft Code is brought forward. Anticipated timeframe is May 2015 and Council will be updated if this timeframe can't be met.
Use of official address/email	Staff will clarify appropriate use of official address/email address and will investigate best practices by other municipalities
Councillor supported community events and not for profit organizations	Staff will investigate best practices by other municipalities insofar as delineating the difference between supporting/encouraging community endeavours and the solicitation of funds.

Interim Code Complaint Process

Until a new Council Code of Conduct is adopted by Council, and in place of the process set out in the current Code, staff will be following the interim complaint process set out below upon Committee of the Whole adoption unless directed otherwise by Council:

1. Complainant files complaint and appropriate documentation with the Town Clerk in a sealed envelope marked "Confidential" addressed to the Integrity Commissioner.
2. The complaint is reviewed/screened by the IC to establish that it is a reasonable basis for a Code violation and that it is not frivolous, vexatious or has already been resolved. Further the complaint must be within the IC's jurisdiction and that the alleged violation has taken place within six months of the filing of the complaint.
3. If after the review, the IC dismisses the complaint as not having merit or that an investigation is not required, the complainant and Member are notified with no further action being required.
4. If the IC conducts an investigation, the matter will proceed and the IC will provide the investigation report to the complainant and the Member and the Town Clerk for inclusion on an upcoming Committee of the Whole agenda.

Further,

- Council previously authorized staff to retain an IC on an as needed basis and that direction will continue to be applied.
- Councillor to Councillor complaints have been deleted from the Code by a previous resolution of Council.
- Code complaints related to matters currently under review will be held in abeyance as per Recommendation #3 of this report.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

This report links to Newmarket's key strategic directions in being Well Equipped and Managed through fiscal responsibility and sound and accountable governance.

CONSULTATION

This report has had the input of the CAO, the Commissioner, Corporate Services and the Director, Legislative Services.

HUMAN RESOURCE CONSIDERATIONS

Not applicable to this report.

BUDGET IMPACT

Operating and Capital Budgets

Funds for an Integrity Commissioner have been allocated in the Operating Budget.

CONTACT

For more information on this report, contact the CAO.



Bob Shelton,
Chief Administrative Officer

**CORPORATION OF THE TOWN OF NEWMARKET****BY-LAW NUMBER 2007-42**

A BY-LAW TO ESTABLISH A COUNCIL CODE OF CONDUCT.

WHEREAS Section 223.2 of the *Municipal Act*, 2001, S.O. 2001, c.25 as amended provides that municipalities may establish codes of conduct for members of council of the municipality and of local boards of the municipality;

AND WHEREAS Section 9 of the *Municipal Act* 2001, S.O. 2001, c. 25 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the *Municipal Act* or any other Act;

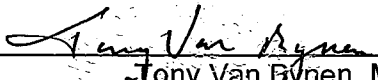
AND WHEREAS Council of the Corporation of the Town of Newmarket wishes to update all current codes of conduct in order to enhance Newmarket's existing policies and by-laws;

AND WHEREAS Council directed staff to prepare a Council Code of Conduct that reflects current legislation and recent amendments to the *Municipal Act*;

AND WHEREAS Council has reviewed and discussed the Council Code of Conduct;

THEREFORE BE IT ENACTED by the Municipal Council of the Corporation of the Town of Newmarket that the attached Council Code of Conduct be hereby adopted.

ENACTED THIS 16TH DAY OF APRIL, 2007.


Jony Van Bynen, Mayor


Anita Moore, Town Clerk



Corporate Policy Manual

Sub Topic:

Policy No. CO.1-01

Topic: Council Code of Conduct

Covered: All Members of Council and members appointed by Council to its various advisory, ad hoc and special purpose committees and to task forces and working groups

Section: CAO

Council Adoption Date:

Effective Date:

Revision No:

Date:

Policy Statement & Strategic Plan Linkages

Members of Council have the privilege of attaining elected office. That privilege carries significant responsibilities and obligations. In order to strengthen the role of Council and to enhance public trust, this Code of Conduct supplements existing provincial conflict of interest legislation and municipal by-laws that govern their conduct.

Purpose

The Code of Conduct for Council Members and related policies identifies the Town of Newmarket's expectations of Members of Council and establishes guidelines for appropriate conduct to ensure that:

- The decision-making process of Town Council is open, accessible and equitable;
- Decisions are made through appropriate channels of government structure;
- Public office is not to be used for personal gain;
- Newmarket residents have confidence in the integrity of their local government;
- The conduct of Members of Council is of the highest standard; and
- There is fairness and respect for differences and a duty to work together for goodwill and common good.

PART I - DEFINITIONS

"Members of Council" includes Members appointed by the Council to its various advisory, ad hoc, special purpose committees and to task forces and working groups.

"Confidential information" means any information that is of a personal nature to Town employees or clients or information that is not available to the public and that, if disclosed, could result in loss or damage to the Corporation or could give the person to whom it is disclosed an advantage. Confidential information includes, but is not limited to the following information:

- Disclosed or discussed at a meeting of Council, Committee of the Whole or Standing Committee, or part of a meeting of Council, Committee of the Whole or Standing Committee that is closed to the public;
- That is circulated to Members of Council and marked "confidential"; or
- That is given verbally in confidence in preparation of or following a meeting that is closed to the public and includes, but is not limited to the following types of information:
 - Personnel matters;
 - Information about suppliers provided for evaluation which might be useful to other suppliers;
 - Matters relating to the legal affairs of the Town;
 - Sources of complaints where the identity of the complainant is given in confidence;
 - Items under negotiation;
 - Schedules of prices in contract tenders; and
 - "Personal information" as defined in the *Municipal Freedom of Information and Protection of Privacy Act*

"Conflict of Interest" involves decisions made and/or actions taken by a Member of Council in respect of matters in which he or she has a direct or indirect personal or pecuniary interest.

"Fraud" involves any intentional or deliberate act to deprive any person or the public of property, money or valuable security by deception or other unfair means. This includes fraud as defined in the *Criminal Code*.

"Gifts, Hospitality, Benefits & Perquisites" are items, invitations, articles, services, offers, entrance fees or vouchers of more than a nominal value.

"Pecuniary Interests" are interests that have a direct or indirect financial impact. They include:

- any matter in which the member has a financial interest
- any matter in which the member is a shareholder, director or senior officer of or holds a controlling interest in a corporation that does or does

not offer its securities to the public, and such corporation has a financial interest

- any matter in which the member is a partner of a person or is in the employment of a person that has a financial interest; and
- any matter in which a parent, spouse, same sex partner or any child of the member has a financial interest, if known to the member.

"Personal Interests" involve forms of advantage other than financial **such as** seeking an appointment, promotion or transfer within the Corporation on behalf of a family member.

"Theft" is the act of fraudulently taking or converting to one's use, or the use of another person, anything, with the intent to deprive the true owner of it, or a person who has a special property or interest in it. This includes theft as defined in the *Criminal Code*.

"Town Property" includes, but is not limited to all real property, municipal vehicles, equipment, material, supplies, intellectual property and documents.

PART II – RESPONSIBILITIES OF MEMBERS OF COUNCIL

2. Confidentiality

Members shall not disclose or release by any means to any member of the public either in verbal or written form any confidential information acquired by virtue of their office except when required by law to do so.

All information, documentation or deliberation received, reviewed or taken in closed session of Council and its committees is confidential until the matter ceases to be confidential, as determined by Council

Members shall not permit any persons other than those who are entitled thereto to have access to information that is confidential.

Confidential information that comes to the attention of Members does not belong to them. It is property that belongs to the Town.

The obligation to keep information confidential is a continuing obligation even if the Member ceases to be a Member of Council

Members have the same access rights to municipal information as any other resident in the Town, unless the information relates specifically to a matter before Council. Requests for information should be referred to the appropriate staff to be addressed as either an informal request for access to municipal records, or as a formal request under the *Municipal Freedom of Information and Protection of Privacy Act*.

Members should be aware of the Council – Staff request for Information and Use of Resources Policy, CAO.1-01.

PART III – CONFLICT OF INTEREST

Members will follow and respect both the letter and spirit of the provisions of the *Municipal Act 2001* and the *Municipal Conflict of Interest Act*, as amended from time to time.

Members shall not:

- engage in any activity, financial or otherwise, which is incompatible with the proper discharge of his or her official duties;
- use any influence of office for any purpose other than official duties;
- act as a paid agent before Council or any committee, board or commission of Council;
- solicit, demand or accept the services of any civic employee for re-election purposes during hours in which the employee is in the paid service of the Town;
- use any confidential information gained in the execution of office for any purpose other than official duties;
- give preferential treatment to any person or organization in which the member has a pecuniary interest;
- influence any administrative or Council decision or decision-making process involving or affecting any person or organization in which the member has a financial interest;
- use Town property or Town employees for personal gain or for any private purpose.

PART IV –STAFF RELATIONS

Members shall acknowledge and respect the fact that staff work for the Town as a body corporate and are charged with making recommendations that reflect their professional expertise and corporate objectives, without undue influence from any individual member or group of members.

In addition, members shall acknowledge and respect the fact that staff carry out directions of Council as a whole and administer the policies of the Town, and are required to do so without any undue influence from any individual member or group of members.

Members shall not publicly criticize individual staff members in a way that cast aspersions on their professional competence and credibility.

PART V – GIFTS, HOSPITALITY, BENEFITS & PERQUISITES

Members may only receive tokens, mementos, souvenirs, or similar gifts that are received as an incident of protocol or social obligation that normally accompanies the responsibilities of elected office. Tokens, mementoes, souvenirs or gifts with a value of greater than nominal value, if accepted shall be the property of the Town.

Members may accept hospitality or entertainment if the offer is infrequent and appropriate to the occasion.

Nothing in this section prevents the receipt of:

- Personal gifts, benefits, rewards, commissions or advantages from any person or organization not connected directly or indirectly with the performance or duties of office.

Members may also accept the following:

- Political contributions that are otherwise offered, accepted and reported in accordance with applicable law;
- Food and beverages at banquets, receptions, ceremonies or similar events;
- Services provided without compensation by persons volunteering their time;
- Food, lodging, transportation and entertainment provided by other levels of governments or by other local governments, boards or commissions;
- A reimbursement of reasonable expenses incurred and honorariums received in the performance of activities connected with municipal associations;

Any gifts, benefits, hospitality or perquisites that exceed these guidelines shall be returned with an explanation of this Code of Conduct.

PART VI – POLITICAL ACTIVITY

Members must ensure compliance with all legislative requirements related to political activity including the use of Corporate Resources and Election Campaign Activities Policy Corp.1-01.

PART VII – USE OF TOWN PROPERTY

In accordance with the Council-Staff request for Information and Use of Resources Policy, CAO. 1-01, and the Use of Corporate Resources and Election Campaign Activities Policy Corp. 1-01, members must respect Town property. Members may only use Town property or services for activities connected with the discharge of official duties or associated community activities having the sanction of Council or its committees.

Members shall not obtain financial gain from the use of Town developed intellectual property, computer programs, technological innovations, or other kinds of property, while an elected official or thereafter. All such property remains the exclusive property of the Town.

PART VIII – CONDUCT AT MEETINGS

During Council, Committee of the Whole and other ad hoc, special purpose, task force or working group meetings, members shall conduct themselves with decorum and in accordance with the Town's Procedure By-law in effect from time to time. Respect for delegations and for fellow members and staff requires that all members show courtesy and not distract from the business of Council during presentations and when other members have the floor.

PART IX - HARASSMENT

Harassment of another Council member, staff or any member of the public is prohibited under the Ontario Human Rights Code. In accordance with the Ontario Human Rights Code and the Harassment and Discrimination Free Workplace Policy 5-01, it is the policy of the Town that all persons be treated with dignity and respect in the workplace in an environment free of discrimination and of personal and/or sexual harassment. Harassment, whether it occurs inside or outside the workplace but is related to the work environment or activities of elected office is considered to be harassment and is inappropriate behaviour for the purpose of this Code of Conduct.

Harassment includes, but is not limited to any behaviour, conduct or comment by any person that is directed at or is offensive to another person on the grounds of race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, age, handicap, sexual orientation, marital status, or family status and any other grounds under the provisions of the *Ontario Human Rights Code* as amended.

Any complaints of harassment will be investigated in accordance with the procedures set out in the Harassment and Discrimination Free Workplace Policy 5-01. In the event that a resolution of the complaint is not achieved, any Member may request that the complaint be dealt with in accordance with PART XI of this policy.

PART X – ENCOURAGEMENT OF RESPECT FOR THE TOWN AND ITS BY-LAWS

Members shall at all times encourage the public to abide by the Town's bylaws and policies.

PART XI – COMPLIANCE WITH CODE OF CONDUCT

- a) Where an alleged contravention of any provision of this Code of Conduct occurs, the complainant shall attempt to meet with the Member of Council to discuss the complaint and resolve the issue. In the event that a meeting between the complainant and the Member of Council is not possible, or fails to resolve the issue, the complainant may request a meeting with the Member of Council, the Chief Administrative Officer, an independent third party and/or the Mayor to discuss the complaint and

resolve the issue. In the event that a meeting with the Member of Council, the Chief Administrative Officer, an independent third party and/or the Mayor fails to resolve the issue, the complainant may request the CAO to investigate the complaint and/or to arrange for a neutral third party to mediate the dispute.

- b) In the event the dispute can not be resolved after exhausting the steps set out in paragraph (a) above, Council may hold a special meeting of Committee of the Whole to determine if the member has breached this policy. The meeting shall be closed to the public.
- c) The member alleged to have contravened this Code of Conduct shall be given opportunity to address Council at the meeting and will be provided with sufficient time to explain the alleged breach. The Member shall be permitted to introduce evidence including witnesses to support his or her position, and shall have the option of attending with legal counsel. Should the Member have legal counsel, then the Town shall have the right to legal representation.
- d) Should Council determine after hearing all evidence that the member has breached a provision of the Code of Conduct, Council shall report that such a determination has been made, and at a special open Council session called for that purpose, pass a Resolution that shall require the member to appear before an in-camera Committee of the Whole meeting to be sanctioned. The Sanction shall be ratified by Resolution at a session of Council
- e) Should Council feel that a breach of this Code of Conduct may have occurred, but is unable to make a determination, Council may pass a resolution requesting a judge of the Ontario Superior Court of Justice to conduct an investigation of the member's conduct under Section 274(1) of the *Municipal Act, 2001* as amended. Should the Judge determine that a breach has occurred, the penalties for such breach shall be determined in accordance with this Policy.
- f) Sanctions include, but are not limited to demand of an apology, a public reprimand or a combination of any of the above.
- g) All sanctions under this Code of Conduct will be fair and in keeping with the severity of the breach, giving due regard to the member's previous conduct.
- h) Nothing in this Section restricts or attempts to countermand a member's legal right to challenge a decision of Council through established legal channels.

PART XII - IMPLEMENTATION

Upon the adoption of this Code of Conduct and thereafter at the beginning of each term, Members of Council will be expected to sign two copies of the Code of Conduct (one for themselves and one for the Clerks' Office) to convey to each other and all stakeholders that they have read, understood and accept it.

A Code of Conduct component will be included as part of the orientation workshop for each new Council, or Council appointed advisory, ad hoc, special purpose committee, task force or working group.

Members of Council are expected to formally and informally review their adherence to the provisions of this Code on a regular basis or when so requested by Council.

CROSS REFERENCES

Municipal Act 2001 S.O. 2001, c. 25 as amended

Municipal Conflict of Interest Act, R.S.O. 1990, c. M.50

Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, c. M.56

Administration By-law 1990-92 as amended

Procedural By-law 2004-167 as amended

Harassment & Discrimination Free Workplace Policy 5-01

Internet and E-mail Acceptable Use Policy and Guidelines, IT.1-01

Employee Code of Conduct

Council – Staff Request for Information and Use of Resources Policy, CAO.1-01

Use of Corporate Resources and Election Campaign Activities, Corp.1-01

Criminal Code of Canada, R.S. 1985, c. C-46

SIGNATURE

The undersigned Member of Council hereby acknowledges that they have read, understood and accept this Code of Conduct.

Signature of Member of Council

Date

Printed Name

TOWN OF NEWMARKET

Outstanding Matters

Item Subject	Recommendation	Date to come back to Committee	Comments
1. Committee of the Whole Minutes – April 8, 2013 – Item 13 Community Services – Recreation and Culture Development and Infrastructure Services – PWS/ES Planning & Building Services Joint Report 2013-05 Future use of Fernbank Farmhouse	<ul style="list-style-type: none"> THAT staff be authorized to issue a request for proposals with the intent of securing a suitable charitable and/or not for profit organization dedicated to serving Newmarket for use of the Fernbank Farmhouse; AND THAT staff report back recommending a tenant along with operating and capital projections. 	Q1, 2015	Report and Lease arrangements to be reported back Successful proponent on hold, further information to follow update.
2. Committee of the Whole Minutes – April 7, 2014 – Item 2 – Deputation – Newmarket Theatre	<ul style="list-style-type: none"> THAT the deputation by Mr. John Dowson regarding the financial details associated with Newmarket Theatre and the Very Useful Theatre Company be received and referred to staff for a comprehensive review along with a comparison of how much sports facilities are subsidized; AND THAT such review include consultation with key stakeholders including members of the theatre community to be reported back to Committee of the Whole within a 60 day time frame. 	April 2015	Approach outlined in Joint CAO/Commissioners Report 2015-01 dated February 10, 2015

Strikethrough indicates that the item will be removed from the outstanding list prior to the next OLT meeting
 Bold indicates that the item will be on the upcoming agenda

Last revisions made on February 12, 2015
 (Updated and including the Council Minutes of February 9, 2015)

Item Subject	Recommendation	Date to come back to Committee	Comments
3. Council - January 20, 2014 – Item 33	<p>D & I Services Report – ES 2013-49 Checking Consultant Professional Consulting Services Contract Extension</p> <p>THAT Council approve the execution of the Professional Consulting Services Agreement with R.J. Burnside Associates Ltd. for a period of up to two (2) years from the date of Council approval to provide checking consulting services at preferred client discounted rates adjusted annually in accordance with industry standards;</p> <p>AND THAT staff report back to Council after a year and a half with options regarding the Checking Consultant Professional Consulting Services Contract.</p> <p>Motion: Councillor Emanuele</p>	Q2, 2015	
4. Council - May 5, 2014 – Item 54	<p>THAT staff report back to Council on the implementation of improved signage and advertising for notification regarding Official Plan and Zoning By-law Amendments.</p>	Q1, 2015	
5. Council - May 5, 2014 – Item 52	<p>D & I Services Report PWS 2014-21 – Sidewalk Snow Clearing</p> <p>THAT staff report back to Council with a detailed plan for sidewalk, walkway and trail clearing as part of the 2015 budget process;</p> <p>AND THAT staff obtain comments from the Accessibility Advisory Committee on the sidewalk, walkway and trail clearing process.</p>	February 23, 2015	Also referenced in Joint CAO/Commissioners Report 2015-01 dated February 10, 2015
6. Council - May 5, 2014 – Item - 13	<p>Marianneville Developments</p> <p>THAT Council direct staff to organize a public meeting after the Ontario Municipal Board releases its written decision and within this term of Council, on what has been learned about the Official Plan Amendment, Zoning By-law Amendment and Draft Plan of Subdivision for Marianneville Developments Limited (Glenway) process and the effects of future development as York Region prepares for growth.</p>	Q1, 2015	Report on process to come forward to Council in Q1, 2015.

Item Subject	Recommendation	Date to come back to Committee	Comments
7. Council – June 23, 2014 – Item 3	<p>Mr. Scott Cholewa regarding a petition for a splash pad in the Copper Hills subdivision (Ward 1).</p> <p>THAT the deputation of Mr. Scott Cholewa regarding a petition for a splash pad in the Frank Stronach Park be received;</p> <p>AND THAT the request for a splash pad in Frank Stronach Park be referred to the 2015 budget process and added to the Recreation Master Plan.</p>	Q1, 2015	Item to be referred to as part of the Recreation Playbook process.
8. Council - September 8, 2014 – Item 31	<p>Gigabit Corridor Pilot Project</p> <p>THAT staff provide a further report to Council with RFP results, including alternate options if necessary, implementation recommendations and budget impact.</p>	Q1, 2015	RFP released January 6, 2015
9. Council - September 8, 2014 – Item 32	<p>Tom Taylor Crescent Proposed Walkway</p> <p>THAT staff explore all options associated with alternate treatments including conveyancing and naturalization for that area and report back to Committee of the Whole.</p>	Q2, 2015	
11. Council - September 29, 2014 – Item 32 Motion	<p>Motion</p> <p>THAT a staff report reviewing GO Train operations including east-west road connections, grade separations, speed within the downtown core, frequency of train whistles at the train intersections located at Water Street, Timothy Street and Davis Drive and the implementation of a regulated Signaled Pedestrian Crossing at Water Street, Doug Duncan Drive and Fairy Lake be referred to the 2015 budget deliberations.</p>	Q1, 2015	Referenced in Joint CAO/Commissioners Report 2015-01 dated February 10, 2015

Item Subject	Recommendation	Date to come back to Committee	Comments
12. Council – December 15, 2014 – Item 7	<p>Corporate Services Report - Financial Services 2014-36 dated November 24, 2014 regarding 2015 User Fees and Charges - Water and Wastewater Rates.</p> <p>a) THAT Corporate Services Report - Financial Services 2014-36 dated November 24, 2014 regarding 2015 User Fees and Charges - Water and Wastewater Rates be received and the following recommendations be adopted:</p> <p>i) THAT the attached Schedule 'A' being the Town of Newmarket Water and Wastewater Rates be approved and adopted by By-law;</p> <p>ii) AND THAT the Water and Wastewater Rate adjustments come into full force and effect as of January 1, 2015;</p> <p>iii) AND THAT staff be directed to update the 6-Year Water and Wastewater Financial Plan and to include further review of the rate structure in this update.</p> <p>a) THAT By-law 2010-40 as it relates to Recreational Vehicles be reviewed and that alternate options be investigated;</p> <p>b) AND THAT staff report back on alternate options in March or April, 2015.</p>	Master Plan Update and 2015 Water Rate Review	
13. Committee of the Whole – January 12, 2015 – Item 3		March/April, 2015	

Item Subject	Recommendation	Date to come back to Committee	Comments
14. Committee of the Whole -- January 12, 2015 -- Item 15	<p>a) THAT Joint Development and Infrastructure Services -- Public Works Services and Corporate Services -- Financial Services Report 2015-08 dated January 5, 2015 regarding 2015 Pre-Budget Approval for Vehicles and Equipment be received and the following recommendations be adopted:</p> <p>i) THAT Council provides pre-budget approval for the equipment listed on Appendix 1 with the exception of all items years 2008 to 2011, excluding the three rotary mowers for health and safety reasons and the John Deere 3320 with transmission failure;</p> <p>ii) AND THAT staff provide a report on the remaining items;</p> <p>iii) AND THAT staff be authorized and directed to do all things necessary to give effect to these recommendations.</p>		Refer to 2015 Budget Process.
15. Committee of the Whole -- January 12, 2015 -- New Business Item f)	Regional Councillor Taylor requested that staff prepare an Information Report reviewing the implications of all day GO Transit service from a municipal perspective and that the report address parking issues, specifically at the Tannery Mall and what can be done to expedite the process in the community, including coordination with other municipalities.	Q1, 2015	Report on process to come forward to Council in Q1, 2015.
16. Council -- February 9, 2015 -- New Business Item a)	<p>a) THAT the petition regarding snow storage at the Ray Twinney Complex be received;</p> <p>b) AND THAT staff report back regarding alternative sites for snow storage at the next Committee of the Whole meeting, including Snap-On tools, Bales Road, municipal sites and other neighbouring sites;</p> <p>c) AND THAT snow dumping at the Ray Twinney Complex be authorized only until February 23, 2015.</p>		



DEVELOPMENT & INFRASTRUCTURE SERVICES – PUBLIC WORKS SERVICES
 TOWN OF NEWMARKET
 395 Mulock Drive
 P.O. Box 328
 Newmarket, ON L3Y 4X7

www.newmarket.ca
 info@newmarket.ca
 905.895.5193

February 17, 2015

**DEVELOPMENT & INFRASTRUCTURE SERVICES REPORT
 PUBLIC WORKS SERVICES 2015-18**

TO: Committee of the Whole

SUBJECT: Snow Storage at Ray Twinney Complex

ORIGIN: Director, Public Works Services

RECOMMENDATIONS

THAT Development and Infrastructure Services Report – Public Works Services 2015-18, dated February 17, 2015 regarding Snow Storage at Ray Twinney Complex, be received and the following recommendation(s) be adopted:

- 1. THAT staff continue to try to secure temporary or permanent snow disposal site(s) for the remainder of the 2014/2015 winter and onwards, and work with partners such as York Region to establish alternates for the existing Ray Twinney Complex site;**
- 2. AND THAT staff limit the amount of snow storage at the Ray Twinney Complex parking lot site by limiting the operations to 4:00 p.m. whenever possible and depending on weather, 11:00 p.m. in rare and more extreme circumstances;**
- 3. AND THAT staff and contractors utilize the Eagle Street entrance as the primary route into and out of the complex, to minimize the use of the other entrances where possible;**
- 4. AND THAT staff, provide full security fencing and signage around snow holding area and provide daily checks for any breaches or concerns;**
- 5. AND THAT staff establish regular garbage/debris pickups during melting periods;**
- 6. AND THAT staff communicate with drivers and contractors to minimize noise where possible.**

BACKGROUND

This report has been prepared to address a Council motion on February 9th, 2015 with respect to finding alternatives to snow storage at the Ray Twinney Complex.

The recent snowfalls and accumulation over the past two weeks of over 50 cm and persistent cold temperatures without thaw of snow has necessitated the requirement to remove snow from certain

areas and streets in the downtown core, certain parking lots, a large number of the 400 courts/wide elbows, and curb face sidewalks that have limited storage area.

Timing of snow clearing in the downtown core is also limited, due to the sensitive businesses, limited space and customer and vehicular volumes. Except for Mondays, clearing is not recommended to take place between 6:00 a.m. and 6:00 p.m., which severely limits the opportunity for bringing snow to a selected snow disposal site.

The Ministry of the Environment (MOE) created Guidelines on Snow Disposal Operations in Ontario with a latest revision date of February, 2011. Within those Guidelines there are six variables to consider when selecting a snow disposal site; these include: Accessibility, Noise, Alternative Use of the Site, Visual Considerations, Drainage Factors and Sub-Surface Drainage. Several alternate sites were evaluated against these criteria and through the attached sheet, it was identified that there are currently no other publically owned sites in Town that can hold the amount of material required and has viable access on an impermeable surface with proper drainage. Taking these variables into consideration along with other environmental factors such as an on-site oil/grit separator and land ownership, the Ray Twinney Complex currently remains as the most suitable site for snow disposal.

Over the past 15 years the snow storage area for Newmarket has been behind the Ray Twinney Complex. This area is a large, impermeable surface with good access and an oil grit separator installed for meltwater processing. There are, however, some restrictions. For example, snow piles cannot be within 10 feet of the hydro lines.

Although not ideal in every category, the current snow storage area does have tall trees on a large, adjacent berm creating a visual barrier from most neighbouring residential properties. To try to mitigate the visual concerns further during operation, the snow is first placed on the outlying area of the parking lot to create a buffer for the neighbouring properties, yet maximizing the amount of useable space in the remainder of the parking lot for visitors to the Complex. It also maintains enough space to safely operate equipment and minimize back up of vehicles, which in turn minimizes noise.

COMMENTS

Town staff have made inquiries to locate alternative sites within and outside of the Town boundaries, and given the short timeframe since the February 9, 2015 Council directive, to date staff have not been able to formally secure a suitable alternate site for the remainder of the 2014/2015 winter season.

The Town, in partnership with York Region has been working toward an alternative snow disposal site on the south-east side of Town at a site on Harry Walker Parkway. Newmarket staff will ensure all efforts are made to support the Region in properly developing this site so the project can be moved forward as a permanent site expeditiously. Its use as a temporary site and the measures needed to accommodate it, have only been discussed in the last few days. These include physical constraints related to access, roadway, impervious surface, drainage and approvals related to EA and possible Certificates of Approval and Zoning.

Public Works Services will continue to monitor snow disposal and storage at the Ray Twinney Complex site while it is in use. The Town's Road Patrol staff and the By-law division will patrol the area and York Regional Police have also been notified of the situation.

PUBLIC CONSULTATION

Two letters have previously been sent out to neighbouring properties of the Complex explaining the need for use of the parking lot area for snow storage.

Additional fencing and safety signage will be implemented to physically and visually deter anyone from entering the site. Police and By-law patrols will also be increased for additional mitigation against anyone entering the area.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

To provide efficient, effective and environmentally sound maintenance services to an appropriate level that achieves Council and/or Provincially mandated services levels, which meet public health and safety requirements and enhances quality of life while ensuring that system capital assets retain their value and are managed and funded according to sustainable, lifecycle based principles and practices.

HUMAN RESOURCE CONSIDERATIONS

No impact to current staffing levels.

IMPACT ON BUDGET

Operating Budget (Current and Future)

Current costs for the snow storage at the Ray Twinney Complex are included in the 2015 winter maintenance operating budget.

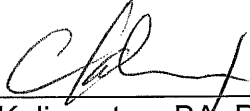
Capital Budget

Funds have been requested in the 2015 Capital Budget for design and development of an alternate snow disposal site.

CONTACT

For more information on this report, please contact Christopher Kalimootoo at extension 2551; ckalimootoo@newmarket.ca.

Prepared by:



C. Kalimootoo, BA, P.Eng, MPA, PMP
Director, Public Works Services



Peter Noehammer, Commissioner
Development & Infrastructure Services

Criteria for Snow Disposal Site Evaluation							
LOCATION	ACCESS	NOISE	VISUAL	DRAINAGE	SUB-SURFACE DRAINAGE	CAPACITY	DISTANCE
RJT Complex	Good - from primary Collector Road	Operations are currently restricted to before 4:00 pm	Adjacent to residential but with berm and trees as physical buffer	Good - impermeable surface; drainage to catch basin and dry pond on site	impermeable pavement and Oil/grit separator installed	Good - Adequate	No issue
Bogartown Curve	Fair - No way to turn around	No issue	Limited views from Mullock Drive	Sensitive ditches run into watercourse of Bogart Creek and pond	impermeable road pavement that lead directly to rural ditches at side of road and into Bogart Creek	Limited - Only road right of way	No issue
	Poor - through residential neighbourhood or recreational parkway - No turn around	Operations would need to be time restricted	Adjacent to residential area with no physical buffer	Moderate - drainage goes to field swales and then to Holland River	impermeable parking lot that drains to swale	Limited - Would greatly affect spring operations of fields.	No issue
Bayview Parkway - Deadend							
Region Land at Snap on Tools	Fair - No turn around	No issue	Can be seen from Hwy 404	Drains to SWMP then to creek	impermeable pavement/no other treatment	Very Limited - Regional staff parking currently in use	No issue
Regional Land on Harry Walker Pkwy	No current access to land or internal road	No issue	Can be seen from Hwy 404	Poor - permeable land - could drain to adjacent land	Permeable land with no current treatment	Good - Adequate	No issue
Bales Dr. East	No current access to land or internal road	No issue	No issue	Poor - permeable land - could drain to adjacent lands	Permeable land with no current treatment	Good - Adequate	(East Gwillimbury) distance increasing time and cost