

Special Meeting of Council Agenda  
2025 Operating & Capital Recommended Budget

**Date:** Monday, January 27, 2025

**Time:** 10:00 o'clock a.m.

**Location:** Council Chambers, 1<sup>st</sup> Floor, Windsor City Hall

All members will have the option of participating in person in Council Chambers or electronically and will be counted towards quorum in accordance with Procedure By-law 98-2011 as amended, which allows for electronic meetings. The minutes will reflect this accordingly. Any delegations have the option to participate in person or electronically.

**MEMBERS:**

Mayor Drew Dilkens

Ward 1 – Councillor Fred Francis

Ward 2 - Councillor Fabio Costante

Ward 3 - Councillor Renaldo Agostino

Ward 4 – Councillor Mark McKenzie

Ward 5 - Councillor Ed Sleiman

Ward 6 - Councillor Jo-Anne Gignac

Ward 7 – Councillor Angelo Marignani

Ward 8 – Councillor Gary Kaschak

Ward 9 – Councillor Kieran McKenzie

Ward 10 - Councillor Jim Morrison

## ORDER OF BUSINESS

- | <b>Item #</b> | <b>Item Description</b>   |
|---------------|---|
| <b>1.</b>     | <b>ORDER OF BUSINESS</b>  |
| <b>2.</b>     | <b>CALL TO ORDER</b>  |
| <b>3.</b>     | <b>DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF</b>  |
| <b>6.</b>     | <b>COMMITTEE OF THE WHOLE</b>   |
| <b>7.</b>     | <b>COMMUNICATIONS INFORMATION PACKAGE</b>   |
| <b>8.</b>     | <b>CONSENT AGENDA</b>   |
| <b>9.</b>     | <b>REQUESTS FOR DEFERRALS, REFERRALS OR WITHDRAWALS</b>   |
| <b>10.</b>    | <b>PRESENTATIONS AND DELEGATIONS</b>  |
| 10.1.         | 2025 Operating Budget Report - City Wide ( <b>C 4/2025</b> )  |
| 10.2.         | 2025 10-Year Recommended Capital Budget - City Wide ( <b>C 163/2024</b> )   |
| <b>11.</b>    | <b>REGULAR BUSINESS ITEMS</b>   |
| 10.3.         | Essex-Windsor Solid Waste Authority (EWSWA) 2025 Budget <b>C 1/2025</b> )   |
| 10.4.         | 2025 Wastewater & Stormwater Budget Report - City Wide ( <b>C 2/2025</b> )  |
| 10.5.         | WPL 2025 Annual Reserve Fund Expenditure Plan & List of Donations and Bequests received in 2024 - WPL Board ( <b>CM 14/2024</b> ) |
| 10.6.         | Municipal Accommodation Tax Program Update (City Wide) ( <b>C 138/2024</b> )  |

- 10.7. Options for Dog Licencing and Registration - City Wide **(C 3/2025)**
- 10.8. Results of the Minutes of Settlement for the Centralized Appeals for Banner Stores in Windsor - City Wide **(C 152/2024)**
- 10.9. Mayoral Direction MD 43-2024 – Hybrid Work Program & Procedure Research & Report **(C 8/2025)**
- 10.10. Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects - City Wide **(SCM 111/2024) (S 44/2024)**
- 10.11. Response to CQ 12-2023: Public conduct policy and security screening options for City Hall and other municipal facilities - City-wide **(S 86/2024)**
- 10.12. Response to CQ 13-2024, CQ 16-2024 and CQ 30-2024 - Pickleball & Squash Courts within the City - City Wide **(SCM 267/2024) (S 108/2024)**

**12. CONSIDERATION OF COMMITTEE REPORTS**

- 12.1. (i) Report of the Special In-Camera meeting or other Committee as may be held prior to Council (if scheduled)

**13. BY-LAWS (First and Second Readings)**

- 13.1. **BY-LAW 15-2025** A BY-LAW TO CONFIRM PROCEEDINGS OF THE COUNCIL OF THE CORPORATION OF THE CITY OF WINDSOR AT ITS SPECIAL MEETING HELD ON THE 27TH DAY OF JANUARY, 2025.

**14. MOVE BACK INTO FORMAL SESSION**

**16. THIRD AND FINAL READING OF THE BY-LAWS**

**21. ADJOURNMENT**



**Subject: 2025 Operating Budget Report - City Wide**

**Reference:**

Date to Council: January 27, 2025  
Author: Tony Ardovini  
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tardovini@citywindsor.ca  
(519) 255-6100 Ext. 6223  
Financial Planning  
Report Date: 1/9/2025  
Clerk's File #: AF/14854

**To:** Mayor and Members of City Council

**Recommendation:**

**For the meeting of January 13, 2025:**

THAT City Council **RECEIVE** the Administrative 2025 Operating Budget Report as additional information in support of the 2025 Recommended Budget.

**For the meeting of January 27, 2025 or alternative date as determined by City Council and including such time needed until the 2025 Operating Budget is considered to be approved:**

THAT City Council **ENDORSE** the 2025 recommended operating budget which is reflective of a proposed overall levy increase of 2.99%, subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT one-time funding estimated at \$6,349,013 **BE APPROVED** from the specific Reserve Funds as detailed in this report, subject to any further amendments that have been proposed by City Council are considered approved; and,

THAT Council **APPROVE** the required transfers to and from various funds which have been identified and included in the 2025 Recommended Budget; subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT the CFO & City Treasurer **BE AUTHORIZED** to process budget adjustments during the fiscal year, which do not change the overall approved property tax levy; and,

THAT the 2025 Schedule of Fees detailed in the budget report, Appendix D: 2025 User Fee Schedule, **BE APPROVED**; and,

THAT the Fees & Charges Bylaw of record **BE AMENDED** to reflect the 2025 Schedule of Fees.

**Executive Summary:**

The administrative process for the 2025 Budget followed the timelines as outlined to City Council and incorporated additional recommendations, which resulted from reviews of three Finance Committees of Council.

On January 3, 2025, Mayor Dilkens presented the 2025 Recommended Operating Budget, which identifies a net increase to the municipal levy of \$14,500,000, which is reflective of a 2.99% impact on the overall levy to be raised through property taxes. Key individual components to this increase are set out below:

	2025 Levy \$ Impact	2025 Levy % Impact
City Departments (Base Operating Budget)	(\$2,429,566)	(0.50%)
City Departments (Increase to Base Budget)	\$945,488	0.19%
Finance Committee Recommendations	(\$2,023,567)	(0.42%)
Agencies, Boards & Committees (ABC's)	\$11,167,533	2.30%
Asset Management Plan (AMP) & Local Residential Roads	\$6,840,112	1.41%
<b>Total</b>	<b>\$14,500,000</b>	<b>2.99%</b>

After an extensive administrative, Finance Committee and Mayoral review, this increase of 2.99% presents a budget that maintains existing core City services and includes modest increases for service enhancements. It should be noted that this budget also incorporates various reserve reductions and provisional reductions that have been developed using very conservative assumptions in order to achieve an overall budget that falls below the rate of inflation.

As in previous years, City departments were encouraged to bring forward any increases required to maintain current service levels. Where appropriate these increases have been offset by reductions realized through revenue increases and operating efficiencies. In addition, further reductions have been recommended, which serve to mitigate inflationary pressures.

Administration undertook a very detailed review of the 2025 budget submissions with enhanced scrutiny of all revenues and expenditures. The 2025 Recommended Operating Budget is a reasonable and fiscally responsible budget that ensures the preservation of the important services currently being provided to the community, while at the same time balancing the need for service enhancements, and services that support future growth. The budget continues to align debt reduction and reserve enhancements as appropriate. While challenges continue in balancing the fiscal realities faced with the various municipal pressures and service enhancements that residents and Council desire, the budget being recommended prepares for what is needed to support future growth and development.

It is not the intention, through this budget report, to bring forward for consideration any changes in the distribution of the property tax levy as a result of assessment changes or tax policy decisions. Those changes will be separately reported to Council at a later date. The recommended tax levy increase of 2.99% will equate to an approximate increase of \$99 for the average resident with a home valued at \$163,000.

### **Background:**

At its meeting of July 22, 2024, City Council received a report from the CFO & City Treasurer entitled 2025 Budget Process & Timeline (C89/2024). Through this report, City Council was provided with preliminary budget development timelines along with highlights of the proposed budget development process.

As a result of legislative changes enacted by senior levels of government, social and economic factors impacting human and health services as well as continued inflationary increases Administration identified that without change, residents would be facing significant increases to the tax levy. On September 17, 2024, the Mayor and City administration outlined the impact of the City of Windsor's preliminary budget pressures, without consideration of possible mitigation and reductions, being 12.9% or \$62,578,206.

On September 10, 2024, in anticipation of a challenging budget year, and to address the extraordinary budget pressures, the Mayor established three Finance Committees of Council to find base operational and service-level savings across all City departments.

As a further cost mitigation strategy, on September 12, 2024, the Mayor directed an immediate hiring freeze for full-time permanent positions at the City of Windsor (MD28-2024).

This report serves to provide City Council with an overview of the budget development process to date and high level commentary with regards to the matters which have been recommended for inclusion in the 2025 Recommended Operating Budget. Additional details have been provided as part of the full 2025 Recommended Operating Budget document and appendices. This report should be read in conjunction with these documents.

## **Discussion:**

### **Part A - Budget Development Process**

#### **A) Administration Direction**

##### ***City Departments***

The Chief Financial Officer & City Treasurer provided the direction to City Departments to commence development of their operating budget issues and capital budget requests, which incorporated CLT guidance and priorities.

All City departments were requested to develop reduction options to offset any 2025 budget increases being put forward, inclusive of reduction options based on 5% of the previous year's net budget. In other words, departments were required to identify reductions to existing budgets equal to 5% of their 2024 approved operating budgets and further where departments wanted to put forward service enhancements, those enhancements needed to have identified funding sources (either in full or in part) to mitigate any tax levy impacts. This exercise was intended to provide reduction options, which could be actioned if deemed necessary.

##### ***Agencies, Boards & Committees (ABC's)***

The Chief Financial Officer & City Treasurer provided the following direction to all City funded Agencies, Boards & Committees (ABC's):

*"The City of Windsor has commenced its annual budget development process and is asking that you provide your 2025 budget request. As in prior years, City Administration has endeavoured to develop a budget, which minimizes an increase to the current tax levy requirement. In order to assist the City of Windsor in this effort, we ask that your 2025 budget request from the City of Windsor for the next fiscal year be maintained at a level that is no greater than your approved 2024 amount. Should an increase be identified, please provide specific details as to the nature of the increase and related impact on your budget request including any cost increase mitigation measures that may be considered."*

#### **B) Administrative Review**

After compiling all of the departmental submissions, the Financial Planning team commenced the process of categorizing each budget issue (as denoted in the 2025 Operating Budget document Categories A through J) and to further investigate alternative funding options to address budget pressures to mitigate the impact on the municipal levy. Following this process and in conjunction with the CAO and each respective CLT member, throughout the month of October, a line-by-line review of all budget issues brought forward by departments was performed. This process served to confirm the categorization of the budget issues, provide feedback on alternative funding sources and to identify any new budget pressures that may have arisen.

Further to this review of budget issues, a complete review was conducted on all user fees. A minimum threshold of 3% increase for fees was considered as a baseline adjustment. In some cases, certain fee increases had not kept up with year over year inflation. Where this was the case, fees were first adjusted for year over year factors and then the 3% increase was applied. The resulting fees were then assessed against any legislative ceilings and market-based comparators with further adjustments proposed to maximize revenues while not impacting service demand. As a result of this in-depth review, all user fees have been adjusted for 2025 and revenue impacts, which serve to reduce the final tax levy reflected in the 2025 Operating Budget.

It should also be noted that various supplemental documents provided to City Council and the public including the 2024 Approved Budget and staffing levels, Quarterly Projected Variance Reports and MBNC performance reports have been referenced to inform the 2025 Recommended Budget.

### **C) Finance Committee Review**

As indicated above, by way of Mayoral Directive MD25-2024, three Finance Committees of Council were established and were provided a mandate to review base operating budgets for all City departments in an effort to find efficiencies and service level adjustments, which would result in sustainable reductions to the base tax levy. It was acknowledged that the Administrative review of the identified 2025 budget pressures as outlined to City Council would continue independently of the Finance Committee review.

To assist the Finance Committee review process, each Committee was provided with copies of the 2024 Operating Budget by Department and organizational charts outlining permanent staff compliments. In addition, Administration undertook to classify departmental budgets in terms of four (4) levels of discretion being; completely mandatory, partially mandatory, partially discretionary, and completely discretionary. These classifications served to assist the Finance Committees in determining which areas with City operations could be reviewed for efficiencies without compromising mandated and legislated programs. These documents formed the basis of Committee meetings and discussions. Each Committee met a minimum of three times with several reports, in the forms of memos, being prepared and presented. Recommendations resulting in reductions of over \$2 million or 0.42% of 2024 Approved Budget have been accepted and included in the 2025 Recommended Operating Budget. These reductions included matters such as:

- Further implementation of the Year 4 to 6 goals as outlined in the Transit Master Plan to addresses overcrowding issues and which include 15,000 hours of planned changes as well as additional service hours, improvements of frequencies on north-south corridor routes (6,7,8 and 14) in addition to improvements for Saturday and Sunday services. The costs associated with these improvements will be funded largely by the elimination of high school bus extras, which serve a segment of the ridership for a specific period of time during



the year. The changes proposed will allow for a greater number of riders to obtain access to timely transit services City wide.

- Identification of additional cost recoveries from funding sources that are non-tax related
- Identification of opportunities for user fee increases, primarily in the areas of recreation and transit tunnel bus services that were above the proposed increase in user fees as determined by Administration. These additional changes in user fees were considered reasonable in light of the programming being offered which were determined to fall within the completely discretionary classification.

It should be noted that while the Finance Committee recommendations were included in the 2025 Operating Budget, each of the items still require City Council's review and approval prior to implementation.

#### **D) Mayor's Review**

Throughout the months of November and December, the CAO, CFO and Financial Planning team worked with the Mayor's Office to review the Administrative and Finance Committee recommendations and work towards developing a reasonable and fiscally responsible budget that ensured the preservation of the important services currently being provided to the community, while at the same time balancing the need for service enhancements and services that support future growth. As a result of the Administration and Finance Committee reviews, the projected tax levy increase was reduced, however it remained at 5.5%. An additional \$12.2 million reduction was necessary to achieve the targeted 2.99% tax levy increase which has now been proposed in the 2025 Recommended Budget as tabled by Mayor Dilkens on January 3, 2025.

#### **Part B - Operating Budget Documents**

The 2025 Recommended Operating Budget has been made available to the public through the City's website and other social media, and includes the following documents:

1. **Operating Budget Appendices:** Includes the appendices as included with this operating budget report:

##### **2025 Operating Budget Executive Summary:**

The executive summary outlines, in a summarized manner by category, the increases and decreases that were considered in the development of the budget and acts as a guide when reviewing the Budget Issue Details. This appendix also provides a priority listing of recommended and not recommended budget changes, along with a brief description of the associated impact of accepting or not accepting the proposed budget change (Executive Summary Category Definitions are provided below).

## **2025 Operating Budget Summary (Recommended Issues):**

This schedule is included to itemize the recommended budget issues by service area and department.

**2025 Operating Budget Summary (Not Recommended Issues):** This schedule is included to itemize the issues that were identified through the administrative process but have not been recommended for inclusion in this budget.

## **2025 User Fee Schedule:**

This schedule includes the listing of all user fees that are administered by the City of Windsor. This schedule identifies the year over year increase and provides reference for the budget impact of the fee increase that has been recommended for 2025

2. **Budget Issue Detail:** Includes information outlining the details of each budget issue including financial impacts, assessment of risks, staffing (FTE) impacts, etc.
3. **Agencies, Boards & Committees:** Includes the budget details relative to various Agencies, Boards and Committees including organizational mission, organizational chart, budget line item details, prior year accomplishments, etc.

### ***Executive Summary Category Definitions***

The recommended budget increases and reductions are summarized by “Executive Summary Categories” for Council and the public’s consideration (Appendix A of this report).

- **Category A – Recommended Preapprovals & Pressures with Little or No Discretion**

This section outlines increases that are either pre-approvals or pressures where there exists little to no discretion. In other words, these increases include items that were previously approved as corporate priorities, or represent increases that must be funded in order to continue municipal operations at existing service levels. In many cases, these increases are contractual or legislative in nature.

- **Category B – Priority Budget Increases Recommended to Maintain Current Service Levels**

These increases are considered to be the highest priority budget items. They are recommended and strongly supported by Administration in order to achieve efficiencies identified by the Departments as part of their annual budget review and/or to avoid significant deterioration to services. In the majority of cases, the increases have been identified as priorities that are required to maintain existing services at current levels such that without these priority increases, services would be impacted.

- **Category C – Increased Revenue & Operating Efficiencies**  
 This section outlines the recommended increases to revenues and/or operating reductions due to identified operating efficiencies. Where operating reductions have been accepted careful consideration was made to ensure that impacts to existing service levels have been identified. In the case of revenue increases these issues represent new or increased revenues/fees, either from internal recoveries or from user pay increases, or from higher expected volumes.
- **Category D – Inflation Mitigation Reductions**  
 This section includes budget reductions which largely include annual transfers to reserves and provisional reductions that have been recommended in order to limit the impact of mandatory budgetary increase however may create significant financial risk should actual results differ from estimates and assumptions used in their development. This section also includes significant cost reductions to existing services necessary to meet the target tax levy increase. It should be noted that if accepted these cost reductions will have staffing and service implications.
- **Category E – City Departments Increases to the Base Operating Budget**  
 This section outlines the recommended service enhancements that have been brought forward by departments and have been recommended.
- **Category F – Finance Committee Recommendations**  
 This section outlines the recommendations as supported through the Finance Committee review.
- **Category I – Other City Department Reduction Options**  
 Section I includes additional reduction options for consideration if there is a desire to further reduce the total levy. These items, while considered during each of the budget development stages, have not been recommended.
- **Category J – Other City Department Enhancements Brought Forward**  
 Additional service enhancements can be found in Section J. Many of these funding requests reflect increases that are being requested by departments in order to enhance the current services levels provided by the City of Windsor. However, at this time the service enhancement requests will require new funding, and given the limited flexibility related to funding, they were unable to be included in the current budget recommendations. These items are being provided as additional information and while further consideration may be warranted, inclusion of these items will increase the overall net impact on residents. Going forward these items will continue to be brought forward for consideration in conjunction with continued pursuit of innovative and growth related funding options, including generating alternative revenue, in order to manage the financial impacts to the City's budget in the long term.

## **Part C - Public Engagement**

The 2025 budget process has provided an opportunity for public input during the various stages inclusive of the Finance Committee meetings.

Additionally, and more importantly, many opportunities to engage with residents occur over the course of day-to-day operations on multiple issues. Departments engage residents in many public consultation sessions to deal with various municipal matters as they arise during the year. This public feedback helps to guide Administration and Council in terms of prioritization of service level decisions, which are then incorporated during municipal budget development.

### ***Ward Meetings***

Ward Meetings were held throughout the fall of 2024. Residents and key stakeholders were encouraged to engage with Council and Administration on specific ward issues. This provided an opportunity for direct feedback in regard to the key budget priorities.

### ***Budget Delegation***

The 2025 budget development process will allow the public to provide input as the 2025 Recommended Budget was publicly released on January 3, 2025. As such, the 2025 Budget Documents were made available for viewing through the City's website at [www.citywindsor.ca/cityhall/Budget](http://www.citywindsor.ca/cityhall/Budget). Public delegations are encouraged at a special meeting of Council to be held on January 13, 2025.

## **Part D - Other Operating Budgets**

In addition to the 2025 Recommended Operating Budget, four separate and distinct operations funded through segregated funds: **Building Permit Operations, Off-Street Parking Operations, Wastewater Operations and Storm Water Operations**. The recommended budget changes and related financial impact, along with the budget issue detail outlining service impacts and risk, are detailed in the accompanying budget documents.

### ***Building Permit Operations (Transfer from Reserves)***

As part of the Building Permit Operations budget is an annual transfer from Reserves. This transfer reflects increased costs associated with building permit operations. As a result of the recommended increases in the 2025 Operating Budget there is a corresponding draw of \$489,500 from the Building Permit Reserve. It should be noted that this transfer does not take into account additional annual revenue to be realized through the issuance of building permits. This revenue is also transferred directly to the reserve on an annual basis. Should the positive economic trends being experienced in the City continue, building fee revenue is projected to increase, thereby increasing the balance retained in this reserve. It should be noted that this reserve can only be utilized

to offset building related expenditures and should economic conditions flatten or decline there may be times when significant draws will be required to continue operations with minimal impact. The balance in the Building Permit Reserve as at November 2024, net of encumbrances, is \$15,331,591. While unencumbered, the balance of the reserve is factored into the overall financial health of the City.

***Off-Street Parking Operations (Transfer to Reserves)***

As a result of recommendations contained within the 2025 Operating Budget for Parking Operations, there will be an increased transfer to the Off-Street Parking Reserve of \$796,974. Unlike the Building Permit Reserve, results of parking operations, after consideration of revenue is transferred to the Off-Street Parking Reserve. Unencumbered balances, which remain in this reserve are utilized for maintenance and repair of parking facilities. The balance in the Off-Street Parking Reserve as at November 2024, net of encumbrances \$804,760. This reserve was previously in a deficit position recently returning to a surplus position primarily as a result of increased revenue levels resulting from parking rate adjustments.

***Wastewater/Storm Water Operations***

On October 28, 2024, City Council approved the 2025 Wastewater and Storm Water rates (C130/2024) to facilitate a timely transition to the new funding model for both water and storm water operations January 1, 2025. As part of the 2025 Operating Budget, City Council is now being requested to approve the respective budgets for waste and storm water. As indicated in the rate setting report, the 2024 Approved Budget for combined Sewer Surcharge of \$104.8 million was required to be split into Storm Water and Wastewater budget components as shown in the chart below. These splits formed the base budget for purposes of tracking and monitoring costs associated with each program.

To determine the rates for 2025, Administration had included preliminary estimates for an increase of \$6,693,960 for Stormwater and \$3,962,971 for Wastewater budgets. Following the finalization of the 2025 Operating Budget, the increased amounts have been revised to \$6,954,149 and \$3,888,551 respectively. These increases support enhanced levels of service, which have been recommended as part program development and implementation. Specific details regarding each of these increases are included within the budget documents.

**2025 Storm Water Budget**

	<b>2025 Recommended</b>	<b>Change</b>
2024 Base Budget	\$ 46,093,940	
2025 Proposed Increase	\$ 6,954,149	
<b>Total Operating &amp; Capital</b>	<b>\$ 53,048,089</b>	<b>15.09%</b>

A significant item impacting the 2025 Storm Water budget is the inclusion of the previously approved \$4.5 million which represents the phase-in costs over a period of 5 years, to implement various measures to enhance levels of storm water maintenance and services. An additional \$1.5 million has been established to fund credits offered to businesses as approved through the Storm Water credit policy.

### 2025 Wastewater Budget

	2025 Recommended	Change
2024 Base Budget	\$ 58,729,917	
2025 Proposed Increase	\$ 3,888,551	
<b>Total Operating &amp; Capital</b>	<b>\$ 62,616,468</b>	<b>6.62%</b>

Included in the 2025 Wastewater budget is an additional allocation of \$1.5 million to the fund the pollution control reserve and an additional \$1 million to the wastewater reserve. These reserves are considered critical to ensuring that the division is able to adequately maintain existing infrastructure should the need arise.

Further details with regards to both the Wastewater and Storm Water budget is outlined in a companion budget report C2/2025.

## Part E - Administrative Comments on the 2025 Recommended Operating Budget

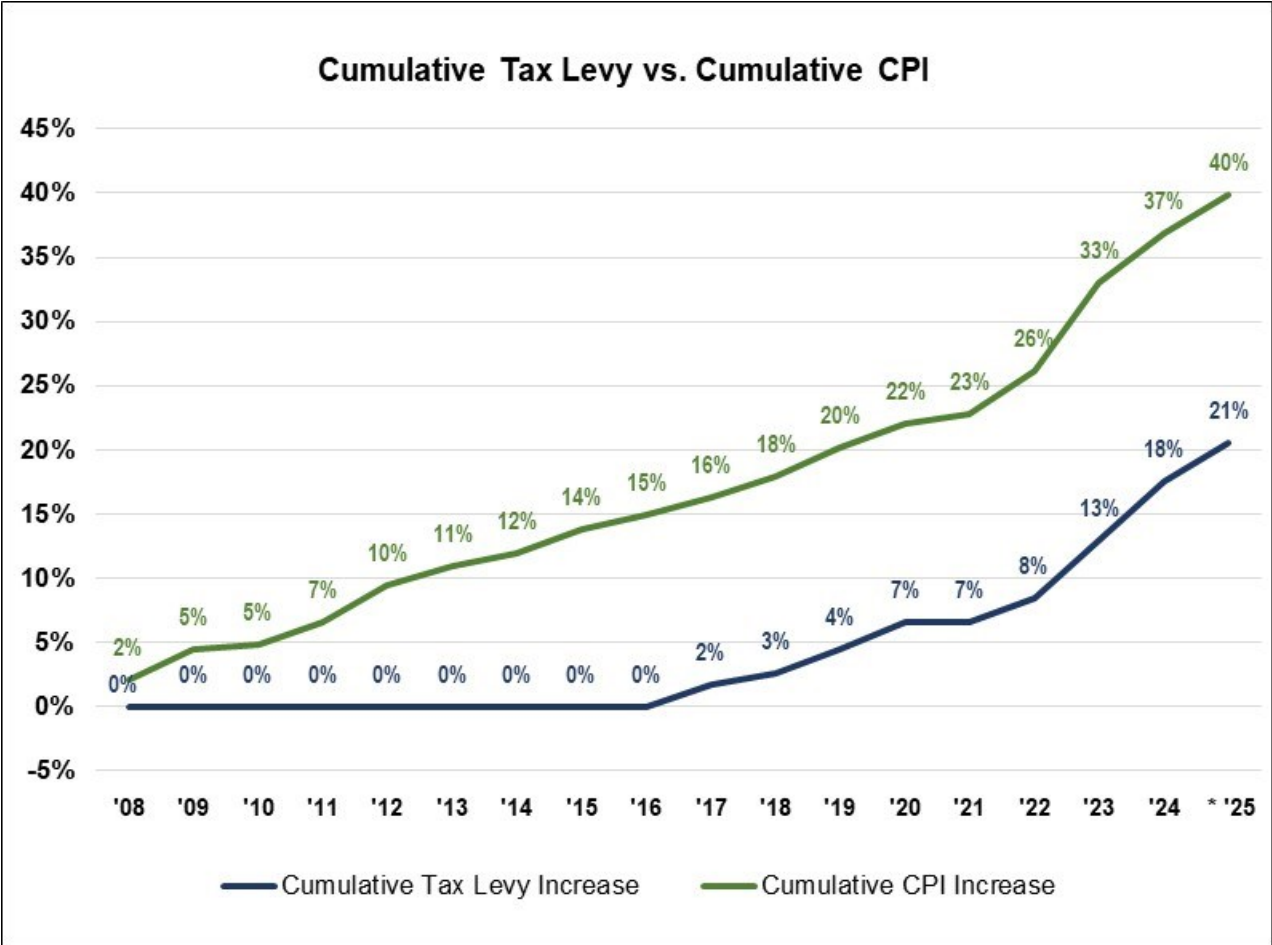
### General Overview

The City of Windsor will, in the next five to ten years, benefit from unprecedented growth. The 2025 Recommended Operating budget for City Departments positions the City for future growth and development while continuing fiscal restraint until such time as additional revenue in the form of property taxes, development and permitting fees in addition to other non-tax related revenues can be realized. The Corporation has faced a number of years in which budgets were reduced and realigned, and where service efficiencies were stretched in order to continue providing core services in the most efficient and fiscally responsible manner possible. Legislative changes imposed by senior levels of government, social and economic factors impacting human and health services as well as continued inflationary increases projected for 2025 necessitated a more in depth review of service delivery and rationalization of costs previously funded through the tax levy. The 2025 Recommended budget continues to ensure that core base services to residents of the City of Windsor remain in place for the next fiscal year however, the focus has moved to shift the cost of service from taxpayers as a whole onto those that drive service demands.

The 2025 budget has been an extremely challenging process as the cumulative effect of inflation rates continue to drive up the cost of goods and services that impact the City's operating and capital budgets. Historically, Administration strives to deliver a budget that has a levy impact that is less than the average Consumer Price Index (CPI) or rate of inflation for a basket of consumer goods (i.e. food, shelter, and clothing, rent). Municipalities however are limited to certain operating price increases such as utilities and gas and are more impacted by construction price increases as it relates to capital projects. Although extremely difficult to achieve, the recommended operating budget includes a tax levy increase of 2.99% that is slightly below the municipal blended CPI (calculated based upon the weighted average CPI and Construction Price Index impacting municipal services) for 2025, which is 3.0% as of the time this report was written.

With continued significant inflationary pressures and after many years of fiscal constraint, including a 0% levy increase in 10 of the last 18 years (as illustrated in the chart below), it has become increasingly difficult to achieve additional operating savings to minimize escalating budget pressures. In addition, the increasing service demands resulting from the City's population growth and its vibrant economy has added to the challenge of sustaining the historically low levy increases. It is no longer possible to find sufficient savings within the City controlled budgets to offset the annual budget increases without a significant impact to existing municipal services.

The chart below provides a historical representation of the annual levy increases in comparison to the prior years CPI (rate of inflation).



The fiscal restraint over the last decade was largely unprecedented. As a result, taxpayers have accrued cumulative savings in excess of \$1.47 billion, which translates into a \$97 million savings in 2025 with anticipated and continued annual savings accruing to taxpayers well into the future.

Put in more practical terms, had the annual property tax levy increases since 2008 averaged 2.2% (the average rate of inflation from 2008-2024), property taxes in the City of Windsor would be approximately 19% higher than current levels. A property owner with a home assessed at \$163,000 would therefore be paying approximately \$658 more annually than what they currently pay.

By way of comparison and at time of writing, the average levy increase of peer municipalities in Ontario has been calculated to be 6.52% and of surrounding municipalities, being Chatham/Essex County, is 6.29%. The achievement of an increase of 2.99% while not significantly impacting service delivery to residents is unprecedented especially given the significant external pressures placed upon the City to respond to future growth and development. For the average residential property owner, this increase will represent approximately \$99 in additional property taxes.



Administration will of course always continue to look for ways of minimizing any required levy increase in the future. It is possible that as each budget year is reviewed, options that are currently not apparent will be found to hold the line on taxes in that particular year. However, it is clear, based on the foregoing analysis and Administration’s experience of the past several years that it is becoming increasingly difficult to identify service neutral savings within existing base budgets.

The 2025 Gross Operating Budget now exceeds \$1.12 Billion, resulting in a net municipal levy of \$499,614,326 to be recovered by way of property taxes (for existing taxpayers). This represents an increase of \$14,500,000 or 2.99% from the 2024 levy.

	2025 Levy \$ Impact	2025 Levy % Impact
City Departments (Base Operating Budget)	(\$2,429,566)	(0.50%)
City Departments (Increase to Base Budget)	\$945,488	0.19%
Finance Committee Recommendations	(\$2,023,567)	(0.42%)
Agencies, Boards & Committees (ABC’s)	\$11,167,533	2.30%
Asset Management Plan (AMP) & Local Residential Roads	\$6,840,112	1.41%
<b>Total</b>	<b>\$14,500,000</b>	<b>2.99%</b>

**City Department Operational Budget**

It should be noted that while the proposed tax levy increase is 2.99%, reductions to City operating departments of 0.73% or \$3,507,645 are being brought forward for consideration.

The tables below highlight the major budget drivers that have affected the 2025 Recommended Operating Budget as it relates to City Departments.

<b>Expenditure Increases / Revenue Decreases</b>	<b>\$ Impact (millions)</b>
Contractual Labour Contracts & Fringe Benefits	\$12.1
Other Contractual & Inflationary Pressures	\$5.5
Revenue Reductions	\$2.7
To Maintain Existing Service Levels	\$2.4
Service Enhancements	\$1.5
<b>Sub-Total</b>	<b>\$24.2</b>
<b>Expenditure Decreases / Revenue Increases</b>	<b>\$ Impact (millions)</b>
User Fee, Fines & Recovery Increases	(\$5.7)
Miscellaneous Expenditure Reductions	(\$5.4)
Property Taxes Resulting from New Assessment Growth	(\$4.8)
Reduction in Transfer to Reserves	(\$4.5)
Ontario Municipal Partnership Fund (OMPF)	(\$3.0)
Miscellaneous Revenue Increases	(\$2.3)
Increase in Investments & Dividend Income	(\$2.0)
<b>Sub-Total</b>	<b>(\$27.7)</b>
<b>Total Net Impact (for City Departments)</b>	<b>(\$3.5)</b>

While the major drivers increasing the 2025 Recommended Budget are pre-approvals of programs and services, mandated salary and wage provisional increases inclusive of benefits and employer contributions and inflationary pressures, within the 2025 budget is a continued commitment to and support for:

- Human and Health services to address housing, homelessness and persons in need through extended hours at the Housing and Homelessness Hub (H4)
- Increased resources to address safety and security within the downtown campuses of 350 & 400 City Hall square, and
- Vital internal projects which dedicate human and technological resource needed for our Employee Retention and Experience and Information Technology Master Plans

These increases have been fully mitigated through increased investment returns from internally financed capital projects and investment yields and increases to user fees. Increased revenue due to new assessment growth is projected at 1% of 2024 net tax levy or an additional \$4.85 million. This is additional revenue that can be used to offset budgetary pressures without impacting existing taxpayers. While the City is expecting more revenue from economic development in future years, the timing of this revenue is

subject to construction completion and subsequent valuation by the Municipal Property Assessment Corporation.

The 2025 Recommended Operating Budget also includes many provisional items and items for which actual costs cannot be reasonably estimated. While Administration makes every effort to include reasonable estimates based upon the most current information available, many of these items simply cannot be determined. Given the budget pressures a multi-year analysis was undertaken wherein potential cost increases for these types of items will be funded through use of reserves where it can be reasonably estimated that future anticipated revenues will be sufficient to replenish any use of the reserves. Items that fall into this category are expenditures related to insurance premiums and legal claims.

Administration has also recommended reductions to certain provisions and transfers to reserves utilizing the resulting revenue to offset budget pressures. Examples of this include the reduction to the net tax write-off provision and transfers to the tax appeal and working capital reserves. Given the state of economic growth, aligned with a continued pause on reassessment, it is considered prudent and reasonable that continued funding for these matters could be deferred for a brief period without impacting the financial health of these reserves. Should economic trends indicate a change in the future, reconsideration of these reduction through tax levy increases may be considered necessary.

## **Asset Management Plan**

As indicated in the chart above the previously approved Asset Management Plan (AMP) levy will remain adding an additional \$6,840,112 to be directed toward maintenance of City's core assets, which have been added to the inventory and are required in order to deliver services. On June 10, 2024, City Council endorsed the 2024 Asset Management Plan, which had been developed in compliance with Ontario Regulation 588/17 – Asset Management Planning for Municipal Infrastructure. The 2024 AMP ensures compliance with Provincial requirements and had been updated from the previous 2018-2019 AMP to include all municipally-owned infrastructure assets inclusive of those managed by ABC's. The 2024 AMP was focused on providing an understanding of the current state of the City's assets, various asset management strategies used to extend their life, and the risk the assets present to the City if they fail.

The 2024 AMP also looked at current Levels of Service (LOS) and provided an analysis regarding the estimated funding level required for the various assets to sustain their current LOS over the next 20 years. Despite record levels of capital investment in recent years, the City (as is the case with most other municipalities) continues to be challenged with aging infrastructure. This, coupled with post-pandemic market fluctuations and unprecedented inflationary pressures, has put increasing pressure on the capital budget to ensure appropriate funds are made available to allow municipal assets to continue to provide the level of service they were intended.

Overall, with a sustainable and properly funded AMP there will be less impact to other projects in the capital budget whereby such projects are required to be deferred or reprioritized in order to resolve immediate asset failure priorities. This will also help to stabilize the investment amounts in growth, service enhancements and economic development type projects by avoiding situations where funding from enhancements need to be redirected to fund immediate asset failures. Appropriate and sustainable AMP funding will also allow Administration to be more proactive on addressing asset needs rather than being reactive to situations after they occur thereby improving levels of service when compared to what is currently being experienced.

The adoption of the AMP levy in 2020 has provided cumulative, incremental funding of \$74.2M to-date, which has been directly invested in the rehabilitation, renewal and replacement of existing City infrastructure. Once fully implemented in 2025, the levy will represent a permanent increase to the capital budget of over \$33M per year. It should be noted that in 2023, Council extended the AMP levy for an additional year through to 2026 to address the levels of service related to Homelessness and Housing, with the extension of the levy approved to support the funding needed for the Repair & Renewal Program which directly maintains existing housing stock under the City controlled public housing portfolio and to fund the relocation of the H4 Housing Hub to its permanent location. Additionally, as part of 2023 budget deliberations, Council approved a 4-year, 0.25% Local Residential Road Levy, to provide for direct investment in the rehabilitation of this class of roadway. These investments in the AMP have proven critical to ensuring the City's assets continue to be maintained in Good overall condition.

Administration is currently working on the 2025 AMP update which will give consideration to Proposed Levels of Service (PLOS) and the setting of targets, along with identifying the cost of achieving those targets. This 2025 work will inform the future infrastructure funding needs and the related financial recommendations for the ongoing rehabilitation and replacement of our assets. The removal of the AMP as identified in the 2025 Recommended Operating Budget would equate to reducing the capital investment plan by \$68 million over 10 years. As such, and until further work has been completed regarding the 2025 update, Administration does not support a reduction in this funding source in 2025.

### **Agency, Boards and Commissions (ABC's)**

Notwithstanding the direction provided early in 2024, final submissions by the ABC's were received with some significant increases as illustrated below.

Agency, Boards & Committees	2025 Recommended	% Increase Over PY Budget
Windsor Police Services	\$7,347,216	7.1%
Essex Windsor Solid Waste Authority	\$2,621,282	30.3%
Windsor Essex Housing Corporation	\$1,368,614	8.1%
Windsor-Essex County Health Unit	\$39,202	1.0%
Essex Region Conservation Authority (ERCA)	\$26,768	1.7%
Essex-Windsor Emergency Medical Services (EMS)	(\$30,550)	(0.2%)
Invest Windsor Essex	(\$204,999)	(15.0%)
<b>Total</b>	<b>\$11,167,533</b>	<b>7.3%</b>

The total increase for the above-noted ABC's is \$11,167,533 or 7.3% of the prior year's combined ABC budget, 2.3% of the 2025 Recommended Operating Budget increase. All ABC's were requested to provide supplemental financial information, including details with respect to any surplus or reserve funds and the intended use of such funds. This information can be found in each ABC's respective submission in the Agencies, Boards & Committees document.

It should be noted that the projected increase being requested by the Essex Windsor Solid Waste Authority (EWSWA) represents increased projected costs for the latter part of 2025 due to the introduction of organics collection for which the City, being a 50% partner, is required to pay for its share of the increased costs. The EWSWA Budget is detailed in report C 1/2025.

**Staffing Impacts**

As previously indicated, by Mayoral direction, a hiring freeze was implemented during 2024. While serving as a cost reduction mechanism for 2024, this also allowed for an opportunity to review existing staffing levels in the context of the Finance Committee service delivery reviews. Notwithstanding the results of the Committee reviews, the 2025 Operating Budget includes a net increase of 25.8 Full Time Equivalents (FTE's) largely driven by increased demands for the following services:

- Transportation planning - to proactively address the impacts of growth and development and to promote active transportation ,
- Information Technology - to improved service delivery and risk mitigation,
- Building Permit Operations – to proactively address demands for building permits and inspections which will further support our commitment to housing targets

- Stormwater Operations - to support planned implementation of enhanced levels of service, and
- Transit Services – to facilitate implementation of the Transit Master Plan

As the City continues to evolve, responding to changes in taxpayer expectations and the provision of self-service options has resulted in recommended reductions to staffing. Further to this, staffing related impacts related to service reductions, which have been included in the 2025 Recommended Operating Budget, have been highlighted for City Council's consideration. It should be noted that as a result of the hiring freeze, there are many positions that have remained vacant. Should City Council accept some or all of the recommended service reductions, Administration will endeavour, to the extent possible, to transition staff to vacant positions mitigating job loss.

The net increase in staffing results in a modest net tax levy impact of approximately \$160,000 as most of the net additions are offset by internal and external funding recoveries and other non-tax related funding.

## **User Fee Schedule**

Traditionally, most user fees are monitored annually and adjusted for appropriate price changes through the annual budget process. The 2025 budget process prompted a review of all existing fees and provided an opportunity to identify where new fees could be introduced.

The recommended 2025 User Fee Schedule has been included as Appendix D. The schedule has been reviewed by the Financial Planning area in conjunction with the respective operating departments. A change to all user fees is being recommended in order to address inflationary pressures however it should be noted that not all changes in user fees result in increased revenue. The reason for this is twofold: the impact of a user fee nominal and was not considered material to the overall departmental budget and impact of the user fee increase will assist departments in achieving their current revenue targets (in other words, mitigate from a revenue reduction having to be put forward). Some of the more noteworthy changes are as follows:

- The introduction of a new Building Permit Fee to allow for the issuance of a condition permit and to address construction which may be undertaken without a permit
- An increase in parking infraction fines which better aligns the fine with costs of services
- An increase in Transit fares of 3.23% to reflect inflationary increases on costs of services
- An increase in Planning fees of approximately 50% to reflect cost of services

- Increases in all fees associated with the delivery of programs and services to surrounding municipalities based upon cost of services plus a reasonable overhead recovery

### One-Time Funding

Included in the 2025 Recommended Operating Budget is an annual transfer to the Budget Stabilization Reserve (BSR) of \$2.3 million. Further, and to supplement this annual transfer, Administration will close out any year end surpluses which can include the receipt of additional revenues through grants and subsidies that are not earmarked for projects or programs. These annual transfers ensures that the BSR continues to be replenished as matters which require funding are identified

The BSR was established and is drawn upon throughout the year for items that are unplanned or unexpected. Included in the 2025 Recommended Operating Budget are issues that are more appropriately funded from one-time funds rather than included as an annual base budget amount. The reasons for this may be as a result of the impacts being subject to events and circumstances that are not yet known (i.e. anticipated repairs and maintenance) or the budget issue may take some time to implement requiring the approval of temporary resources or the full impact of the budget issue will not be realized until a later date beyond 2025 (i.e. revenue adjustments that will take effect mid-year). As well, certain one-time expenditures are required in order to facilitate future operating budget savings therefore not needing to be added to the base budget. It should be noted that items receiving an allocation of one-time funding do not impact sustained operating budgets. In fact, by utilizing one-time funding, the operational budgets are not overly inflated reflecting only the base funding required to deliver services.

The estimated one-time funding required for the various budget issues included in the 2025 recommended budget is estimated to be **\$6,349,013** as outlined in the table below. Funding available and projected within the Budget Stabilization Reserve (BSR) and other funding sources is projected to be sufficient to address the recommendations put forth by Administration. It should be noted that the actual transfer required from the Reserve will only be completed if the budget issue identified results in the need for funding that cannot be otherwise mitigated through other expenditure variances and revenue surpluses. Historically, only 46% of the approved one-time funding has been actually transferred at year-end.

2025 Operating Budget Issues Requiring One-Time Funding	Impact
Budget Stabilization Reserve	\$6,278,956
Energy Reserve	\$70,057
<b>Total</b>	<b>\$6,349,013</b>

## **Part F - Council Review and Approval of the 2025 Operating Budget**

Following the release of the 2025 Recommended Operating Budget, City Council has a 30-day period upon which amendments may be proposed. Should City Council determine that amendments are required to the 2025 Recommended Operating Budget, which reflect priority items that have not been put forward, it should keep in mind the impact to the municipal tax levy. As outlined in this report, keeping this operating budget below the rate of inflation has required the strategic reduction of certain provisional items and transfers to reserves where possible. Further increases proposed through Council amendments would require reconsideration in terms of any additional room that may be available or would result in an increase to the municipal levy.

Administration will make all attempts assist City Council in determining the impacts however will require Administration to consider the overall impact based upon all amendments collectively once known.

### **Risk Analysis:**

At its core, a municipal budget is a projection of inflows and outflows for the coming year. Due to the timing of the budget preparation and approval, many of these projections are based upon assumptions using data that is available to date. Additionally, these projections take into account future events and circumstances, which are often out of the control of the municipality. Therefore, as with any budget, there are certain risk factors that are evaluated. The following is a list of some of the most important of those risks along with related mitigating measures.

1. Impacts of Provincial changes to municipal grants such as OMPF, Transit Gas Tax, and Human/Health Services funding which could have significant impacts on expected revenue, municipal operations and service delivery. As part of the 2025 budget development process, Administration will continue to monitor changes in the provincial budget, related legislation and regulations, and will consider such impacts including changes to service delivery going forward through variance and year end reporting.
2. Negotiations leading to wage settlements across various collective bargaining groups, with some wage settlements well above the rate of inflation being awarded by arbitrators to the public safety groups (Police, Fire & Ambulance), has a significant impact on the municipal budget. This is especially important as public safety services account for the largest share of the property tax levy. The 2025 budget includes all known wage increases and includes a provisional item for those contracts that are not yet settled.
3. Fuel related costs have been extremely volatile over the last several years. While average fuel prices decreased slightly during the COVID-19 years, they have remained stable since 2024. There remains the risk that a global crisis may increase fuel costs in the future. Mitigation for this risk comes from the one-time funding from



BSR identified in the fuel budget and the existing contingency provision in the operating budget.

4. Pension funding is another risk area. Over the last several years, the global market has recovered from the collapse that negatively affected the value of assets contained in the pension funds. Any future market correction may put additional pressure in the value of these pension funds, causing an increased contribution requirement from the corporation or special funding contributions. Mitigation for this risk comes by way of the existing budget contingency, the Fringe Rate Stabilization reserve and the BSR.
5. Winter control costs have generally been lower than average in the last couple of years. Given the recommended reduction of the winter control budget in 2024, the potential does exist for significant negative variances if a particularly severe winter season is experienced. Mitigation could come from the existing contingency and the BSR as identified in the budget.
6. Increasing utility costs, especially for the provincial portion of the hydro bill. All utility costs are estimated during the budget process. This risk is mitigated by conservation efforts and reasonable budgets. As well, further mitigation can come from the existing contingency and the BSR.
7. Insurance Costs have continued to escalate over the last few years and the City continues to explore options for 2024 to lower the premiums going forward. Cyber insurance is an area that the City is assessing, and similar to other organizations, has found it difficult to secure coverage at a reasonable cost. A decrease in insurance premiums has been recommended as part of the 2024 Recommended Operating Budget. Costs associated with insurance premiums in excess of the recommended amount will be funded through use of reserves as an anticipated windfall is projected to replenish this reserve in the future.
8. General inflationary pressures increased as the economy recovered from the pandemic. Consumer prices in Canada remain relatively low with an average CPI (Rate of Inflation) at 2.5% (January through November). Municipalities however are not impacted by general CPI rated items such as food and rent. Mitigation comes from the use of a blended municipal rate which looks at a weighted assessment of general CPI and Construction Price Index which averaged 4.2% for 2024.
9. Over the last several years, the program funding for Provincially and Federally funded programs has allowed the City the ability to recover corporate overhead charges applicable to these programs. Should these funding envelopes change, cost reductions would need to be considered to absorb the significant revenue reductions elsewhere by cutting services or by raising fees or taxes. Mitigation comes from continued advocacy for the program funding support.

10. As indicated in the discussion section, Administration has taken a more aggressive approach to provisional items, which include reductions in previously budgeted transfers to specific reserve accounts and increases to certain revenue accounts. These reductions have been put forward strategically on the basis that the likely outcome will be better than projected.

**Climate Change Risks**

**Climate Change Mitigation**

Climate change mitigation initiatives are budgeted throughout the organization and form part of the individual budget submissions.

**Climate Change Adaptation**

Climate change adaptation initiatives are budgeted throughout the organization and form part of the individual budget submissions.

**Financial Matters:**

Financial matters with regards to the 2025 Recommended Operating Budget are discussed in detail throughout this report.

As always, Council may wish to make further adjustments to the proposed budget impacts (reductions or additions) and identify alternative reduction options to amend the current municipal tax levy impact of 2.99%.

Other financial matters are discussed below.

**Property Tax Implications as a result of the 2025 Recommended Budget**

It should be noted that the final change in property taxes for individual taxpayers will not be known until City Council has made a decision as it relates to the 2025 tax policies, which is typically completed after the budget has been approved. Notwithstanding that the MPAC reassessments will not be completed for 2025, inevitably, given various and ongoing changes in assessment values, there is a shifting of the tax burden between property classes and amongst individual property owners within each property class. Further, there are many other decisions in consideration of provincial tax policies, which are to be made by Council that can impact the distribution of the municipal tax levy. Final impacts to each of the classes will not be known until the final property tax policy decisions are approved by City Council in second quarter of 2025. Additionally, the taxes paid by taxpayers include an Education amount, which is mandated by the Province of Ontario.

## **Continued Debt Management**

The City's consolidated long-term debt currently stands at approximately \$104 million (projected for year-end 2024). While the City's consolidated long term debt levels have fallen on a continual basis since its peak level of \$230 million in 2002, City Council approved funding for various housing-related initiatives through the Windsor Essex Community Housing Corporation (WECHC) as well as land acquisition for Economic Development that which has resulted in increased consolidated debt levels on the City's consolidated financial statements.

WECHC's Repair & Renewal Program, much like the recently completed Meadowbrook Development, is expected to receive significant funding in the forms of both repayable and non-repayable loans through the Canada Mortgage and Housing Corporation's Co-Investment opportunities, which will increase consolidated debt levels in the upcoming years as these significant investments in affordable housing are made.

It is noted that while the increased debt amounts reflect an increase to consolidated long-term debt levels, the projected levels continue to remain well below the peak debt level of \$230 million in 2002. When considering the long-term debt level in 2003 as a percentage of total financial assets at that time, it was approximately 68%. Based on the most recent 2023 audited consolidated financial statements, the City's long term debt levels as a percentage of total financial assets has fallen significantly to a level of approximately 7.19% in 2023. Even with the projected increase in debt levels as identified above, and notwithstanding the issuance of further debt, the long-term debt level as a percentage of total financial assets in 2029 will nominally increase to approximately 9.1%.

Given these extremely low debt levels resulting from City Council's longstanding debt reduction strategies over the past number of years, the City is now in an enviable position that affords some degree of flexibility relative to debt as one of several potential longer term funding strategies that will assist in addressing the significant long-term capital funding needs of the community. Put simply, the need for infrastructure demands over the coming years, including large new or replacement facilities, cannot be met without debt financing being one part of the solution.

## **Increasing Reserves**

Over the last decade, through Council approved reserve enhancement strategies the City's reserves have continued to increase with the balance in excess of \$452 million as at January 1, 2024. While this level of fiscal health is acknowledged it is still considered to be lower than peer municipalities.

Maintaining higher reserve balances leverages additional investment income to be realized through higher rates of returns being offered on medium to longer term investments. Higher reserves also serve to facilitate internal funding of capital projects which avoids the issuance of tax funded debt and payment of interest externally to financing institutions. Included in the 2025 Recommended Operating Budget is increased revenue from internal financing of \$2 million.

The 2025 Recommended Operating Budget, maintains most of the existing approved transfers however in order to achieve the targeted levy increase of 2.99% further reductions were identified through a strategic review of operational funding under a multi-year lens. In some cases, this meant a deferral of expenditures to future years to better align resource requirements with funding opportunities or utilization of existing reserves until such time as expected future revenues are realized. While the use of reserves, as a long-term funding strategy is not considered to be reasonable, short-term draws, which can be expected to be recovered in the future, serves to keep the tax levy increase at an acceptable and consistent level.

### **Budget Adjustments**

Budget adjustments refer to the changes made to the overall approved net operating budget to account for variations in revenue, expenses, or unforeseen circumstances that may arise after the budget has been approved. These adjustments may include increases or decreases in various budgeted line items, however, the total sum of all budget adjustments must net to zero (i.e. must have no impact on the overall tax levy required to balance the budget) in order to maintain the overall net budget that has been approved by the Mayor and endorsed by City Council. The recommendations in this report seek approval for the City Treasurer to effect any budget adjustments that may be deemed necessary.

### **Consultations:**

The 2025 Recommended Operating Budget was developed in consultation with City Departments; City funded Agencies, Boards & Committees (ABC's), Finance Committee of Council and the Mayor's Office.

### **Conclusion:**

The 2025 Operating Budget being recommended reflects a net municipal levy requirement of \$499,614,326. In total, the changes result in an overall municipal levy impact of 2.99% making Windsor's tax levy increase one of the lowest in the Province.

### **Planning Act Matters:**

N/A

**Approvals:**

<b>Name</b>	<b>Title</b>
Tony Ardovini	Deputy Treasurer - Financial Planning
Janice Guthrie	Commissioner Finance/City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

<b>Name</b>	<b>Address</b>	<b>Email</b>

**Appendices:**

N/A



**Subject: 2025 10-Year Recommended Capital Budget - City Wide**

**Reference:**

Date to Council: January 27, 2025  
Author: Natasha Gabbana  
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Mike Dennis  
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519-255-6100 x6343  
Asset Planning  
Report Date: December 5, 2024  
Clerk's File #: AF/14854

To: Mayor and Members of City Council

**Recommendation:**

**For the meeting January 16, 2025:**

THAT City Council **RECEIVE** the 2025 Capital Budget Report in support of the 2025 10-Year Recommended Capital Budget.

**For the meeting January 27, 2025 or alternative date as determined by City Council and including such time needed until the 2025 Capital Budget is considered to be approved:**

THAT City Council **ENDORSE** the 2025 10-Year Capital Budget documents reflective of \$2,244,646,597 in total funding; subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT City Council **APPROVE** the recommended allocation of the 2025 available funding, inclusive of funding required for pre-commitments and placeholders for capital projects totalling \$312,748,483; subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT City Council **APPROVE IN PRINCIPLE** the recommended allocation of the 2026 through 2034 available funding for capital projects totalling \$1,931,898,114; subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT City Council **APPROVE** the reallocation of funding sources for previously approved pre-committed funding, as well as the pre-commitment of additional funding for the 2025 through 2029 funding years, as identified in the applicable individual project summaries provided as part of the 2025 10-Year Capital Budget documents, and that these funds be made available for immediate use; subject to any further amendments that have been proposed by City Council and are considered approved; and,

THAT Administration **BE DIRECTED** to report back to Council with a comprehensive financing strategy, inclusive of opportunities and risks, prior to award of tender for the following major growth and development works:

- Lauzon Parkway/Cabana Rd. East (formerly CR42)
- Lauzon Parkway Extension to 401
- Airport Employment Lands Servicing
- Banwell/EC Row Interchange and Banwell Corridor Improvements
- East Riverside Planning District Improvements
- Forest Glade North Secondary Plan Servicing Requirements; and

THAT the CFO & City Treasurer **BE AUTHORIZED** to process in-year adjustments to projects approved in the 2025 10-Year Recommended Capital Budget where those funding adjustments do not impact the overall individual project budgets or the total approved 2025 capital funding.

### **Executive Summary:**

N/A

### **Background:**

At its meeting of July 22, 2024, City Council received a report from the CFO & City Treasurer entitled 2025 Budget Process and Timeline (C89/2024). Through this report, City Council was provided with preliminary budget development timelines along with highlights of the proposed budget development process.

The 2025 10-Year Capital Budget has been developed in compliance with the timelines and process as outlined. This report serves to provide City Council with an overview of the capital budget development process to-date and high-level commentary with regards to the matters which have been recommended. Additional details have been provided as part of the full 2025 Recommended Capital Budget document and appendices. This report should be read in conjunction with these documents.

### **Discussion:**

#### **Overview of the Capital Budget Documents**

The recommended 2025 10-Year Recommended Capital Budget identifies investments totalling \$2.24 billion in spending. A summary of the capital budget expenditures by year and their funding sources is provided in **Section 1 – Capital Budget Executive**

**Summary.** This section also provides information on the impact of the City's Asset Management Plan (AMP) on the capital budget since the inception of the Asset Management levy in 2020 and the continued investment in road and sewer work particularly, that it provides. Continuing a feature which was introduced as part of the 2020 Capital Budget, the Executive Summary also includes the categorization of various capital investments into Investment Classification types which provides an alternate view of the types of investments included in the capital budget, aside from the traditional Major Categories into which projects are typically placed.

**Section 2 – 10-Year Capital Project Listing by Major Category** identifies all recommended capital investments by Major Category: Roads Infrastructure; Sewers Infrastructure; Transportation; Parks and Recreation; Corporate Property Infrastructure; Corporate Technology; Community and Economic Development; Capital Reserve Replenishment and Agencies, Boards and Committees (ABC's). These categories are important to understanding how the capital budget is allocated across all municipal service areas.

Finally, **Section 3 – Capital Project Summaries**, provides detailed information on each of the individually recommended projects inclusive of project description, timing, scope total funding, and funding source.

### **Capital Budget Development**

Through the 2025 budget development process, the 10-Year Capital Budget was updated to reflect changes to projects previously presented as part of the 2024 capital plan and to bring forward new projects contemplated from 2025 through to 2034. The budget has also been developed to ensure adherence to the guidelines and principles established within the approved 2018/2019 Corporate AMP (CR424/2019). Total funds of approximately \$2.24 billion are projected to be available in the 2025 10- year Capital Budget, as detailed within the 2025 Capital Budget documents.

The process for Capital Budget development begins with a review of changes which impact capital projects that were previously approved in principle as part of the prior year budget deliberations. These changes can be the result of several factors such as changing demands, higher than expected tender prices, unexpected infrastructure needs and/or matching funding requirements for grants. Additional projects are also brought forward at this time based on new information and identified Council priorities, including those projects which are developed for the 10th year of the plan, which in this case covers 2034.

As is the case in most budget years, the majority of changes to the 2025 Capital Budget represent the movement of funds to accommodate changes in construction schedules, adjustments for increased pricing and inflation, and address previous pre-commitments of Council. Changes can also occur to allow for projects with the ability to proceed to be fully funded in order to allow them to be completed. With respect to major road, sewer and other supporting infrastructure work, significant reallocations of funding may be made in order to prepare for and/or advance priority work.



Additionally, Administration performs an analysis to determine if total funding from the various funding sources is being maximized. In some cases, new projects are developed or existing projects may be allocated additional funding as a result. In other instances, similar projects are consolidated so that they may be addressed under one project. Where funding requests exceed available funding levels, further analysis is required to determine which projects can be deferred, reduced in scope or scale, or potentially removed from the proposed budget altogether. These decisions are subject to a series of reviews at the CLT and CAO levels and inform the development of Recommended Capital Budget documents currently before Council.

### **Pre-Committed and Placeholder Funding**

Over the past number of years, the City has undertaken a practice whereby in certain circumstances, capital funds may be pre-committed. Pre-committed funds are available for immediate use to complete priority projects, regardless of the year in which the funding is identified in the capital plan. In these cases, internal financing costs are included within the project budgets for the unfunded period.

There are several advantages to the pre-commitment of funds. For projects that are several years long, if work was to be tendered year by year as funding is approved, costs would be much higher as the tenders would be for smaller pieces of work. Construction would also take longer as the required tendering process would need to be done annually. Further, tenders or requests for proposals cannot be issued without confirmation of approved funding. The ability to commit several years of funding for larger-scale projects reduces the overall cost by allowing for the tendering of a larger piece of work and reduces construction time as there is no start and stop each season. This also works well for bulk purchases of large assets such as playground and buses in order to take advantage of current and bulk order pricing.

On an annual basis, Administration also seeks pre-commitments to the next year's capital budget funding so that tenders can be issued for projects ahead of budget deliberations, allowing construction to start in the Spring. While this does not represent a long pre-commitment period prior to the budget year being finalized, it greatly improves the ability to obtain favourable tender pricing and expedites construction early in the new year.

Another advantage to the pre-committing of funds for larger multi-year projects is to ensure that funding requirements for major projects do not adversely impact any one year of the capital budget. Allocating funding for major projects over the 10 years leaves sufficient funding room in each year for other projects to proceed, while still committing the full funds required for major works.

Further, in some instances, the budget includes funding for projects which are not anticipated to start until future years; however assets can and do fail sooner than anticipated. The ability to pre-commit future funding for immediate use allows flexibility for the asset to be addressed without the need to defer or cancel other projects.

Finally, grants from senior levels of government often require confirmation of matching funding. Many grants do not fund projects which are already funded and have already been started by the municipality. In these cases, in order to maximize potential grant funding from senior levels of government, Administration looks for appropriate projects which are included in the forecasted capital plan and that meet the required grant guidelines. Often, this requires the pre-commitment of future funds in order to meet the grant funding requirements.

Placeholder funding differs from the pre-commitment of funds in that it ensures that projects identified as a priority have funding in place should they proceed; however, Administration is not able to reallocate placeholder funding to a specific project unless formally approval is given to do so. Placeholder funding is typically used to set aside funds in order to avoid the risk of these funds being allocated while priority projects are further developed or while grant applications are awaiting approval. Should the project be ultimately approved or the grant application be successful, these funds are then already set-aside and available to pre-commit.

The recommended 2025 10-Year Capital Budget includes \$365.7 million in pre-committed and placeholder funding, which represents approximately 16.3% of all available funding in the 10-year plan.

### **Asset Management Plan Investments**

The City's 2018/2019 AMP identified the investment requirements to sustain existing, core infrastructure assets and laid out a plan to maintain key levels of service. It also outlined a proposed financing strategy to allow for those service levels to be maintained.

The 2018/2019 AMP focused on the City's core assets which included:

- Transportation Assets - roads, alleys, sidewalks, bridges, streetlights and traffic signals
- Environmental Protection Assets - pollution control plants, pumping stations, and sanitary and wastewater collection systems
- Parks assets - Playgrounds, trees, riverfront shoreline, and other various parks assets
- Facilities, Fleet and Other Assets - corporate facilities, corporate fleets, garages, and other corporate equipment

CR424/2019 approved the City's 2018/2019 Asset Management Plan, with B57/2020 approving the recommendation to establish an AMP levy of 1.16% per year for 6-years (2020 – 2025) in an effort to address the identified infrastructure gap. This approved AMP funding has provided increased Service Sustainability dollars, which allows for the maintenance of the City's existing infrastructure.

As part of 2023 budget deliberations, Council further approved the extension of the existing AMP levy for one additional year (2026) to support housing-related projects such as the Housing Hub and the City's commitment toward the National Housing

Strategy Co-Investment Fund's Repair and Renewal program. Further, a 4-year (2023 – 2026), Local Residential Road Levy of 0.25% per year was implemented to address infrastructure deficiencies on local residential roads.

Updates to the AMP in 2024 considered the balance of all city-owned assets not previously included in the 2018/2019 AMP, as well as assets added to the City's core infrastructure inventory since 2018. City-owned assets managed by the City's various ABC's were captured as well. Recommendations on proposed levels of service and a proposed funding strategy to manage the updated infrastructure gap will be addressed in 2025, however it is almost certain that continued, incremental funding will be required to maintain the service of our existing assets.

The adoption of the AMP levy in 2020 has provided cumulative, incremental funding of \$74.2M to-date, which has been directly invested in the rehabilitation, renewal and replacement of existing City infrastructure. Once fully implemented in 2025, the levy will represent a permanent increase to the capital budget of over \$33M per year. A reduction to the 2025 recommended amount of \$6.8 million would equate to a \$68 million reduction in funding for core assets, essential to the delivery of services.

Ensuring the capital budget reflects the guidelines, principles and recommendations of the AMP is consistent with O.Reg. 588/17 and provides not only for good asset management, but also supports the stipulated requirements for potentially significant grants which require confirmation that best practices surrounding asset management are in place in the municipality. The 2025 work will inform the future infrastructure funding needs and the related financial recommendations for the ongoing rehabilitation and replacement of our assets. As such, and until this work has been completed, Administration does not support a reduction in this funding source in 2025

### **Investments in Service Enhancements and Growth**

The recommended 2025 10-Year Capital Budget identifies \$920.6 million in funding from 2025 to 2034 for investments in service enhancements, growth, economic development and agencies, boards and commissions. This represents an increase of \$295.7 million or 47.3% over the 2024 capital plan. These types of investments are informed through approvals of various master plans, Council direction and/or legislative requirements.

Major investments considered in the current 2025 Capital Plan include, but are not limited to, the following projects:

- Engineering and design of the final phase of Walker Road
- Continue work on the Howard Avenue/South Cameron Boulevard intersection between Division and Kenilworth
- Improvements to Sixth Concession (Provincial to Talbot Road)
- Ongoing work on Lauzon, north of the EC Row Expressway, from Hawthorne Drive to Cantelon Drive

- Continued work on the Riverside Vista project
- Start of construction on Ojibway Parkway, involving road rehabilitation and signal upgrades
- Construction of the new Peace Fountain, through the development of detailed design and tender in 2025
- Investment in Lanspeary Park, for a new Super Playground
- Installation of a cricket pitch for Derwent Park
- Phase 1A of the South Cameron Woodlot Trail
- Increased funding for Traffic Calming
- Additional ward funding, for Councillors to provide additional funding in support of projects benefitting their specific ward.

More significantly, the 2025 10-year capital plan addresses the substantial growth and development needs of the community, with projects that include:

- Lauzon Parkway/Cabana Rd. East (formerly CR42)
- Funding for land acquisition and detailed design for the Lauzon Parkway Extension to 401
- Airport Employment Lands Servicing
- Banwell/EC Row Interchange and Banwell Corridor Improvements
- East Riverside Planning District Improvements
- Forest Glade North Secondary Plan Servicing Requirements

These major works will support the infrastructure requirements of the City's expanding economy and population and will primarily be funded through Development Charges (DC's). Grant and senior levels of government funding are also being sought to support this critical development work.

***Further, it should be noted that given the magnitude of these projects and the financial impact they will have in terms of cash flow and financing requirements, these projects specifically will be brought back to Council, prior to commencing, with a corresponding comprehensive financial analysis and funding strategy to allow for an appropriate financing model to be endorsed by Council.***

In addition, taking into consideration these and other priorities identified in the capital budget, the City is also undertaking a comprehensive review and updating of its Development Charge Bylaw. The updates will consider all proposed project work identified as part of the 2025 capital plan when assessing rates to ensure that development charges are calculated in such a way that growth supports growth. Given the level of projected infrastructure needs, it is almost certain that rates will need to increase, however work continues to assess the impact of the City's significant growth requirements on those rates.

Despite the increase in funding for the various service enhancement and growth initiatives from \$624.9 million (2024 10-Year Capital Budget) to \$920.6 million (2025 10-Year Capital Budget), there remains a number of key projects which may not be funded satisfactorily within the next ten years, including major rehabilitation of existing assets and facilities, components relating to the implementation of various master plans such as the Sewer, Parks, Transit, Central Riverfront and Active Transportation Master Plans, and ongoing infrastructure needs to support economic development pressures. As Council is aware, these types of projects require significant investment and while full capital funding for all of these future projects is not feasible in the current 10-year plan, a level of funding has been provided to each which will allow for projects in a position to proceed, to do so.

While the listing of projects/master plans is not fully exhaustive, it is critical to highlight the magnitude and significant level of future capital investment that will be required for the various initiatives noted above. The completion of these projects will provide economic benefits, such as providing additional jobs for residents, attracting new residents to the City, and providing incremental assessment and tax revenue that can be used to complete additional capital works.

### **Council Review and Amendments**

Following the release of the 2025 Recommended Budget, City Council has a 30-day period upon which amendments may be proposed. The 10-year capital plan, as presented, is considered balanced therefore it should be noted that any amendment which is supported will likely have an impact on those projects that have been allocated funding thus far through the budget development process. This could mean that funding that is currently allocated will need to be reduced or redistributed within the 10-year timeframe, which may result in some projects being removed or delayed depending upon the proposed project scope and desired timeframe for completion of the proposed amendments to the capital plan. Administration will make all attempts to assist City Council in determining which funding alternatives may be appropriately recommended however this is not easily determined on a project by project basis and will require Administration to collectively consider any and all funding options for all amendments once known.

### **Capital Project In-Year Adjustments**

Administration has brought forward a recommendation that the CFO & City Treasurer be authorized to process in-year adjustments to funding sources for capital projects. The City uses a number of different funding sources to pay for the various capital projects included in this budget, each with guidelines for the types of projects that the funding can or cannot be used for. Administration continually monitors the City's projects and frequently identifies situations where funding from one funding source could be used more effectively in one project compared to another.

Currently, Administration requires Council approval to swap funding in these circumstances, which is typically achieved with the Semi-Annual Capital Variance Report. As the Capital Variance Report is only presented to Council twice a year, authorizing the CFO & City Treasurer to make these changes will allow Administration

to make these changes quicker and reduce the number of requests made of Council for what could be seen as an administrative exercise.

Council should be aware that this change would only impact currently available funding. Any adjustments of future funding, whether pre-committed or not, will still require Council approval and would be the subject of a future Council Report.

### **Risk Analysis:**

As is the case in any budget, there are a number of risks that are inherent in its development. The more potentially significant risks include:

**Estimated construction costs.** The only way to truly know the actual costs of the various projects is after the completion of the related tenders. Rising prices are a concern that municipalities must consider due to the unprecedented inflation experienced by all in recent years, and especially in the Non-Residential Building Construction Price Index. This risk is mitigated by ensuring cost estimates are developed by experienced individuals using professional judgment, along with the inclusion of appropriate inflationary provisions in the capital plan.

**Uncertainty with regards to externally driven funding streams.** There is a risk that the funding stream projections over the 10-year planning horizon will not materialize to the full extent projected. Most funding streams are known and under the control of the City itself, however, some funding streams are subject to upper levels of government or other external parties which are subject to change and may not keep up with current rates of increasing construction costs. In order to ensure that funding remains balanced, projections are reviewed and updated regularly and as semi-annual variances are reviewed and reported to Council, adjustments are made within project scope as required.

**Development projections and rates.** There is a significant risk for the projects being funded with Development Charges, such as the Airport Employment Lands (EDG-001-11) and Lauzon Parkway / Cabana Road Improvements (ENG-004-21). Construction of these projects will result in significant leveraging of the City's projected Development Charge Reserves, as the bulk of any development charge revenues will be collected after construction is complete. The City has assumed that these funding deficits will be offset by the collection of future development charges, however, there is the potential that some of these lands may take some time to be developed, resulting in substantial carrying costs. Administration will mitigate this risk through the use of a multi-faceted financing strategy which will capitalize on existing cash flow, development modeling and third party funding opportunities such as grants, partnerships, and low-interest loans, where they make sense.

**Changes to priorities.** There is also a risk that the future capital funding plan approved in principle may need to be revised or revisited in future years should opportunities arise to maximize external funding opportunities and/or competing or significant financial demands arise. This can be mitigated to some extent by setting aside sufficient reserves and/or, use of new and alternative funding strategies where appropriate.

## **Climate Change Risks**

The projects included in the 2025 Capital Budget were assessed to determine their impact on climate change mitigation (energy/greenhouse gas reduction) or adaptation (flooding/heat health risk reduction). **Appendix A – Capital Budget Projects Screened for Climate Change Impact** identifies the more significant projects that impact climate change mitigation or adaptation. Some projects identified could be eligible for funding opportunities if designed to incorporate energy reduction, include renewable energy production or protect against climate risk.

### **Climate Change Mitigation:**

Adoption of the 2025 10-Year Capital Budget does not pose a climate change mitigation risk. The City's 2022 Corporate Greenhouse Gas emissions consist of 42% emissions from Buildings, 34% from Transportation, 23% from Water & Wastewater treatment, and less than 1% from Streetlights. As many funding applications are dedicated to these issues in buildings and fleet, planning to incorporate energy reduction measures is becoming prudent financial planning and also imperative when seeking government funding.

New capital budget projects including Transit Windsor service improvements and fleet expansion as well as energy switching at municipal facilities help contribute to climate change mitigation and are encouraging.

### **Climate Change Adaptation:**

Adoption of the 2025 Capital Budget does not pose a climate change adaptation risk. Windsor's Climate Change Adaptation Plan addresses climate change impacts, particularly those from increasing temperatures and the intensity, duration and frequency of rainfall events.

There are many projects in the Capital Budget that help the Windsor Community adapt to our changing climate, particularly increasing temperatures as well as increasing intensity, duration and frequency of rainfall events. Projects that help to reduce flooding risk due to climate change include Sewer and Coastal Flooding Master Plan projects, municipal drain enhancement and naturalization, and flood protection barrier improvements. Splash pads help to improve human health during the hot summer months, and natural areas management and urban forest enhancement help mitigate a number of climate change risks, as well as enhance human health and biodiversity.

Windsor has also been the recipient of funding to contribute to climate change adaptation projects. Continuing to implement the Coastal and Sewer Flood Protection Master Plan as well as working to improve heat health in Windsor is necessary to help our community adapt to the changing climate.

### **Financial Matters:**

The total recommended funding over the 2025 Recommended 10-year capital plan is approximately \$2.24 billion, for an average investment of approximately \$224.5 million

per year. This is an average increase of \$35.1 million per year compared to the average of \$189.4 million per year approved in the 2024 10-year plan.

Administration has identified approximately \$321.0 million in additional funding over the 2025 to 2033 timeframe, over what had previously been presented in the 2024 capital plan. These additional funds are largely due to the following four factors:

- Increases in contributions to capital from the Sewer Surcharge
- Increases in Service Sustainability funding resulting from prior year increases in the municipal tax levy
- Leveraging of funding from various dedicated reserves, with enhanced modeling and projections
- Significantly increased use of Development Charge funding, which will be the subject of the 2025 Development Charges study

As previously noted, much of the incremental work is necessary to support the City's growth and will rely on the leveraging of DC's. Should the 2025 final approved DC rates not fully cover the cost of the City's growing infrastructure needs, a fulsome review of project priorities, capital funding requirements and growth forecasts will need to be undertaken with recommendations being brought back to Council for consideration. These recommendations could include a reduced pace of development, the identification of alternative funding sources other than DC's, or the reprioritization of existing funding support growth-related infrastructure needs.

In order to fully fund the major development and growth works identified in the 2025 10-year capital plan, it will be necessary to consider a multi-faceted financial approach that will likely involve the use of external debt as well as financial support from senior levels of government in order to achieve the key strategic economic growth and service enhancement capital investment levels desired by the Mayor and City Council. In addition, it is anticipated that the DC Study Update will be complete in Spring 2025 which will further inform the development of a potential financing strategy for these development and growth works.

### **Long Term Debt Considerations**

The City's consolidated long-term debt currently stands at approximately \$116 million (projected for year-end 2024). While the City's consolidated long term debt levels have fallen on a continual basis since its peak level of \$230 million in 2002, City Council approved funding for various housing-related initiatives through the Windsor Essex Community Housing Corporation (WECHC) as well as land acquisition for Economic Development that which has resulted in increased consolidated debt levels on the City's consolidated financial statements.

WECHC's Repair & Renewal Program, much like the recently completed Meadowbrook Development, is expected to receive significant funding in the forms of both repayable and non-repayable loans through the Canada Mortgage and Housing Corporation's Co-



Investment opportunities, which will increase consolidated debt levels in the upcoming years as these significant investments in affordable housing are made.

It is noted that while the increased debt amounts reflect an increase to consolidated long-term debt levels, the projected levels continue to remain well below the peak debt level of \$230 million in 2002. When considering the long term debt level in 2003 as a percentage of total financial assets at that time, it was approximately 68%. Based on the most recent 2023 audited consolidated financial statements, the City's long term debt levels as a percentage of total financial assets has fallen significantly to a level of approximately 7.19% in 2023.

Given these extremely low debt levels resulting from City Council's longstanding debt reduction strategies over the past number of years, the City is now in an enviable position that affords some degree of flexibility relative to debt as one of several potential longer term funding strategies that will assist in addressing the significant long-term capital funding needs of the community. Put simply, the need for infrastructure demands over the coming years, including large new or replacement facilities, cannot be met without debt financing being one part of the solution. Where possible, any new debt will be repaid through non-tax levy sources.

**Consultations:**

All City departments, as well as all City agencies, boards and committees, provided input on the development of the 2025 10-Year Capital Budget.

**Conclusion:**

The 2025 10-Year Capital Budget continues to focus spending on priority work and provides for strategic investment in growth and economic development, while adhering to the asset management principles identified in the City's Corporate AMP.

**Planning Act Matters:**

Not applicable.

**Approvals:**

Name	Title
Mike Dennis	Manager, Strategic Capital Budget Development & Control
Natasha Gabbana	Senior Manager, Asset Planning
Janice Guthrie	Commissioner, Finance / City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

<b>Name</b>	<b>Address</b>	<b>Email</b>

**Appendices:**

Appendix A – Capital Budget Projects Screened for Climate Change Impact

## Appendix A – Capital Budget Projects Screened for Climate Change Impact

### Summary

Capital Budget projects were assessed to determine their climate impact. This included climate change *mitigation* and climate change *adaptation* risks and opportunities. The analysis comments on the following questions:

#### **Climate Change Mitigation**

Will the project result in an overall increase or decrease of energy consumption/greenhouse gas (GHG) emissions?

#### **Climate Change Adaptation**

Based on Windsor’s future climate projections, will the project result in an increased or decreased risk of flooding, heat health or other impacts?

Projects that had little or no climate impact are not identified in this analysis. Projects listed in Section 1 contribute towards climate change mitigation or adaptation and therefore have a positive climate change impact. Projects listed in Section 2 provide an opportunity to incorporate climate change mitigation and adaptation measures with staff expertise and/or additional funding.

There are a number of projects in the Capital Budget which contribute to decreased risk of flooding and improved heat health for Windsor residents, with additional projects contributing to decreasing energy consumption and greenhouse gas emissions. The City’s 2022 Corporate Greenhouse Gas emissions consist of 42% emissions from Buildings, 34% from Transportation, 23% from Water & Wastewater treatment, and less than 1% from Streetlights.

## Section 1. Projects that contribute to climate change mitigation or adaptation

### **Climate Change Adaptation – Addressing Flood Risk**

The following projects contribute to climate change adaptation by decreasing flooding risk to private and public property throughout the community.

<b>Page #</b>	<b>Project #</b>	<b>Project Name</b>
76	PFO-002-21	Parks Drainage Improvements
273	ENG-005-19	Enhanced Flooding Mitigation Program - DMAF 1
338	ECP-022-07	Prince Rd./Totten St. Storm Sewer Improvements – (SMP)
340	ECP-023-07	Parent Ave./McDougall Ave. Storm Sewer (SMP)
352	ENG-002-22	Jefferson Drainage Area (SMP)
354	ENG-004-23	Dominion – Ojibway to Totten/Ojibway Storm Outlet
363	ECP-001-24	Municipal Drains – Rehabilitation Implementation and Construction
364	ECP-004-08	Municipal Drains Program – Drainage Reports and Assessments
366	ECP-005-08	Grand Marais Drain Improvements (Concrete Channel)
372	ENG-001-13	Capital Rehabilitation Program for Little River Steel Retaining Walls
350	ENG-001-22	Cameron Ave Storm Trunk Sewer (SMP)
376	ENG-002-19	Sewer Master Plan Implementation (SMP)
379	ENG-003-13	Sixth Concession Municipal Drain - Land Acquisition & Capital Improvements
275	ENG-005-22	Sandwich Retention Treatment Basin (RTB) - DMAF 4
404	ENG-007-16	Basement Flooding Abatement Measures
393	ENG-009-21	Inflow & Infiltration Program (SMP)
394	ENG-012-20	Capital Improvements to East Riverside Flood Protection Dykes (SMP)

### Climate Change Adaptation – Addressing Heat Health

The following project contributes to climate change adaptation by providing access to cooling opportunities.

Page #	Project #	Project Name
89	PFO-005-21	Park Splash Pads

### Climate Change Adaptation & Mitigation – Enhancing Natural Assets

The following projects contribute to climate change adaptation and mitigation. Thriving urban forests and natural areas decrease greenhouse gas emissions, improve air quality, decrease flooding risk, and improve biodiversity and human health.

Page #	Project #	Project Name
87	PFO-005-20	Natural Areas Management Program
95	PFO-007-11	Tree Maintenance and Urban Forest Enhancement Program
374	ENG-002-16	Improvements to Little River Municipal Drain (Lauzon Rd. to VIA Tracks)
182	PLN-008-07	Natural Areas Valuation Study
368	ECP-028-07	Grand Marais Drain Rehabilitation Program (Existing Naturalized Channel)

### Climate Change Mitigation – Implementing Energy Savings Initiatives

The following projects contribute to climate change mitigation by implementing energy saving measures. Major energy reduction measures in Community Housing and fuel switching at city facilities will result in decreased greenhouse gas emissions and energy savings.

Page #	Project #	Project Name
214	FIN-001-24	Energy Initiatives at City Facilities
221	HCS-001-14	Windsor Essex Community Housing Corporation Capital Repair and Renewal

Section 2. Projects that provide an opportunity to incorporate climate change mitigation or adaptation measures with staff expertise and/or additional funding

**Climate Change Adaptation and Mitigation –Potential to Reduce Energy Needs and Greenhouse Gas Emissions**

The following projects provide opportunity to lead by example when constructing or rehabilitating a corporate facility. Measures to reduce energy consumption and greenhouse gas emissions as well as protect the facility from flooding should be incorporated at the design phase. If incorporated, these measures would contribute to cost savings over the life of the facility and help Windsor meet our climate targets. Corporate buildings contribute 43% of greenhouse gas emissions in the corporate inventory. Wastewater treatment contributes 25% of our corporate greenhouse gas emissions.

Page #	Project #	Project Name
129	REC-004-24	South Windsor Community Centre and Library
288	OPS-006-19	Food and Organic Waste Collection and Treatment
189	TRN-001-22	Transit Windsor Support Projects
280	ENG-011-17	400 City Hall Square - Capital Repairs
30	FRS-003-13	Replacement of Fire Station #1 and Headquarters
223	HCS-001-23	H4 Housing Hub
265	ENG-001-23	Central Library
314	REC-002-21	Adie Knox Herman Reimagining Project
4	SAC-001-25	City Hall Square (CHS) Buildings
198	TRN-001-25	TW ICIP Grant Funding

### Climate Change Adaptation & Mitigation – Planning Policy

These projects provide an opportunity to consider climate change risks and opportunities when developing, reviewing and updating planning policy.

Page #	Project #	Project Name
178	PBG-001-24	Community Improvement Plan (CIP) Review
179	PBG-001-18	Official Plan Review
180	PBG-002-18	Comprehensive Zoning By-Law
181	PLN-007-07	Growth Management Plan Review and Implementation
186	PLN-001-25	Sandwich South Secondary Plans

### Climate Change Mitigation – Greening the Fleet

These projects provide an opportunity to reduce energy and greenhouse gas emissions if electric, hybrid and/or alternative fuel vehicles are incorporated into Corporate and Transit fleets. Corporate and Transit fleet contribute 32% of corporate greenhouse gas emissions.

Page #	Project #	Project Name
451	OPS-005-08	Corporate Fleet Replacement Program
464	OPS-022-07	Purchase of Fleet Additions and Upgrades
469	OPS-027-18	Greening the Fleet
193	TRN-001-07	Transit Windsor Fleet Replacement Program
204	TRN-007-21	Support Vehicles
202	TRN-004-25	2025 TW Fleet Lifecycle Extension

### Climate Change Adaptation – Addressing Flooding Risk

These projects provide an opportunity to reduce flooding risk in developing areas if future climate is considered when designing and constructing sewer infrastructure.

Page #	Project #	Project Name
361	ECP-001-10	Sandwich South Planning Area Stormwater Management Implementation
381	ENG-003-19	New Development- Engineering Studies and EAs
387	ENG-005-21	East West Arterial Drain Diversion
378	ENG-002-25	Trunk Storm Sewers – Sandwich South Lands
384	ENG-003-25	Lauzon Parkway Extension – Cabana Road East (formerly CR 42) to Hwy 401
391	ENG-007-25	Forest Glade North Secondary Plan Area Servicing
278	ENG-010-25	Banwell Road Corridor Improvements – South of EC Row to City Limits





**Subject: Essex-Windsor Solid Waste Authority 2025 Budget - City Wide**

**Reference:**

Date to Council: January 27, 2025

Author: Mark Spizzirri

Manager of Performance Measurement & Business Case Development

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Financial Planning

Report Date: 2025-01-06

File #: SW/14547

**To:** Mayor and Members of City Council

**Recommendation:**

That City Council **APPROVE** the Essex-Windsor Solid Waste Authority 2025 budget, attached as Appendix A..

**Executive Summary:**

N/A

**Background:**

In accordance with the Essex-Windsor Solid Waste Authority (EWSWA) Agreement, both City and County Councils are required to approve the EWSWA budget once the EWSWA Board has approved it.

On November 5, 2024, the EWSWA Board met to deliberate and ultimately approve the 2025 budget. This budget was approved by County Council at their meeting on December 4, 2024 and is now before City Council for consideration.

**Discussion:**

The 2025 EWSWA budget was developed in consultation with both City and County Administration. In order to guide the EWSWA Board in their budget deliberation, the Board considered a February 2018 recommendation from a joint report of the CAO's of the City of Windsor and the County of Essex which supported a commitment to "work

*towards a sustainable, balanced budget over the next ten years while maintaining appropriate reserve funds and avoiding significant spikes in tipping fees.”*

As part of the Authority’s annual budget preparation process, a 15-year forecast is prepared. Based upon previous information, this forecast showed that in order to achieve a balanced budget by 2027, the amount assessed annually by the Authority to the City of Windsor and the seven (7) County municipalities would need to increase 4.1% for each year beginning with the 2019 budget. It is acknowledged that this is a significant annual increase but it is required due to increasing Authority costs relative to debenture repayments and other non-discretionary costs such as leachate hauling and treatment costs from the regional landfill.

For 2025, it has been recommended to maintain the amount levied to Windsor and the seven County of Essex municipalities at the 4.1% over 2024 base costs. This equates to a total net budget increase to the Authority of \$615,410. Offsetting this increase is a decrease in municipal tonnages projected to drop from 112,370 tonnes in 2024 to 109,900 tonnes in 2025 as a result of the launch of the Green Bin program in the fall of 2025. The decrease is estimated to be 2,470 tonnes, of which 1,720 tonnes are from Windsor and it is expected to result in a year-over-year decrease of \$106,210 in municipal tipping fees received by the Authority at the 2025 rate of \$43.00 per tonne.

As a result of the above, the actual overall 2025 increase in the municipal assessment levied to the City of Windsor for costs not related to the Green Bin program is \$258,340 or 3.2%.

Also contributing to the increase is the need to gradually move away from utilizing the Rate Stabilization Reserve as a revenue source. For 2025, the budgeted draw from the reserve has been set at \$352,525, a decrease of \$2,878,895 from the previous years budgeted draw.

Appendix A, submitted by the General Manager of the Essex-Windsor Solid Waste Authority, provides details regarding the Authority’s 2025 Operational Plan and its related impacts to both the City of Windsor and County municipalities. It also provides relevant information influencing the development of the 2025 budget, the implementation of the Green Bin Program along with details with respect to the 15-year plan.

### **Green Bin Program**

As per CR 89/2022, the City of Windsor agreed to participate in a EWSWA-led Regional Food and Organic Waste Management Program. The following table provides a breakdown of the amounts to be assessed to the City of Windsor for this new program based on the 2025 budgeted costs. The assessment consists of three separate costs:

1. The cost to process each tonne of material, invoiced to the City and County based on the actual tonnage of material collected and delivered for processing.
2. The repayment cost for the purchase and delivery of the Green Bin Program cart and kitchen catcher, this cost is allocated based on the number of carts distributed. The repayment term is 5 years.

- The balance of the program costs includes the cost paid to the contractor to collect the material, provide contract supervision, customer service, and the capital and operating cost to consolidate and transfer the material. This cost aligns with the collection contract language and is based on the number of households receiving service.

<b>Phase 1: Oct. 21 – Dec. 31, 2025</b>	<b>Processing Cost</b>	<b>Cart Allocation</b>	<b>Program Allocation</b>	<b>2025 Budget</b>
<b>City of Windsor Budget Green Bin Program</b>				
Processing Cost – 1,713 tonnes	\$235,380			\$235,380
Cart and Program Cost		\$231,780	\$1,896,390	\$2,128,170
<b>2025 - City of Windsor Green Bin Program</b>				<b>\$2,363,550</b>

**NOTE:** The 2025 Green Bin Costs only reflect costs for the period Oct 21<sup>st</sup> to Dec 31<sup>st</sup> of 2025. EWSWA has estimated that additional Green Bin costs for 2026 to annualize the program will be an additional \$20.1M, of which the City's share will be approximately 50%..

### **Risk Analysis:**

EWSWA continues to face challenges in maintaining a consistent non-municipal revenue stream. Revenues from tipping fees are variable as both consumers and producers work to reduce the waste they generate.

With respect to the Authority's 15-year Planning Forecast, EWSWA continues to draw from its Rate Stabilization Reserve in order to fund budgeted, annual operating deficits. The Authority has balanced its budget by way of transfers from its Rate Stabilization Reserve in order to moderate the increases required from the City and County municipalities and to draw down the balance in the Reserve Fund to an appropriate level.

There is a risk that should the Authority experience financial stress, significant increased assessments to the municipalities may be required in future years. Annual rate increases are being proposed in the 15-year plan in order to minimize the risk.

There are several important changes to the waste management sector in the near future. The shift to Extended Producer Responsibility (EPR) began at the end of August 2024. In addition, the first phase of the Authority's Green Bin Program in accordance

with the province's mandated organics requirements will begin in October 2025. The 2-phase launch of the program is estimated to be complete by late 2026.

The initial impact on the EWSWA budget, and ultimately the City and County budgets, is included within the Financial Matters section of this report.

## **Climate Change Risks**

### **Climate Change Mitigation:**

Recycling materials into new products generates considerably lower greenhouse gas (ghg) emissions than producing from new materials. Without continued collection service, these materials will likely end up in landfill, where paper materials will break down and generate methane gas, a ghg 23 times more potent than CO<sub>2</sub>.

Continuing to divert waste from landfills reduces environmental degradation by minimizing the need for additional landfill space, preventing soil contamination, and decreasing water pollution.

The community ghg emissions includes a calculation for waste generated ghg emissions, these calculations are influenced by waste diversion rates.

### **Climate Change Adaptation:**

N/A

## **Financial Matters:**

### **EWSWA Budget Increase for the City**

As a result of the proposed EWSWA budget increase, the City of Windsor's contribution for 2025 will increase by \$258,340 for waste and by \$13,512 for yard waste. In addition, there is an increase for the initial implementation of the Green Bin program beginning in October 2025. The increase in 2025 of \$2,363,550 is reflective of the final 2.5 month period of 2025 that will include organic waste processing. The full cost of organic waste processing will be annualized during the 2026 budget process.

As a result, the total increase for the City's budget requirement is \$2,621,282 as outlined in the chart on the following page.

NET BUDGET IMPACT BASED ON 2025 EWSWA BUDGET – CITY OF WINDSOR	2024	2025	Increase	
			\$	%
EWSWA Fixed Cost Allocation Increase	\$5,591,890	\$5,865,270	\$273,380	
Tipping Fee Increase (58,920 tonnes)	\$2,474,640	\$2,533,560	\$58,920	
<b><i>Budget Increase Prior to 2024 Growth Related Tonnage Increase</i></b>	<b>\$8,066,530</b>	<b>\$8,398,830</b>	<b>\$332,300</b>	<b>4.1%</b>
Reduction in tonnage for 2025 (1,720 tonnes @ \$43)	\$0	(\$73,960)	(\$73,960)	
<b><i>Budget Requirement for Fixed Costs and Waste Tipping Fees</i></b>	<b>\$8,066,530</b>	<b>\$8,324,870</b>	<b>\$258,340</b>	<b>3.2%</b>
Yard Waste Tipping Fees (6,500 tonnes @ \$44)	\$272,488	\$286,000	\$13,512	
ICI/Various Tipping Fees	\$169,212	\$155,092	(\$14,120)	
Green Bin Program	\$0	\$2,363,550	\$2,363,550	
<b><i>City of Windsor Budget Requirement For EWSWA Fixed Cost Increase, Waste/Yard Waste Tonnages, ICI, and Green Bin Program</i></b>	<b>\$8,508,230</b>	<b>\$11,129,512</b>	<b>\$2,621,282</b>	<b>30.8%</b>

### City Operating Budget Impact

The City's 2024 Operating Budget for both the EWSWA fixed fee, tip fees, and yard waste based on 2024 anticipated tonnages was \$8,508,230. The recommended 2025 budget increase included for consideration as part of the 2025 Operating Budget documents:

EWSWA Landfill and Organic Waste Tipping/Processing Fees & Fixed Costs	\$2,621,282
<b>2025 Recommended Budget Increase</b>	<b>\$ 2,621,282</b>

Upon approval of the 2025 Operating Budget, the City's budget will be \$11,129,512. Tonnages will continue to be monitored throughout 2025 and adjusted with EWSWA projections through future budgets in order to ensure that adequate budgets continue to be established going forward.

In addition to the assessed fixed costs and tip fees noted above, perpetual care costs are separately assessed to the City of Windsor for costs related to Landfill #3. These costs are budgeted separately at \$369,555 and for 2025 are expected to increase slightly by \$20,958 to \$390,513. For 2025, Administration is not recommending a change to this budget line item., which currently is set at \$607,347.

With respect to Landfill #3 Perpetual Care costs, a reserve account was established in 2014 as a means to maintain a consistent budget for this expenditure while absorbing leachate cost fluctuations because of clay capping that occurred at the Landfill as part of the Herb Gray Parkway project. The intent was to have annual surpluses and deficits related to the continued maintenance of Landfill #3 flow through this account while holding the budget constant. Draws from the reserve would only be required should any future cost increases exceed the current budget.

The balance in Reserve #1790 is currently \$365,984 as at November 31, 2024, which is considered sufficient.

**Consultations:**

Jim Leather – Manager of Environmental Services

Cindy Becker – Financial Planning Administrator, Public Works Operations

**Conclusion:**

The proposed 2025 increase for the EWSWA budget represents a balanced approach to addressing budget pressures while ensuring sustainable funding through gradual increases in tipping fees and municipal allocations.

**Planning Act Matters:**

N/A

**Approvals:**

Name	Title
Mark Spizzirri	Manager of Performance Measurement & Business Case Development
Tony Ardovini	Deputy Treasurer – Financial Planning
Janice Guthrie	Commissioner, Finance & City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

<b>Name</b>	<b>Address</b>	<b>Email</b>
Michelle Bishop, General Manager – Essex Windsor Solid Waste Authority		

**Appendices:**

- 1 Appendix A - REPORT - Windsor Council - 2025 EWSWA Budget & 2025 Green Bin Program Overview



## **Administrative Report**

### **Office of the General Manager**

#### **Essex-Windsor Solid Waste Authority**

**To:** Mayor Drew Dilkens and Members of Windsor Council

**From:** Michelle Bishop, CPA  
General Manager, Essex-Windsor Solid Waste Authority

Steffan Brisebois, CPA  
Manager, Finance & Administration

**Date:** **January 27, 2025**

**Subject:** **Essex-Windsor Solid Waste Authority 2025 Budget**

### **Process and Purpose**

#### **EWSWA Budget Approval Process**

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Section 5(d) of the 1994 Agreement between the City of Windsor and County of Essex that created the Essex-Windsor Solid Waste Authority (the Authority) states: "The Authority shall report to a regularly scheduled meeting of each of the City and County Councils by the end of each year...and shall submit an operational plan and budget as referred to herein and shall ask for approval from each of the City and County Councils."

#### **Purpose**

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Therefore, the purpose of this report is to request approval from the City of Windsor for:

1. The **Authority's 2025 budget which includes a 4.1% increase** to what was assessed to the City of Windsor and the 7 County of Essex municipalities for 2024 totaling \$615,410.

---

Michelle Bishop, General Manager  
Essex-Windsor Solid Waste Authority, 360 Fairview Avenue West, Suite 211, Essex, Ontario, N8M 3G4  
Phone: 519-776-6441, ext. 1225; Email: mbishop@ewswa.org

Special Meeting of Council Agenda

2025 Operating & Capital Recommended Budget - Monday, January 27, 2025

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2025 EWSWA Operational Plan and Budget

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In addition, the municipal tonnages are projected to decrease from 112,370 tonnes in 2024 to 109,900 tonnes in 2025 as a result of the launch of the Green Bin program commencing in fall of 2025. The decrease is estimated to be 2,470 tonnes with a year-over-year decrease of **(\$106,210)** in municipal tipping fees at the 2025 rate of \$43.00 per tonne.

As a result of the above, provided that the reduction in tonnes is realized, the actual overall increase in the municipal assessment for costs not related to the Green Bin Program is \$509,200 or **3.40%**.

**The 2024 increase represents \$258,340 for the City of Windsor**, in addition to the \$8,066,530 budgeted to be assessed to Windsor in 2024. The City of Windsor's tonnage is budgeted at 57,200 tonnes, a decrease of 1,720 tonnes from the 2024 budget year.

**The 2025 increase represents \$250,860 for County of Essex municipalities**, in addition to the \$6,943,440 that was budgeted to be assessed to those municipalities for 2024. The municipalities' tonnages are budgeted at 52,700 tonnes, a decrease of 750 tonnes from the 2024 budget year.

2. The **Authority's 2025 Green Bin Program budget** to be assessed to the City of Windsor and County of Essex. This cost equates to \$3,743,400. The 2025 figure represents \$1,379,850 for the County of Essex and \$2,363,550 for the City of Windsor.

## Background

On November 5, 2024 the Board of the Essex-Windsor Solid Waste Authority met to deliberate the Authority's 2025 Operational Plan and Budget. After discussion, the budget was approved.

## Budget Guidance

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To guide the Authority Board as it deliberated the 2025 draft Budget document, the Board considered a February 2018 recommendation from the CAOs of the City of Windsor and the County of Essex. The recommendation stemmed from a report prepared by the CAOs which served to assist in resolving the matter of the approval of the 2017 and 2018 EWSWA budgets.

The recommendation, as contained within the report, was as follows:

***THAT the Board acknowledge the built-in budget pressures due to increasing debenture payments and other non-discretionary costs and commit to working towards a sustainable, balanced budget over***

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2025 EWSWA Operational Plan and Budget

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### ***the next ten years while maintaining appropriate reserve funds and avoiding significant spikes in tipping fees.***

With 2018 being Year 1 of the 10-year period this means that the objective is to attain a balanced budget by the time of the preparation of the 2027 budget.

The same recommendation was presented both to County Council in February 2018 and Windsor Council in March 2018 as part of their consideration and approval of the Authority's 2018 budget.

### **15 Year Budget Forecast (attached to this report)**

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As part of the annual budget preparation process, **a 15-year forecast is prepared. A copy of the forecast is attached to this report.** This forecast shows that in order to have a balanced budget by 2027 and replenish the Rate Stabilization Reserve, the amount assessed annually by the Authority to the City of Windsor and the 7 County municipalities will need to increase 4.1% for each year to and including 2027 with a reduced increase being projected for 2028 as the budget is being projected as being balanced for that year.

The outcome of these annual increases of 4.1% for each year is that the Authority's budget will be balanced without the requirement for a contribution from the Rate Stabilization Reserve.

#### **Prior and projected increases:**

2017	0%
2018	2.0% (Year 2 of the Balanced Budget Objective)
2019-24	4.1% (Year 3-8 of the Balanced Budget Objective)
2025-27	4.1% (For each of those 3 years)
2028	3.75% (2028 being Year 10 of the Balanced Budget Objective)

The 2018 recommendations adopted assumed that existing service levels would be maintained and did not contemplate significant service enhancements.

In March 2022 the Authority was provided a resolution from Essex County Council stating that all County Municipalities would participate in a regional solution for the collection and processing of organic waste material from urban settlement areas. Further in June 2024, Essex County Council resolved to include all rural households in the program.

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2025 EWSWA Operational Plan and Budget

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Therefore, any additional costs to be incurred as a result of the implementation of the Regional Food and Organic Waste Management Program (Green Bin Program) would require additional funding.

### **EWSWA Approved Budget Recommendations**

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The following are the full 2025 budget recommendations approved by the Authority Board at its November 5, 2024 meeting.

1. Approve the 2025 **Expenditure and Revenue budget estimate figures** excluding the municipal Total Waste Management Fee (Tip Fee) and the municipal Fixed Cost Assessment.
2. Increase the **Total Waste Management Fee** by \$1.00 per tonne to \$43.00/tonne from \$42.00/tonne. This is the fee assessed to municipalities for each tonne of refuse delivered for disposal.
3. Increase the **Fixed Cost Assessment** to Windsor and the 7 County municipalities based on the following chart. Fixed costs are assessed based on population.

<b>Municipality</b>	<b>2024 Budgeted Fixed Cost Assessment</b>	<b>2025 Budgeted Fixed Cost Assessment</b>	<b>Year Over Year Increase</b>
<b>Windsor</b>	\$5,591,890	\$5,865,270	\$273,380
<b>Amherstburg</b>	572,780	600,780	28,000
<b>Essex</b>	516,580	541,830	25,250
<b>Kingsville</b>	538,570	564,890	26,320
<b>Lakeshore</b>	983,920	1,032,010	48,090
<b>Lasalle</b>	796,710	835,660	38,950
<b>Leamington</b>	722,660	757,980	35,320
<b>Tecumseh</b>	567,320	595,050	\$27,730
<b>Total County</b>	\$4,698,540	\$4,928,200	\$229,660
<b>Total</b>	\$10,290,430	\$10,793,470	<b>\$503,040</b>

4. Approve the **Fee Schedule**, as attached to this report, exclusive of the municipal Total Waste Management Fee but inclusive of the per tonne rate increases outlined in the **Fee Schedule** for 2025.
5. Approve the Green Bin Program funding model for the City of Windsor and County of Essex at full cost recovery for the Program.

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6. Approve the proposed staff enhancements as included in the 2025 Operational Plan and Budget.
7. That any resultant (deficit)/surplus from 2024 operations be contributed to or funded by the Rate Stabilization Reserve.
8. That any resultant (deficit)/surplus for 2025 be contributed to or funded by the Rate Stabilization Reserve.

## Discussion

Attached to this report are expenditure and revenue schedules showing the 2025 budget figures as well as 2024 budget and projection figures. Summary tables have been presented below as follows:

### Summary (Excluding Perpetual Care for Landfills 2 and 3)

In order to balance the 2025 budget a (\$352,525) contribution from the Authority's Rate Stabilization Reserve will be required. This reserve is used to manage future years' tipping fees.

	<b>2024 Budget</b>	<b>2024 Projection</b>	<b>2025 Budget</b>	<b>2025 vs 2024</b>
<b>EXPENDITURES</b>				
Operating Expenditures	\$36,768,840	\$36,055,120	\$37,141,520	
Capital out of Current	(\$47,000)	(\$1,920)	\$4,500	
<b>Total Expenditures</b>	<b>\$36,721,840</b>	<b>\$36,053,200</b>	<b>\$37,146,020</b>	
<b>REVENUE - Non-Municipal</b>				
ICI Tip Fees; Recycling Sales; Blue Box Funding; Other	(\$18,480,450)	(\$19,504,010)	(\$17,530,925)	
<b>Amount Required from Municipalities</b>	<b>\$18,251,390</b>	<b>\$16,549,190</b>	<b>\$19,615,095</b>	
<b>REVENUE - From Municipalities</b>				
Fixed Cost Allocation (Admin.+ Compensation + Debenture)	(\$10,290,430)	(\$10,290,430)	(\$10,793,470)	
Total Waste Mgt Fee - 2024 - 112,370 Tonnes as Base at \$43	(\$4,719,540)	(\$4,725,250)	(\$4,831,910)	
<b>Sub-Total - Revenue from Municipalities</b>	<b>(\$15,009,970)</b>	<b>(\$15,015,680)</b>	<b>(\$15,625,380)</b>	<b>4.10%</b>

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	<b>2024 Budget</b>	<b>2024 Projection</b>	<b>2025 Budget</b>	<b>2025 vs 2024</b>
Decrease in Muni. Tonnes 2024 vs 2025: (2,470 tonnes @ \$43)	\$0	\$0	\$106,210	<b>(.07%)</b>
Green Bin Program Cost Recovery	\$0	\$0	(\$3,743,400)	<b>NEW</b>
<b>Total Revenue from Municipalities</b>	<b>(\$15,009,970)</b>	<b>(\$15,015,680)</b>	<b>(\$19,262,570)</b>	
<b>(Deficit)</b>	<b>(\$3,231,420)</b>	<b>(\$1,533,510)</b>	<b>(\$352,525)</b>	

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2025 EWSWA Operational Plan and Budget

**Breakdown of the Municipal Assessment Between Windsor and Essex County Municipalities – Excluding the Green Bin Program**

	<b>2024 Budget</b>	<b>2025 Budget</b>	<b>Difference</b>	
<b>WINDSOR (Population 229,660)</b>				
Fixed Cost Allocation-Based on Census Population	\$5,591,890	\$5,865,270		
2024 Tipping Fee @ \$42 - 58,920 Tonnes	\$2,474,640	\$2,533,560		
<b>Sub-Total</b>	<b>\$8,066,530</b>	<b>\$8,398,830</b>	<b>(\$332,300)</b>	<b>4.1%</b>
Change in Municipal Tonnes 2025 vs 2024:				
(2025 - 57,200) (2024 - 58,920) = (1,720) @ \$43		<b>(\$73,960)</b>	\$73,960	<b>(0.9%)</b>
<b>Total Windsor</b>	<b>\$8,066,530</b>	<b>\$8,324,870</b>	<b>\$258,340</b>	<b>3.2%</b>
<b>COUNTY (Population 192,970)</b>				
Fixed Cost Allocation-Based on Census Population	\$4,698,540	\$4,928,200		
2024 Tipping Fee @ \$42 - 53,450 Tonnes	\$2,244,900	\$2,298,350		
<b>Sub-Total</b>	<b>\$6,943,440</b>	<b>\$7,226,550</b>	<b>(\$283,110)</b>	<b>4.1%</b>
Change in Municipal Tonnes 2025 vs 2024:				
(2025 - 52,700) (2024 - 53,400) = (750) @ \$43		<b>(\$32,250)</b>	\$32,250	<b>(0.5%)</b>
<b>Total County Municipalities</b>	<b>\$6,943,440</b>	<b>\$7,194,300</b>	<b>\$250,860</b>	<b>3.6%</b>
<b>TOTAL MUNICIPAL ASSESSMENT</b>	<b>\$15,009,970</b>	<b>\$15,519,170</b>	<b>\$509,200</b>	<b>3.4%</b>

## **Breakdown of the Municipal Assessment Between the City of Windsor and the County of Essex – Green Bin Program**

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The following table provides a breakdown of the amounts to be assessed to the City of Windsor and the County of Essex based on the 2025 budgeted costs. The budget document considers the request made by the County of Essex to assess the cost of the Green Bin program to the County of Essex instead of directly to the 7 local municipalities. The assessment consists of 3 separate costs:

1. The cost to process each tonne of material, invoiced to the City and County based on the actual tonnage of material collected and delivered for processing.
2. The repayment cost for the purchase and delivery of the Green Bin Program cart and kitchen catcher, this cost is allocated based on the number of carts distributed. The repayment term is 5 years.
3. The balance of the program costs includes the cost paid to the contractor to collect the material, provide contract supervision, customer service, and the capital and operating cost to consolidate and transfer the material. This cost aligns with the collection contract language and is based on the number of households receiving service.

**Due to the two-phase launch of the program, some costs such as unfinanced capital repayments and contributions to reserves have been delayed until all municipalities are participating in the program.**

As part of the November 5, 2024 Authority Board meeting, Administration presented a report for information regarding the estimated Green Bin program costs for 2026 and 2027 once all municipalities began to participate in the program using known figures and estimates. The report has been included as an attachment for Council's information.

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	<b>Processing Cost</b>	<b>Cart Allocation</b>	<b>Program Allocation</b>	<b>2025 Budget</b>
<b>City of Windsor</b>				
Processing Cost - 1,713 t	\$235,380			\$235,380
Cart and Program Cost		\$231,780	\$1,896,390	\$2,128,170
<b>Windsor Green Bin</b>				<b>\$2,363,550</b>
<b>County of Essex</b>				
Processing Cost - 916 t	\$125,870			\$125,870
Cart and Program Cost		\$135,030	\$1,118,950	\$1,253,980
<b>County Green Bin</b>				<b>\$1,379,850</b>
<b>Total Program</b>	<b>\$361,250</b>	<b>\$366,810</b>	<b>\$3,015,340</b>	<b>\$3,743,400</b>

<b>Program &amp; Cart Allocation Cost</b>	\$3,382,150
<b>Total Number of Households in 2025</b>	<u>120,835</u>
<b>Estimated Price Per Household (11 weeks)</b>	<u>\$ 28</u>

**Population and Tonnage**

The following table shows the population and tonnage figures that are used to allocate and assess charges to the City of Windsor and the County municipalities in regard to the Fixed Cost Allocation and the Total Waste Management Fee (tipping fee).

<b>Municipality</b>	<b>Population (2021 Census)</b>	<b>Tonnes 2024</b>	<b>Tonnes 2025</b>
Windsor	229,660	58,920	57,200
County	192,970	53,450	52,700
<b>Total</b>	<b>422,630</b>	<b>112,370</b>	<b>109,900</b>



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**2024 Budgeted Deficit vs. 2024 Projected Deficit - \$1,697,910 Favourable**

The \$1,697,910 favourable variance between the 2024 budgeted deficit of (\$3,231,420) and the 2024 projected deficit of (\$1,533,510) is attributed to:

Revenue	Landfill Tipping Fees – Increase in IC&I landfilled material	\$731,390
Revenue	Sale of Recyclable Material – Higher commodity prices	\$620,900
Revenue	Various Programs - Increase in revenues	\$233,880
Revenue	Landfill Tipping Fees – Increase in IC&I organic & other non-landfillable material	\$360,230
Expenditure	Regional Landfill Operating – Net leachate management costs (hauling, treatment, reserve contribution)	\$187,300
Expenditure	HSP – Less tonnes of hazardous waste than budgeted	\$201,100
Expenditure	Recycling – Non-eligible source recycling program costs	(\$82,300)
Expenditure	Various Programs – Less expenditures than budgeted	\$38,170
Expenditure	Regional Landfill Other – Increase in the Town of Essex host compensation due to more landfillable tonnes	(\$92,760)
Expenditure	Regional Landfill Other – Increase in cell development costs associated with the development of Cell 5 and future cells	(\$500,000)
<b>Variance</b>	<b>Budget vs Projection - Favourable</b>	<b>\$1,697,910</b>

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**2024 Budgeted Deficit (\$3,231,420) vs. 2025 Budgeted Deficit (\$352,525) - \$2,878,895 Favourable Variance**

The \$2,878,895 favourable variance between the 2024 budgeted deficit of (\$3,231,420) and the 2025 projected deficit of (\$352,525) is attributed to:

Revenue	City of Windsor – Green Bin Program cost recovery & cart reimbursement	\$2,363,550
Revenue	County of Essex – Green Bin Program cost recovery & cart reimbursement	\$1,379,850
Revenue	Regional Landfill – Increase in IC&I revenues due to an increase in the gate rate	\$1,304,890
Revenue	Regional Landfill – Increase in revenue from more tonnes of daily non-landfillable material	\$565,200
Revenue	Annual municipal fixed costs allocation & Municipal Tipping fee increase	\$509,200
Revenue	Recycling – Container MRF rent	\$293,500
Revenue	Misc. - Increases in various programs	\$74,345
Revenue	Recycling – Sale of recyclable material	(\$2,381,060)
Revenue	Recycling - Stewardship Ontario funding	(\$1,721,100)
Expenditure	Recycling – Collection and processing costs	\$5,993,700
Expenditure	Recycling – Admin., building & equipment	\$617,300
Expenditure	Regional Landfill Other – Decrease in host compensation due to fewer tonnes	\$123,740
Expenditure	Regional Landfill Other – Sun Life Debenture	(\$196,930)
Expenditure	Regional Landfill Other– Cell Construction	(\$575,950)
Expenditure	All Programs – Increase due to negotiated CUPE and non-union settlements	(\$158,770)
Expenditure	All Programs – Increase in costs of various programs	(\$569,170)
Expenditure	Regional Landfill – Increase in the contribution to the Regional Landfill	(\$1,000,000)
Expenditure	Green Bin – Full program costs net of one-time reserve contribution	(\$3,743,400)
<b>Variance</b>	<b>2024 Budget vs 2025 Budget - Favourable</b>	<b>\$2,878,895</b>

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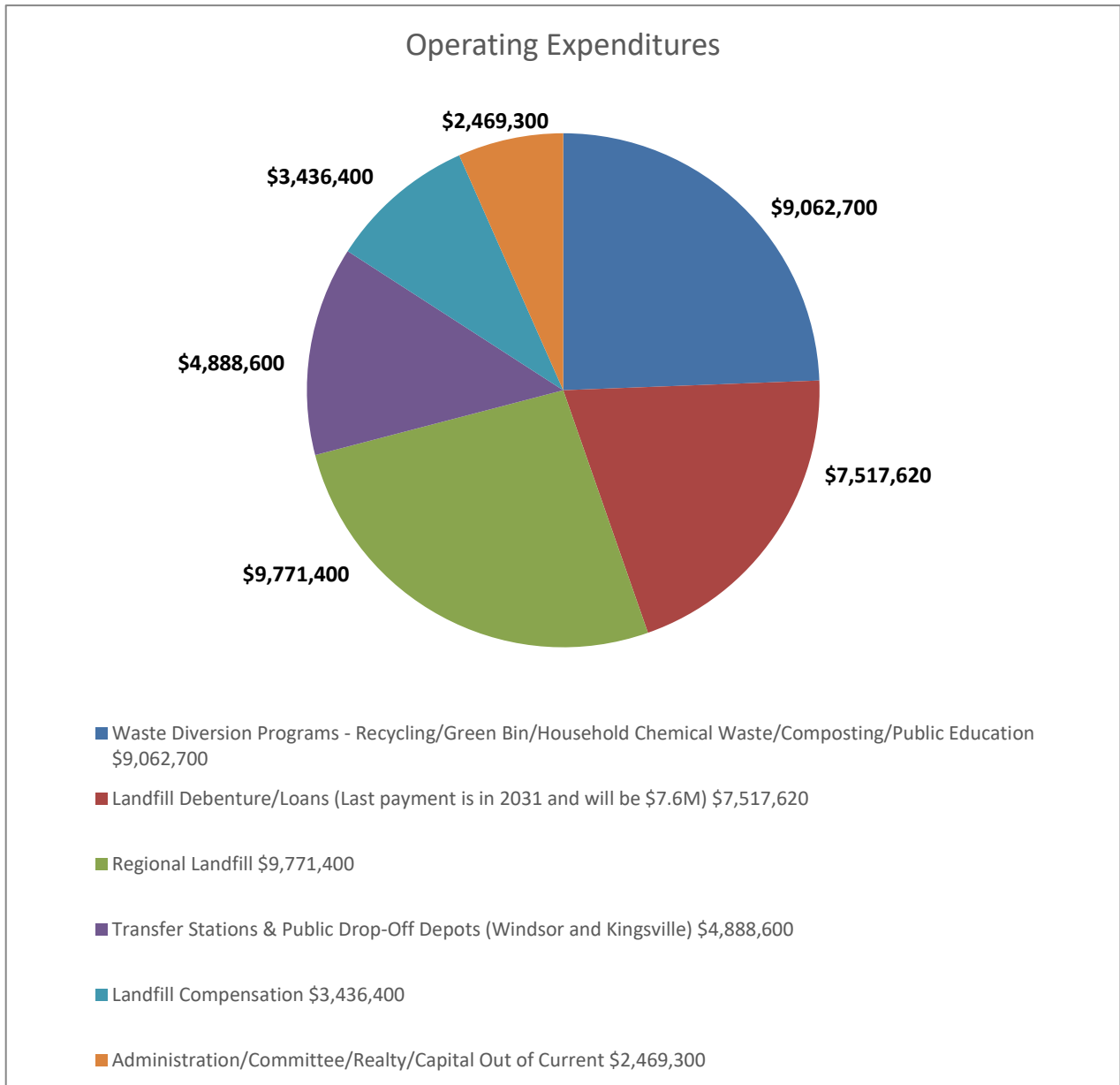
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**Budget Summary by Program**

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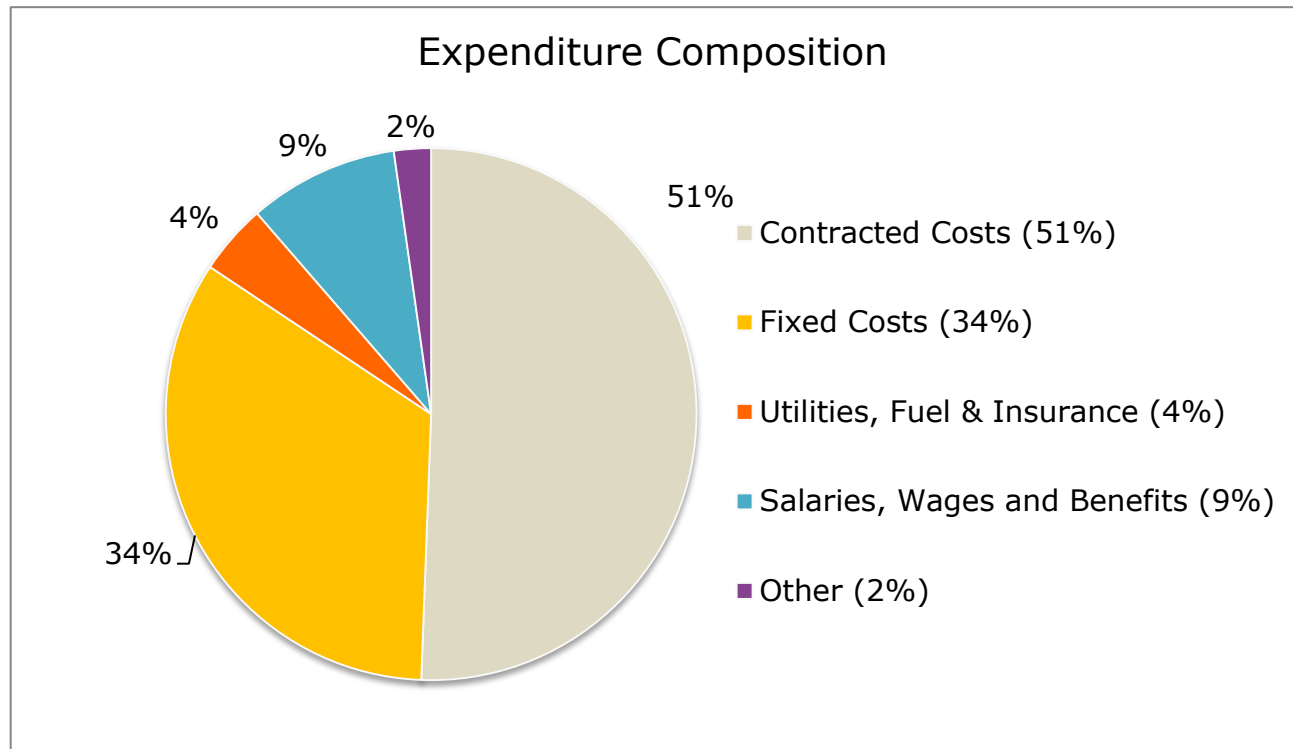


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**2025 Budgeted Total Fees Assessed to Municipalities**

The following table shows the total fees to be assessed to each of the municipalities:

	<b>2025 Fixed Cost Assessment</b> (Based on population)	<b>2025 Tip Fees</b> (Based on waste delivered for disposal)	<b>2025 Total</b>	<b>2024 Total</b>
<b>Windsor</b>	<b>\$5,865,270</b>	<b>\$2,459,600</b>	<b>\$8,325,870</b>	<b>\$8,066,530</b>
Amherstburg	\$600,780	\$318,200	\$918,980	\$881,480
Essex	\$541,830	\$266,600	\$808,430	\$776,980
Kingsville	\$564,890	\$262,300	\$827,190	\$794,770
Lakeshore	\$1,032,010	\$494,500	\$1,526,510	\$1,479,520
Lasalle	\$835,660	\$365,500	\$1,201,160	\$1,166,310
Leamington	\$757,980	\$301,000	\$1,058,980	\$1,016,660
Tecumseh	\$595,050	\$258,000	\$853,050	\$827,720
<b>Total County</b>	<b>\$4,928,200</b>	<b>\$2,266,100</b>	<b>\$7,194,300</b>	<b>\$6,943,440</b>
<b>Total Windsor and County</b>	<b>\$10,793,470</b>	<b>\$4,725,700</b>	<b>\$15,519,170</b>	<b>\$15,009,970</b>

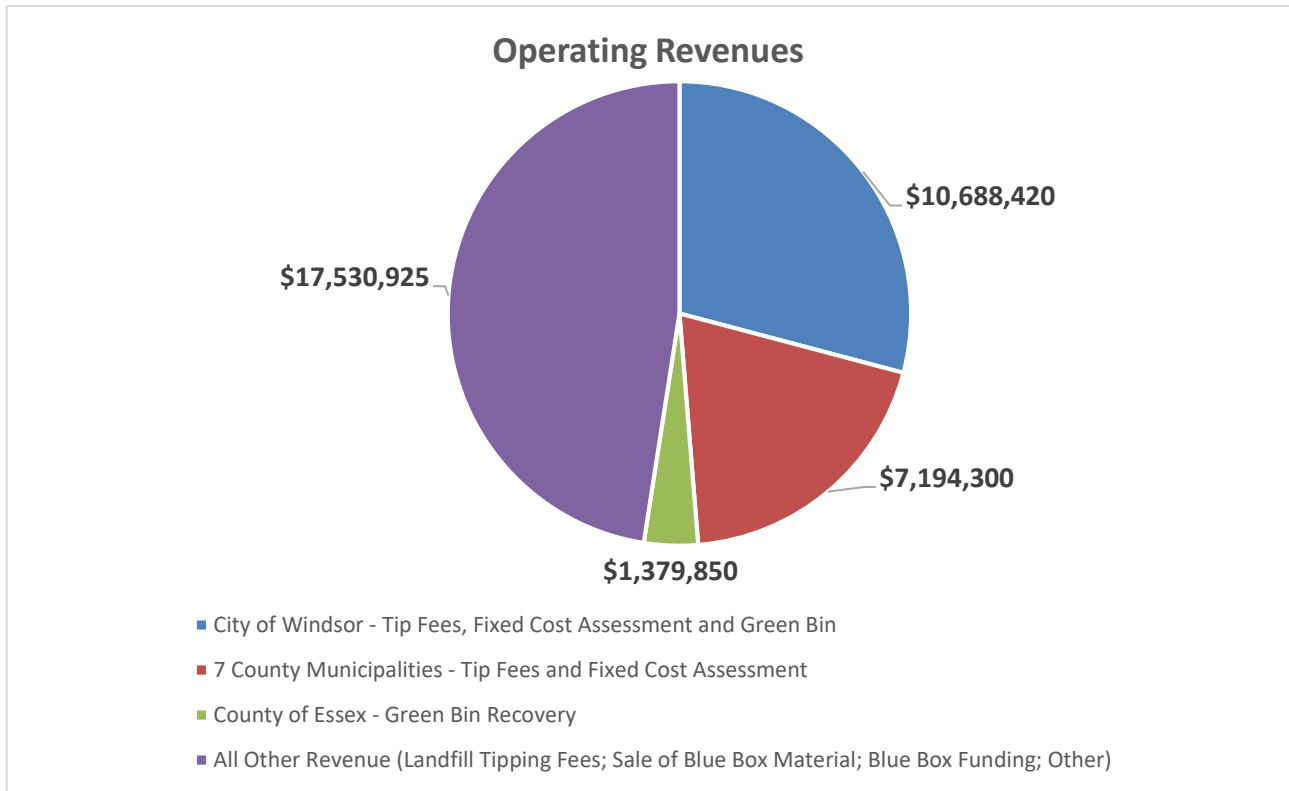
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**Budget Revenue by Source**



**Perpetual Care Assessments to closed Landfill #3 and closed Landfill #2 Municipalities**

In addition to the assessment amounts shown in the table on the previous pages the following table shows the assessment amounts applicable only to Landfill #3 and Landfill #2 municipalities.

**Perpetual Care - Closed Landfill #3**

Municipality	Share of Perpetual Care Expenditure	2024 Municipal Assessment	2025 Municipal Assessment	Year Over Year (Decrease) Assessment
<b>Windsor</b>	91.84%	\$369,555	\$390,513	\$20,958
<b>Lakeshore</b>	4.76%	\$34,903	\$35,989	\$1,086
<b>Tecumseh</b>	3.40%	\$24,932	\$25,708	\$776
<b>Total</b>	100.00%	\$429,390	\$452,210	\$22,820

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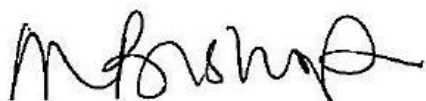
**Perpetual Care - Closed Landfill #2**

<b>Municipality</b>	<b>Share of Perpetual Care Expenditure</b>	<b>2024 Municipal Assessment</b>	<b>2025 Municipal Assessment</b>	<b>Year Over Year (Decrease) Assessment</b>
<b>Leamington</b>	74.90%	\$224,296	\$228,370	\$4,074
<b>Kingsville</b>	25.10%	\$75,164	\$76,530	\$1,366
<b>Total</b>	100.00%	\$299,460	\$304,900	\$5,440

**Recommendation**

1. **THAT** the Council of the City of Windsor approve the 2025 Essex-Windsor Solid Waste Authority budget and 4.1% increase to the 2024 total municipal assessment of \$15,009,970 based on a fixed cost allocation calculated on population and a Total Waste Management Fee of \$43.00 per tonne fee for refuse delivered for disposal. The overall 2025 assessment to the City of Windsor and the County of Essex municipalities will be \$15,519,170.
2. **THAT** the Council of the City of Windsor approve the 2025 Essex-Windsor Solid Waste Authority Green Bin Program budget representing a total cost of \$3,743,400, with the costs to be assessed to the City of Windsor and the County of Essex.

Respectfully Submitted



Michelle Bishop, CPA  
General Manager



Steffan Brisebois, CPA  
Manager, Finance & Administration

**Attachments**

- Operating Budget Summary Table
- Revenue Summary Table
- Schedule of Fees
- 15 Year Budget Forecast
- EWSWA Board Report -2025 Green Bin Program Overview

**2025 EWSWA Budget**  
**Operating Budget Summary Table (Including Perpetual Care)**

Operating Expenditures	2024 Budget \$	2024 Projection \$	2025 Budget \$
Committee Expenses	13,000	6,530	13,000
Administration	2,258,750	2,317,500	2,323,700
<b>Total - Administration &amp; Committee</b>	<b>2,271,750</b>	<b>2,324,030</b>	<b>2,336,700</b>
Realty	27,530	16,600	128,100
<b>Total - Realty</b>	<b>27,530</b>	<b>16,600</b>	<b>128,100</b>
Recycling Program	8,163,390	8,208,640	1,939,400
Hazardous or Special Waste Program	723,900	621,350	629,800
Waste Reduction/ Reuse	1,505,200	1,347,100	1,509,600
Green Bin Program	0	0	4,658,100
Advertising/ Public Education	358,000	390,550	325,800
<b>Total - 4R's Programs</b>	<b>10,750,490</b>	<b>10,567,640</b>	<b>9,062,700</b>
Regional Landfill - Operating Expenditures	8,546,690	7,369,710	9,771,400
<b>Total - Landfill Operations</b>	<b>8,546,690</b>	<b>7,369,710</b>	<b>9,771,400</b>
Transfer Stn. 1 (Windsor)	2,390,800	2,428,500	2,409,900
Transfer Stn. 2 (Kingsville)	876,100	907,500	917,200
Public Drop-Off (Windsor)	1,605,300	1,506,210	1,561,500
<b>Total Transfer Stations and Waste Depot Operations</b>	<b>4,872,200</b>	<b>4,842,210</b>	<b>4,888,600</b>
<b>Sub-Total Operating Exp. Before "Reg. Landfill - Other" Expenses</b>	<b>26,468,660</b>	<b>25,120,190</b>	<b>26,187,500</b>
Contrib. to Reg. Landfill Debt Retirement Reserve - Sun Life Debenture (Last Pmt. 2031)	6,069,930	6,069,930	6,266,860
Contribution to Regional Landfill Perpetual Care Reserve - Scheduled to Resume in 2032	0	0	0
Town of Essex Compensation	3,468,540	3,561,300	3,344,800
Annual Residential Compensation	86,900	94,400	91,600
Loan Repayment to Reserves - Development of Cell #3	649,810	1,184,300	1,225,760
Loan Interest - Cell #3 South	25,000	25,000	25,000
<b>Total - Regional Landfill - Other</b>	<b>10,300,180</b>	<b>10,934,930</b>	<b>10,954,020</b>
<b>Sub-Total Operating Expenditures (Including Reg. Landfill - Other)</b>	<b>36,768,840</b>	<b>36,055,120</b>	<b>37,141,520</b>

**2025 EWSWA Budget**  
**Operating Budget Summary Table (Including Perpetual Care)**

<b>Other Expenditures</b>	<b>2024 Budget \$</b>	<b>2024 Projection \$</b>	<b>2025 Budget \$</b>
Landfill #2 Perpetual Care - Current Year Expenditures	344,000	341,030	344,900
Landfill #3 Perpetual Care - Current Year Expenditures	774,900	618,900	667,500
<b>Total - Perpetual Care Costs - Landfill Sites #2 &amp; #3</b>	<b>1,118,900</b>	<b>959,930</b>	<b>1,012,400</b>
Recycling	12,500	16,400	6,500
Green Bin [2024 Budget initially recorded in the Waste Reduction Program]	1,644,400	362,900	14,486,330
Regional Landfill	401,600	128,400	2,040,900
Transfer Station #2 (Kingsville)	58,000	277,200	52,500
Transfer Station #1 (Windsor)	110,000	0	110,000
Windsor Depot	8,000	24,000	6,000
Regional Landfill - Other	8,965,000	9,545,890	3,688,000
<b>Total - Capital Works</b>	<b>11,199,500</b>	<b>10,354,790</b>	<b>20,390,230</b>
<b>Grand Total - Operating, Perpetual Care and Capital Expenditures</b>	<b>49,087,240</b>	<b>47,369,840</b>	<b>58,544,150</b>
<b>Total - Revenue</b>	<b>45,855,820</b>	<b>46,091,620</b>	<b>58,191,625</b>
<b>Total - Excess of Expenditures over Revenues</b>	<b>(3,231,420)</b>	<b>(1,278,220)</b>	<b>(352,525)</b>

<b>Summary Excess Revenue over Expenses Surplus (Deficit) Comprised of the Following:</b>	<b>2024 Budget \$</b>	<b>2024 Projection \$</b>	<b>2025 Budget \$</b>
Operations Deficit - Contribution From Rate Stabilization Reserve	(3,231,420)	(1,533,510)	(352,525)
Landfill #2 Accum. Surplus at end of year	0	40,000	0
Landfill #3 Accum. Surplus at end of year	0	215,290	0
<b>Total - Deficit for Year</b>	<b>(3,231,420)</b>	<b>(1,278,220)</b>	<b>(352,525)</b>



## Revenue Summary Table

Account Number	Program	Revenue Re: Regular Operations	2024 Budget \$	2024 Projection \$	2025 Budget \$
6510	Regional Landfill - Other (710)	Municipal Allocation of Fixed Costs - Admin., Debenture, Compensation	\$10,290,430	\$10,290,430	\$10,793,470
6520	Regional Landfill - Other (710)	Total Waste Management Fee - Municipally Delivered Refuse	4,719,540	4,725,250	4,725,700
6521	Regional Landfill - Other (710)	Tipping Fees - Municipally Delivered - Organics	711,650	732,720	737,000
6622	Regional Landfill - Other (710)	Tipping Fees - Residentially Delivered - Refuse	756,000	627,130	682,500
6630	Regional Landfill - Other (710)	Tipping Fees - Residential Customers - Flat Fee for Refuse	209,520	241,670	332,000
6625	Regional Landfill - Other (710)	Tipping Fees - Residentially Delivered - Grass	3,000	5,360	3,000
6627	Regional Landfill - Other (710)	Tipping Fees - Residential & ICI Delivered - Refrigerants	25,000	30,200	27,000
6620	Regional Landfill - Other (710)	Tipping Fees - ICI - Refuse - Landfilled	9,152,810	9,884,200	10,457,700
6671	Regional Landfill - Other (710)	Tipping Fees - ICI - Organics & Other Non-Landfilled Materials	571,200	931,430	1,136,400
6699	Regional Landfill - Other (710)	Tipping Fees - Weigh Scale Receipts	26,800	28,940	26,800
6680	Regional Landfill - Other (710)	Tipping Fees - Asbestos and Dig Out Fees	22,500	32,480	22,500
6675	Regional Landfill - Other (710)	Interest Income on Overdue Tip Fees	500	500	500
6502	Regional Landfill - Other (710)	Miscellaneous Revenue - Inc. Wage Subsidies & CUPE Wage Recovery	17,000	19,300	17,000
6701	Regional Landfill - Other (710)	Interest Income - Current Bank Account	70,000	150,000	70,000
6770	Administration (710)	Recovery of Administration Costs from LF#2 Perp. Care	15,000	15,000	15,000
6770	Administration (710)	Recovery of Administration Costs from LF#3 Perp. Care	31,500	31,500	31,500
6520	Administration (710)	Admin. Recovery of Wages & Benefits from LF#2 Perp.Care	5,000	5,000	5,000
6521	Administration (710)	Admin. Recovery of Wages & Benefits from LF#3 Perp.Care	15,000	15,000	15,000
6801	Administration (710)	Contribution from Waste Reduction Reserve - Organics Waste Management Plan	128,000	33,000	0
6677	Recycling (702)	Sale of Recyclable Goods	1,721,100	2,342,000	0
6771	Recycling (702)	LCBO Bottle Deposit (Paid by the Beer Store)	38,000	38,000	0
6799	Recycling (702)	Stewardship Ontario/Waste Diversion Organization	2,381,060	2,432,000	0
6712	Recycling (702)	Wash Bay Rental - Recycling Program	0	0	10,000
6710	Recycling (702)	Container MRF Lease - HGC Management	0	45,000	135,000
6711	Recycling (702)	Container MRF Additional Rent - HGC Management	0	42,600	158,500
6679	Recycling (702)	Sale of Blue Boxes	29,000	23,000	0
6678	Recycling (702)	Recovery from Contractor - Residual Hauling (Cont. Comp./Fibre Trailer)	76,800	60,000	0
6874	Recycling (702)	Contribution from Recycling Reserve	110,580	114,580	0
6371	Waste Reduction (704)	County Municipalities - White Goods Collections	35,000	27,500	35,000
6372	Waste Reduction (704)	Electronics Recycling Revenue	64,500	60,000	60,000
6679	Waste Reduction (704)	Composter & Digester Sales to Public	5,000	1,600	3,000
6772	Waste Reduction (704)	Sale of Compost	230,000	230,000	230,000
6773	Waste Reduction (704)	Compost Delivery Fee to Residents	7,500	6,500	7,500
6874	Advertising (705)	Contribution from Waste Reduction Reserve - RE. Promotion & Education	20,000	20,000	0
6699	Advertising (705)	Circular Materials - Promotion & Education Funding	0	29,400	88,100
6710	Realty (701)	Rental Income - Farmland & Other	224,400	224,400	345,525
6770	Regional Landfill (706)	Contribution from Rate Stabilization Reserve - Leachate Management	576,130	0	0
6770	Regional Landfill (706)	Contribution from Regional Landfill Reserve - Leachate Management	750,000	500,000	1,325,000
6770	Regional Landfill (706)	Reg. LF Recovery of Wages & Benefits from LF#2 Perp.Care	44,000	54,000	62,000
6770	Regional Landfill (706)	Reg. LF Recovery of Wages & Benefits from LF#3 Perp.Care	48,000	73,000	82,500

## Revenue Summary Table

Account Number	Program	Revenue Re: Regular Operations	2024 Budget \$	2024 Projection \$	2025 Budget \$
6370	HSW (703)	Small Business Revenue	28,000	26,600	28,000
6799	HSW (703)	Used Auto Battery Sales	15,000	27,300	25,000
6370	HSW (703)	Stewardship Funding - Disposal - Phase One	39,900	33,800	35,000
6370	HSW (703)	Stewardship Funding - Contract Labour & Fixed Costs - Phase One	131,000	124,800	125,000
6799	Transfer Station 2 (708)	Sale of Scrap Metal & Batteries	15,000	11,000	15,000
6774	Public Drop Off (709)	Sale of Scrap Metal	130,000	128,000	130,000
6799	Public Drop Off (709)	Circular Materials - Residential Recycling Depot Subsidy	0	45,500	137,200
6520	Green Bin (711)	City of Windsor - Program Cost Recovery	0	0	1,896,390
6520	Green Bin (711)	County of Essex - Program Cost Recovery	0	0	1,118,950
6370	Green Bin (711)	City of Windsor - Cart Reimbursement	0	0	231,780
6370	Green Bin (711)	County of Essex - Cart Reimbursement	0	0	135,030
6370	Green Bin (711)	City of Windsor - Processing Reimbursement	0	0	235,380
6370	Green Bin (711)	County of Essex - Processing Reimbursement	0	0	125,870
6770	Green Bin (711)	Contribution from the Waste Reduction Reserve - P&E	0	0	914,700
<b>Sub-Total</b>		<b>Recurring Revenue Re: Regular Operations</b>	<b>\$33,490,420</b>	<b>\$34,519,690</b>	<b>\$36,793,495</b>

Account Number	Program	Revenue Re: Landfill #2 and Landfill #3 Perpetual Care	2024 Budget \$	2024 Projection \$	2025 Budget \$
6522	Perpetual Care #2 (780)	Contribution from Municipalities	\$299,460	\$299,460	\$304,900
8704	Perpetual Care #2 (999)	Prior Year's Accumulated Surplus Used to Fund Operations	44,540	81,570	40,000
6522	Perpetual Care #3 (781)	Contribution from Municipalities	429,390	429,390	452,210
8705	Perpetual Care #3 (999)	Prior Year's Accumulated Surplus Used to Fund Operations	345,510	404,800	215,290
<b>Sub-Total</b>		<b>Revenue Re: Landfill #2 and Landfill #3 Perpetual Care</b>	<b>\$1,118,900</b>	<b>\$1,215,220</b>	<b>\$1,012,400</b>

## Revenue Summary Table

Account Number	Program	Revenue Re: Capital and Non-Recurring	2024 Budget \$	2024 Projection \$	2025 Budget \$
6750	Regional Landfill (706)	Sale of Surplus Equipment - Tractor/Truck/Dozer	\$20,500	\$12,500	\$135,000
6815	Regional Landfill (706)	Contrib. from Equipment Replacement Reserve (ERR) - Pickup Truck	39,500	14,400	40,000
6815	Regional Landfill (706)	Contribution from ERR - Leachate Aerator	60,000	58,500	0
6815	Regional Landfill (706)	Contribution from ERR - Leachate Pumps	120,000	0	0
6815	Regional Landfill (706)	Contribution from ERR - Mowing Equipment	10,000	39,400	0
6815	Regional Landfill (706)	Contribution from ERR - Lawn Tractor	0	0	160,000
6815	Regional Landfill (706)	Contribution from ERR - Bull Litter Fence	86,100	0	86,100
6815	Regional Landfill (706)	Contribution from ERR - Asphalt Paving	0	0	150,000
6815	Regional Landfill (706)	Contribution from ERR - Methane Detection Maintenance Building	75,000	0	75,000
6815	Regional Landfill (706)	Loan from ERR - Bull Dozer	0	0	1,405,300
6815	Green Bin (711)	Contribution from Waste Reduction - Computer Hardware	0	0	12,000
6815	Green Bin (711)	Contribution from Waste Reduction - Pickup Truck	0	0	75,000
6815	Green Bin (711)	Contribution from Waste Reduction - Decal	0	0	3,000
6815	Green Bin (711)	Contribution from Waste Reduction - Front End Loader	0	0	360,000
6815	Green Bin (711)	Loan from ERR - SSO Transfer Station	0	0	1,757,590
6815	Green Bin (711)	Contribution from ERR - [formally in Waste Reduction] - SSO Transfer Station	858,800	362,900	2,263,600
6815	Green Bin (711)	Loan from ERR - [formally in Waste Reduction] - SSO Transfer Station at RL	785,600	0	200,00
6815	Green Bin (711)	Loan from ERR & Reg Landfill Debt Reserve - Green Bin Cart Purchase	0	0	9,815,140
6815	Transfer Station 1 (707)	Contribution from ERR - Transfer Station #1 - Paving and Concrete Rebuild	110,000	0	110,000
6815	Transfer Station 2 (708)	Contribution from ERR - Transfer Station #2 - Asphalt	50,000	30,000	50,000
6815	Transfer Station 2 (708)	Contribution from ERR - Transfer Station #2 - Scale House Rebuild	0	231,100	0
6373	Recycling (702)	Sale of Roll - Out Carts - 95 gal. - Commercial	26,400	12,320	0
6374	Recycling (702)	Sale of Roll - Out Carts - 35 & 65 gal. - Residential	39,600	49,700	0
6870	Regional Landfill - Other (710)	Contrib. for Regional Landfill Res. - Gas Collection Wellfield	500,000	438,300	500,000
6873	Regional Landfill - Other (710)	Contrib. from Future Cell Reserve - Engineering	465,000	353,160	300,000
6801	Regional Landfill - Other (710)	Loan from Rate Stabilization Reserve - Cell #5 North Construction	4,813,460	0	0
6873	Regional Landfill - Other (710)	Loan from Future Cell Development Reserve - Cell #5 North Construction	0	4,774,260	2,888,000
6873	Regional Landfill - Other (710)	Contrib. from Future Cell Development Reserve - Cell #5 North Engineering Design & Construction	3,186,540	3,980,170	0
	<b>Sub-Total</b>	<b>Revenue Re: Capital and Non-Recurring</b>	<b>\$11,246,500</b>	<b>\$10,356,710</b>	<b>\$20,385,730</b>
	<b>Total</b>	<b>Revenue</b>	<b>\$45,855,820</b>	<b>\$46,091,620</b>	<b>\$58,191,625</b>

## Essex-Windsor Solid Waste Authority Schedule of Fees

Rate Type - Municipal	2025 Rate	2024 Rate	Unit of Measure	Description
Municipally Delivered Refuse - Total Waste Management Fee	\$43.00	\$42.00	Per Tonne	
Water & Waste Water Treatment Plant Residue	\$68.00	\$66.00	Per Tonne	
Municipally Delivered Pallets	See Organics	See Organics	Per Tonne	
Municipally Delivered Street Sweepings	\$14.00	\$14.00	Per Tonne	
Municipally Delivered Organics	\$44.00	\$43.00	Per Tonne	
Non-Residentially Collected Refuse	\$43.00	\$43.00	Per Tonne	Re: Construction and Demolition
Rate Type - Residential	2025 Rate	2024 Rate	Unit of Measure	Description
Refuse - Residentially Delivered	4 Loads at \$7	4 Loads at \$5	Kilograms	If weight is 100kg or less.
Refuse - Residentially Delivered - After \$5 Loads Exhausted (See also minimum charge below)	\$105.00	\$105.00	Per Tonne	
Refuse - Residentially Delivered - Minimum Fee (Applies after \$5 loads are exhausted)	\$10.00	\$10.00	Minimum Flat Fee	If load is less than 100 kg and \$5 loads exhausted.
Organics - Residentially Delivered Leaves, Tree Trimmings, Brush, Other	No Charge	No Charge	Per Load	
Organics - Residentially Delivered Grass	\$3 Per Bag \$15 Per Truck or Trailer	\$3 Per Bag \$15 Per Truck or Trailer	Each	
Other - Tires - Passenger	\$0.00	\$0.00	Per Tire	Revised January 2021 - No longer allowed to charge for tire disposal.
Other - Tires - Light Truck	\$0.00	\$0.00	Per Tire	
Other - Tires - Medium Truck	\$0.00	\$0.00	Per Tire	
Other - Tires - Farm Tractor	\$0.00	\$0.00	Per Tire	
Other - Residential Pallets	\$53.00	\$53.00	Per Tonne	
Other Refrigerants	\$20.00	\$20.00	Per Unit	
Other - Railway Ties	\$105.00	\$105.00	Per Tonne	
Other - White Goods	No Charge	No Charge	Per Unit	
Other - Recyclables	No Charge	No Charge	Per Load	
Other - Household Chemical Waste	No Charge	No Charge	Per Load	

## Essex-Windsor Solid Waste Authority Schedule of Fees

Rate Type - Industrial / Commercial/ Institutional (ICI)	2025 Rate	2024 Rate	Unit of Measure	Description
Refuse - ICI Refuse Delivered to the Regional Landfill	\$68.00	\$66.00	Per Tonne	Gate Rate
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$63.00	\$61.00	Per Tonne	1,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$62.00	\$60.00	Per Tonne	2,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$61.00	\$59.00	Per Tonne	3,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$60.00	\$58.00	Per Tonne	4,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$59.00	\$57.00	Per Tonne	5,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$58.00	\$56.00	Per Tonne	10,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$54.00	\$52.00	Per Tonne	20,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered Under Contract to the Regional Landfill	\$47.00	\$45.00	Per Tonne	30,001 Tonnes and Over (Put or Pay)
Refuse - ICI Refuse Delivered to Transfer Stations	\$75.00	\$73.00	Per Tonne	Gate Rate
Refuse - ICI Delivered Refuse	\$10.50	\$7.30	Minimum Fee	Minimum Fee
Organics - ICI Organics Delivered to Transfer Stations or Regional Landfill	\$53.00	\$53.00	Per Tonne	
Organics - ICI Delivered Organics	\$5.30	\$5.30	Minimum Fee	Minimum Fee
Other - Asbestos	\$150.00	\$150.00	Per Tonne	+ \$150 Per Load Flat Fee
Other - Dig Out Fee	\$75.00	\$75.00	Per Dig Out	
Other - Contaminated Soil to be Landfilled	\$40.00 (Jan - March) \$50.00 (April - Dec)	\$40.00	Per Tonne	
Other - Greenhouse Vines and/or Growing Medium to be Landfilled	\$68.00	\$45 (Jan-Aug) \$66 (Sept-Dec)	Per Tonne	
Other - ICI Pallets Delivered to Transfer Station #2 and Regional Landfill	\$53.00	\$53.00	Per Tonne	
Other - Refrigerants	\$20.00	\$20.00	Per Unit	
Other - Weigh Ticket	\$7.00	\$7.00	Per Ticket	
Other - Railway Ties	\$105.00	\$105.00	Per Tonne	
Other - White Goods Without Refrigerants	No Charge	No Charge	Per Unit	
Other - Recyclables	No Charge	No Charge	Per Load	
Approved Charities - Loads Delivered to Transfer Stations	\$21.00	\$19.00	Per Tonne	
Approved Charities - Loads Delivered to Transfer Stations - Minimum Fee	\$5.00	\$5.00	Minimum Fee	Minimum Fee
Approved Charities - Loads Delivered to Regional Landfill	\$0.00	\$0.00	Per Tonne	

**ESSEX-WINDSOR SOLID WASTE AUTHORITY**  
**EWSWA 15 Year Planning Forecast - Not Including Regional Green Bin Program**  
**2025 – 2039**

YEAR	EXPENDITURES	NON-MUNICIPAL REVENUE	REQUIRED FROM MUNI'S TO BALANCE BUDGET	PROJECTED ASSESSMENT TO MUNICIPALITIES	PROJECTED SURPLUS/ (DEFICIT) FOR THE YEAR	PROJECTED RESERVE BALANCE END OF YEAR	DIFFERENCE IN ANNUAL ASSESSMENT TO MUNICIPALITIES	% ANNUAL INCREASE IN MUNICIPAL ASSESSMENT
1	2017		<b>BUDGET</b>	<b>\$11,013,400</b>				0.00%
2	2018		<b>BUDGET</b>	<b>\$11,250,070</b>				2.00%
3	2019		<b>BUDGET</b>	<b>\$11,819,890</b>				4.10%
4	2020		<b>BUDGET</b>	<b>\$12,469,800</b>				4.10%
5	2021		<b>BUDGET</b>	<b>\$13,076,600</b>				4.10%
6	2022		<b>BUDGET</b>	<b>\$13,810,740</b>				4.10%
7	2023		<b>BUDGET</b>	<b>\$14,418,800</b>				4.10%
8	2024		<b>BUDGET</b>	<b>\$15,009,970</b>	(\$1,533,510)	\$9,295,605		4.10%
9	2025	\$32,487,920	\$15,871,695	\$15,519,170	(\$352,525)	\$9,243,080	\$509,200	4.10%
10	2026	\$33,160,701	\$16,599,222	\$16,155,456	(\$443,766)	\$8,799,314	\$636,286	4.10%
11	<b>2027</b>	<b>\$33,825,278</b>	<b>\$16,775,336</b>	<b>\$17,049,943</b>	<b>(\$232,113)</b>	<b>\$8,567,201</b>	<b>\$662,374</b>	4.10%
12	2028	\$34,359,758	\$17,366,300	\$17,448,498	\$82,199	\$8,649,400	\$630,669	3.75%
13	2029	\$35,065,251	\$17,849,318	\$17,971,953	\$122,635	\$8,772,035	\$523,455	3.00%
14	2030	\$35,790,888	\$18,348,043	\$18,511,112	\$163,069	\$8,935,104	\$539,159	3.00%
15	2031	\$34,380,678	\$18,306,393	\$18,881,334	\$574,941	\$9,510,045	\$370,222	2.00%
	2032	\$34,911,770	\$18,601,428	\$19,258,961	\$657,533	\$10,167,578	\$377,627	2.00%

- Objective #1 - By 2027 to have a balanced budget and a favourable Rate Stabilization Reserve balance.
- Objective #2 - Post 2027 - To maintain a balanced budget and to reach a minimum Rate Stabilization Reserve balance of \$5M with goal of 15% of expenditures.
- 2025 - Reduced expenditures and revenue associated with producers assuming the net cost of the blue box program. The document includes costs associated with the non-eligible source (NES) recycling program.
- The forecast does not include costs associated with a green bin program as these are difficult to define at this time. These surpluses may be reduced as a result of adding green bin costs for 2026 and subsequent budget years.



# Essex-Windsor Solid Waste Authority Administrative Report

October 31, 2024

**To:** The Chair and Board of the Essex-Windsor Solid Waste Authority

**From:** Michelle Bishop, General Manager  
Steffan Brisebois, Manager of Finance & Administration

**Meeting Date:** Tuesday, November 05, 2024

**Subject:** 2025 Green Bin Program Overview

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## Purpose

The purpose of this report is to provide additional information regarding the Green Bin Program costs contained in the Draft 2025 Operational Plan and Budget.

## Background

As discussed at prior meetings, in order to comply with Ontario's Food and Organic Waste Policy Statement (the Policy), the Region will be implementing a Regional Food and Organic Waste Management Program (Green Bin Program) in 2025. This initiative will be instrumental in diverting food and organic waste away from the Essex-Windsor Regional Landfill.

The Authority and the City of Windsor (City) have been working collaboratively to have the proper contracts and resources in place for a fall 2025 Green Bin Program launch. The program will launch in two phases, depending on the individual waste collection contract expiration dates.

Table 1. Shares the Municipal Launch Date schedule for the Green Bin Program that onboards each of the municipalities in Essex-Windsor.

Municipality	Phase 1 Fall 2025	Phase 2 Fall 2026
<b>Windsor</b>	X	
<b>Essex</b>	X	
<b>Lakeshore</b>	X	
<b>LaSalle</b>	X	
<b>Tecumseh</b>	X	
<b>Amherstburg</b>		X
<b>Kingsville</b>		X
<b>Leamington</b>		X

## Discussion

The Authority and the City have undertaken several procurements to ensure a successful launch in fall 2025. To date, this includes:

- **Processing of SSO:** in summer 2022, the Authority secured a processing contract for SSO, which was awarded to Seacliff Energy Corp. The processing contract is for a period of five (5) years commencing in 2025 with the option to renew the contract for three (3) additional, one-year extensions or portions of a year.
- **Collection of SSO:** in early 2024, the Authority awarded the contract for automated collection of SSO from residents in the seven (7) County municipalities to Miller Waste Systems Inc. The collection contract is for a period of seven (7) years with the option to extend the contract for two additional one-year extensions. Further, the City is finalizing the contract for SSO collection within the City to commence in fall 2025 such that both the City and County collections' commencements are aligned.
- **Carts and Kitchen Containers:** in summer 2024, the Authority awarded the contract for the supply and initial distribution of Green Carts and Kitchen Containers to IPL North America Inc. Distribution to households will occur in two phases in accordance with the implementation plan described above; Phase 1: October 2025 and Phase 2: fall 2026. The contract is for a period of five (5) years, with an option for renewal for four (4) additional, one-year (1) extensions.
- **Windsor SSO Transfer Station:** in late 2023, the Authority undertook an SSO Transfer Station Feasibility Study to identify the preferred option for an SSO Transfer Station at the Authority's Windsor site. The preferred option was presented to and approved by the Board in April 2024. Further, at this Board meeting, engineering services for detailed design and approvals to construct the SSO Transfer Station was awarded to Stantec Consulting Ltd. The design work is taking place in summer and fall 2024 and will be



tendered by the end of 2024. Construction will begin in early 2025 so that the facility is operational for the launch of the Green Bin Program in fall 2025.

- **Essex SSO Transfer Station:** in spring 2024, the Authority released an RFP for engineering services for detailed design and approvals for an SSO Transfer Station at the Essex-Windsor Regional Landfill. The financial proposals were significantly higher than anticipated and as such, the project was placed on hold so that Authority staff could determine next steps given the Essex SSO Transfer Station is not required until fall 2026 to support the launch of Phase 2. As such, engineering and design work will take place in 2025 and construction will take place in 2026.
- **Promotion and Education (P&E):** the Authority has developed a comprehensive P&E plan for the Green Bin Program as further detailed in the budget. The plan includes multiple campaigns that will be strategically released leading up to the Green Bin Program launches in October 2025 and fall 2026 as well as campaigns to support residents after the launches. The plan also includes the resources necessary for customer service and public engagement.

## Financial Implications

The known financial information from the procurement activities noted above has been used to form the Draft 2025 Operational Plan and Budget. For outstanding procurement and construction costs, estimates have been used. The budget document considers the request made by the County of Essex to assess the cost of the Green Bin program to the County of Essex instead of directly to the 7 local municipalities.

The 2-phase launch of the program is estimated to commence in late October 2025 and late 2026. Therefore, the full cost of the program will not be realized until 2027. For illustration purposes, using estimated costs, a projected 3-year forecast has been presented in the table below. The budget document contains detailed line items for each accounting system account code. For ease of reference, the program costs have been summarized below into four categories: processing costs, cart reimbursement, curbside collection contract costs, and direct labour, capital, and transfer costs.

<b>Expenditure</b>	<b>2025 Budget</b>	<b>2026 Projection</b>	<b>2027 Projection</b>
<b>Processing Fee - Seacliff Energy</b>	\$361,250	\$1,807,000	\$2,432,000
<b>Green Bin Cart Repayment</b>	\$366,810	\$2,649,160	\$2,649,160
<b>Collection Contract Cost - City and County</b>	\$2,552,120	\$13,522,630	\$16,575,600
<b>Administration, Capital &amp; Transfer Costs</b>	\$463,220	\$2,099,950	\$2,150,258
<b>Total Estimated Program Cost</b>	<b>\$3,743,400</b>	<b>\$20,078,740</b>	<b>\$23,807,018</b>

The cost of the program will be funded by the City and County and the costs will be allocated based on the following:

1. The cost to process each tonne of material, invoiced to the City and County based on the actual tonnage of material collected and delivered for processing.
2. The re-payment cost for the purchase and delivery of the Green Bin Program cart and kitchen catcher, this cost is allocated based on the number of carts distributed.
3. The balance of the program costs, which includes the cost to collect the material, provide contract supervision, customer service and the capital and operating cost to consolidate and transfer the material. This cost aligns with the collection contract language and is based on the number of households receiving service.

Deferral of Costs and Use of Reserve Funds

Due to the two-phase launch of the program, some costs such as unfinanced capital repayments and contributions to reserves have been delayed until all municipalities are participating in the program.

The budget document includes draws from the Waste Reduction Reserve for one-time program launch costs including equipment, promotion and education, and temporary labour. In 2019 the Board approved the creation of the Waste Reduction Reserve and the transfer of \$2,000,000 in funds from the Rate Stabilization Reserve to this new reserve. The intended use of the funds was to aid in the roll-out costs of the new provincially mandated program. To date, the

reserve has been used to fund various consulting costs and has earned interest annually. The 2025 budget document recommends the reserve continue to be used to mitigate one-time costs associated with the program launch.

The following is the 2025 budgeted and 2026 projected use of the reserve. Any unallocated funds will be used as contingency funding for unanticipated start-up costs.


<b>Waste Reduction Reserve</b>	<b>2025</b>	<b>2026</b>
<b>Projected Balance - Beginning of Year</b>	\$1,912,000	\$587,300
<b>Draw from Reserve:</b>		
<b>Green Bin - Computer hardware</b>	(12,000)	
<b>Green Bin - Pickup truck</b>	(75,000)	
<b>Green Bin - Truck decals</b>	(3,000)	
<b>Green Bin - Front-end loader</b>	(360,000)	
<b>Green Bin - One-time expenditures &amp; P&amp;E</b>	(914,700)	(231,040)
<b>Interest Income</b>	40,000	17,600
<b>Projected Balance - End of Year</b>	<b>\$587,300</b>	<b>\$373,860</b>

**Recommendation**

**That** the Board **receive** this report as information.

**Submitted By**

  
 Michelle Bishop, General Manager

  
 Steffan Brisebois, Manager of Finance & Administration



**Subject: 2025 Stormwater and Wastewater Budget - City Wide**

**Reference:**

Date to Council: January 27, 2025

Author: Mark Spizzirri

Manager of Performance Measurement & Business Case Development

(519) 255-6100 ext. 6228

Financial Planning

Report Date: December 22, 2024

Clerk's File #: AF/14854

To: Mayor and Members of City Council

**Recommendation:**

**For the meeting of January 13, 2025:**

THAT City Council **RECEIVE** the Administrative 2025 Stormwater and Wastewater Budget Report as additional information in support of the 2025 Recommended Budget.

**For the meeting of January 27, 2025 or alternative date as determined by City Council and including such time needed until the 2025 Budget is considered to be approved:**

THAT City Council **ENDORSE** the 2025 recommended Stormwater and Wastewater budget which is reflective of the Stormwater and Wastewater rates previously approved by Council (C130/2024), subject to any further amendments that have been proposed by City Council and are considered approved.

**Executive Summary:**

N/A

## **Background:**

On October 28, 2024, City Council approved the 2025 Wastewater and Storm Water rates (C130/2024) to facilitate a timely transition to the new funding model for both water and storm water operations on January 1, 2025. As part of the 2025 Operating Budget, City Council is now being requested to approve the respective budgets for waste and storm water. As indicated in the rate setting report, the 2024 Approved Budget for combined Sewer Surcharge of \$104.8 million was required to be split into Storm Water and Wastewater budget components as detailed in the financial matters section.

To determine the rates for 2025, Administration had included preliminary estimates for an increase of \$6,693,960 for Stormwater and \$3,962,971 for Wastewater budgets. Following the finalization of the 2025 Operating Budget, the increased amounts have been revised to \$6,954,149 and \$3,886,551 respectively. These increases support enhanced levels of service, which have been recommended as part of the program development and implementation.

This report provides an update on the 2025 stormwater and wastewater budgets, which consider the operating and capital expenditures projected to be required in the coming years due to aging infrastructure and significant climate change impacts on the sewer systems. Significant inflationary pressures in recent years have added an additional burden to the planned sewer projects that will need to be funded going forward as many of these projects have matching grants that are conditional on project completion. Although the stormwater and wastewater budgets are now separated, many of the expenditures within the budgets include both a stormwater and wastewater component. Discussions surrounding the need for these items apply to both of the funding sources.

The Stormwater budget, along with a 4-year projection (Appendix A) and the Wastewater budget, along with a 4-year projection (Appendix B) are updated annually and submitted in support of the annual City budget. It is important to note that the projections are based on the Watson & Associates' forecasts that were completed for the Stormwater Financing implementation and will be reviewed annually as part of the budget process. Although multi-year projections are provided, Council approves the budget annually based on operational priorities and economic factors.

## **Discussion:**

### **Sewer Assets and Operational Requirements**

The City of Windsor makes improvements and repairs annually to the City's complex system of underground pipes, sewers and catch basins. This requires an operating budget to not only maintain the operation of the Pollution Control plants and Pumping Stations, but also for the routine maintenance of the sewer system on an ongoing basis.

The City of Windsor has two wastewater treatment plants, the Lou Romano Water Reclamation Plant (LRWRP) and the Little River Pollution Control Plant (LRPCP). The Lou Romano Water Reclamation Plant serves approximately two-thirds of Windsor and

accepts sanitary flow from the Town of LaSalle. The Little River Pollution Control Plant serves east Windsor and also accepts sanitary flows from the Town of Tecumseh. The City accepts the flows from LaSalle & Tecumseh on a cost recovery basis.

In addition to the two pollution control plants, the City has 45 pumping stations (6 sanitary, 34 storm and 5 combined), 8 combined sewer overflows (CSO) interceptors, 4 Oil and Grit Separators (OGS) and numerous storm water retention ponds. Pumping stations are a major component of the sewer network as they pump sanitary and storm water to the appropriate locations for either treatment or discharge. All sanitary pumping stations have back-up power. All storm water pumping stations, with few exceptions, have either back-up power, overflows or excess storage capacity (i.e. storm water retention ponds).

All pumping stations are monitored remotely from the LRWRP. Pollution Control Wastewater Treatment and Collection Operators are licensed by the Ministry of Environment, Conservation and Parks to operate the various facilities and perform regular preventative maintenance to ensure that the pumping stations and plants operate efficiently and without catastrophic failure.

In addition to Pollution Control operations, seventeen employees in the Public Works Operations sewer maintenance area perform sewer maintenance on the City's sewer network. The Sewer Maintenance Division has a preventative maintenance cleaning program wherein they routinely:

- Maintain sanitary sewers
- Clean storm sewers
- Clean catch basins
- Clean and grade municipal drains and roadside ditches
- Perform sewer locates

This work is supported by the following equipment or crews:

- 4 flushers
- 1 rodder
- 1 set of sewer bucket machines
- 1 interceptor inspection crew
- 1 eel crew
- 2 sewer location/ catch basin cleaning crews

Due to volume and complexity (heavy sedimentation, roots, etc.), it takes more time to clean the City's sanitary/combined sewer network (approximately 5 years for one cleaning cycle, subject to resource availability) than it does to clean the storm water sewers. Storm water sewers, which carry clear rainwater, are not as complicated as sanitary sewers to clean and therefore, it normally takes only 3 years to complete a cycle of cleaning the City's storm water sewer network. Rodding of sewers in areas of the City known for root infiltration occurs continuously and takes approximately 2.75 years to complete one cleaning cycle.

The City has a program in place to video sewers to assess their condition. Contractors are used for this function, as well as with all sewer repair and installations. Additionally, a system is in place to alert staff of upcoming forecasted rain events, which then allows

them to proactively monitor the sewer system in order to address as many issues that arise as possible. Additional operating expenditures are incurred for various other sewer-related activities, street sweeping, repayment of debt charges for the LRWRF upgrade and expansion, as well as administrative and support services.

### **Risk Analysis:**

There are several risks to be considered in developing the 2025 Wastewater and Stormwater Sewer Surcharge Budgets, some of which are summarized below:

*Operating Expenditure Risks* – The projections put forward are based on current estimates of the required expenditures relative to Pollution Control operations, sewer maintenance and repair, etc. These estimates are expected to be reflective of final actual costs, however there is a moderate risk that fluctuations in expenditures as compared to budget may occur. Mitigation for this risk comes from regular variance monitoring and the Stormwater and Wastewater reserve funds.

*Water Consumption Risk* – Reduced consumption of water is an ongoing positive trend, which unfortunately places pressure on Wastewater revenues. Annual water consumption is an estimate and is subject to considerable variability. An additional variable has been introduced in recent years with the COVID-19 pandemic, as residential water usage has increased, while commercial volumes have decreased. While the usage patterns are expected to return to normal as we recover from the pandemic imposed restrictions, it is too early to determine if any of these usage shifts, due to employees continuing to work from home, will remain longer term. As such, it should be considered a moderate risk with respect to the model. Mitigation for this risk comes from regular variance monitoring, with any variances being mitigated with funding from the Wastewater Reserve Fund. This risk is further mitigated by the establishment of the Stormwater Financing Fee that is based on impervious area, which is much less variable when compared to water consumption.

*Capital Project Risks* – The capital budget reflects the best estimate of the capital costs required to complete the various projects under the capital plan. As with all budgets, these represent Administration's best estimates of the expected capital costs; however, there is a moderate risk that costs may increase due to unforeseen issues that could not have been reasonably predicted. While this risk has been amplified in recent years as inflationary pressures not seen in decades have impacted construction prices, recent tenders appear to be stabilizing and slowly returning to more historical CPI levels. Recommendations to mitigate this risk include increasing the annual capital funding for sewer projects and increasing the annual Stormwater and Wastewater Sewer Surcharge Reserve transfer. In addition, ongoing review of capital project costs is managed through the Capital Variance report and annual budget process.

*Risks from Possible Reduction in Capital Program* – Council may consider reducing the Capital Budget component of the Stormwater and Wastewater programs. Such reductions must consider:

- existing and future grant matching agreements,

- significant negative impacts on the condition of existing infrastructure,
- elimination or deferral of projects previously approved in principle by Council,
- inability to improve basement flooding resiliency and the associated financial and social impacts, and
- resulting reduction in the pace of eliminating combined or leaking sewers.

Mitigation for this risk comes from the development of the SMP and the Asset Management Plan that will, on an ongoing basis, assist with the prioritization of capital projects.

*Risks related to the Pollution Control Reserve* – The Pollution Control Reserve funds the capital program for wastewater treatment plants and pumping stations. Funding requirements continue to increase due to aging infrastructure and higher inflation rates, placing additional pressure on the reserve. Future funding requirements continue to be assessed to ensure adequate funds are available.

*Risks from Depleting the Stormwater and Wastewater Sewer Surcharge Reserves* – Options may be considered to reduce / deplete the stormwater and wastewater sewer surcharge reserves to fund the budgets. This would leave the Corporation without adequate dedicated reserves to fund any shortfalls. This is especially risky given the historical trend of declining revenues due to decreasing water consumption on the wastewater side. As well, this would compromise the Corporation’s ability to fund the City’s share of projects funded by federal/provincial grants that are announced periodically for sewer purposes. It is important to note that \$3.5M from the Sewer Surcharge Reserve was used in 2017 to help fund the Basement Flooding Prevention Subsidy Program. This would not have been possible without an appropriate reserve fund. While considered a moderate risk, mitigation comes from the development of a five-year forecast to anticipate future pressures. The current balance in the Sewer Surcharge Reserve (F153) as of November 30, 2024 is \$10.5 million.

*Risks related to High Uptake of Stormwater Fee Credit Policy* – With some properties seeing a significant increase in their fee, there may be a high uptake on the credit program in the first year. While Administration has budgeted for a credit uptake reflective of what other municipalities have seen, actual participation levels could result in reduced revenues compared to what were budgeted. It must be noted that while the Credit Policy is a mechanism to be used by all non-residential and multi-residential property owners to reduce their stormwater fee, the resulting reduction in revenue stream must then be distributed to all other eligible property owners.

*Risks related to Impervious Area Changes* – Since the stormwater fee is based on IA, it is possible that the construction or/and demolition of buildings and/or hard surfaces will vary throughout the year impacting IA values and therefore the annual rates which will apply. While not all IA changes are able to be tracked contemporaneously through permits and formal processes, Administration will be utilizing aerial imaging each year to ensure data is current and accurate mitigating the risk of material fluctuations. An appeals process is also available to allow property owners the ability to dispute and review their IA assessment. Changes in IA as it relates to new construction will be picked up as part of the data analysis used in setting annual rates. The billings associated with new construction will be tied to active use of the property (i.e.



constructions completion and/or date of occupancy). This timing difference may result in reduced revenue in any given year depending on when the stormwater fee can commence for a new property.

## **Climate Change Risks**

### **Climate Change Mitigation:**

Analysis of historic emissions from wastewater facilities have indicated that emissions per litre of wastewater treatment have remained relatively consistent at approximately 0.02 Tonnes CO<sub>2</sub>/Megalitre. However, overall emissions have fluctuated since 2014 levels due to varying volumes received at the wastewater treatment plants due to the quantity of stormwater/ground water inflow into the system. Higher wastewater volumes result in increases to treatment costs in part due to increased energy requirements to move higher volumes of water. Actions identified to mitigate risks associated with Climate Change Adaptation will have a co-benefit of reducing overall emissions from the reduction of stormwater and river water received at the wastewater treatment plants. There will be no notable impacts to the City's greenhouse gas inventories or mitigation actions as a result of implementing the Stormwater financing program.

### **Climate Change Adaptation:**

Future climate change projections for Windsor predict an increase in annual rainfall, with more rain falling during most seasons with the exception of summer where a long-term decrease is predicted. The recent modelling of the region's rainfall intensity, duration and frequency (IDF) curves also indicates increases in storm intensities over the long-term. Annual precipitation has a direct impact on treatment costs. As well, the severity of the storms may also increase the risk that additional flooding may occur.

Mitigation for this risk comes from the establishment of a budget that is based on historical averages and trends and monitoring through the quarterly variance reporting. In addition, there is the Sewer Surcharge reserve fund, if necessary. It should also be noted that as the City further implements the recommendations of the SMP, less stormwater will be directed to the treatment plants for processing, which is expected to reduce treatment costs. SMP Implementation is a key initiative of the City's Climate Change Adaptation Plan and its objective to Strengthen Infrastructure Resiliency.

The City's Climate Change Adaptation Plan, Action 7.2, further recommends that the City explore options to implement stormwater financing mechanisms including effectively communicating and educating the public of any stormwater financing implementation decisions. As noted above, stormwater financing is one method to encourage property owners to minimize impermeable surfaces allowing for stormwater to infiltrate where it falls, reducing flow into the City's sewer system. Understanding that Windsor's climate change projections show increasing annual rainfall amounts, managing stormwater where it falls will add resiliency of the current system.

### **Financial Matters:**

To determine the rates that were approved by council in the Stormwater & Wastewater Rate Setting report C130/2024 (CR473/2024), Administration was required to develop overall budget estimates for the stormwater and wastewater budgets. The 2025

stormwater rates approved by council were based on a total stormwater budget of \$53.0M, while the 2025 wastewater rates approved by council were based on a total wastewater budget of \$62.6M.

### ***Operating Expenditures***

Stormwater and wastewater funded operating costs are very challenging to reduce in the short term. Many of the Pollution Control plant processes are provincially legislated and must meet ever increasing environmental standards. Maintenance of the sewer system is also driven by required repairs, with most being reactionary in nature due to the age of the City's sewer infrastructure. Failing to provide ongoing maintenance will result in more expensive future replacement costs. Sewer maintenance and repair, drain maintenance, capital budget construction of sanitary, storm, storm relief and combined sewer replacement, and the support required for the above have all traditionally been funded by the Sewer Surcharge.

The stormwater funded operating budget was reviewed in detail as part of the 2025 operating budget process in an effort to reduce costs and identify operating efficiencies. As outlined in the table below, total operating expenses have increased by \$4,398,149, which represents a 36% increase over the portion of the 2024 operating expenditures that were determined to be stormwater. The majority of the expenditures in 2025 relate to the pre-committed first charge of the Stormwater Project costs, along with the first year of the service level increases. Other program related expenditures include funding for the residential incentives program (i.e. trees for private residential properties, rain barrels and increased subsidies), and an enhanced Water Rate Assistance Program (WRAP) for residents experiencing financial difficulty. Details regarding the individual budget issues impacting stormwater can be found in the 2025 Operating Budget documents and in Appendix A.

The wastewater funded operating budget was also reviewed in detail as part of the 2025 operating budget process in an effort to reduce costs and identify operating efficiencies. As outlined in the table below, total operating expenses have increased by \$1,386,551, which represents a 5% increase over the portion of the 2024 operating expenditures that were determined to be wastewater. These operational increases are largely related to inflationary increases for chemical supplies at the pollution control plants. Details regarding the individual budget issues impacting stormwater can be found in the 2025 Operating Budget documents and in Appendix B.

### ***Capital Expenditures***

Building on the significant investments made in recent years, the 2025 stormwater budget proposes an overall annual capital increase of \$2.6M. for capital expenditures related to the LOS increase bringing the total capital expenditure budget to \$36.3M or 68% of the total recommended stormwater budget., This annual funding is used to fund storm sewer-related capital work identified in the stormwater project, including the significant sewer and flood mitigation investments identified as part of the SMP review.

Additionally, the 2025 wastewater budget proposes an overall annual capital increase of \$2.5M. This amount is made up of an additional transfer of \$1.0M to the Wastewater Reserve and an additional transfer of \$1.5M to the Pollution Control reserve bringing the total capital expenditure budget to \$31.7M or 51% of the total recommended wastewater budget. This annual funding is used to fund wastewater capital work, including the significant sewer and flood mitigation investments identified as part of the SMP review as well as to fund the expenditures required at the Pollution Control Plants.

As previously reported to City Council, capital projects, have been experiencing a significant increase in construction costs. The Construction Price Index YTD average for 2024 is 4.2%, with many City projects exceeding this inflationary index. The increased capital funding being recommended in the 2025 stormwater and wastewater budgets will help mitigate the rising construction costs so that the planned work can still proceed.

Additionally, in the recent past, the Wastewater Reserve (F153) has generally maintained a healthy balance. However, with recent flooding mitigation programs, grant applications, capital project tenders coming in higher than budget, and deficits within the Operating Fund, the Wastewater reserve balance has been declining. Beginning in 2025, the Wastewater Reserve (F153), as approved by council, will have 44% of the balance transferred to the Stormwater Reserve (F234). The proposed changes in the annual transfers will go towards building back up the reserves so that sufficient funding is in place to assist in addressing any urgent funding request or grant matching opportunities.

The stormwater and wastewater budgets currently fund approximately \$1.0M and \$10.0M respectively, of equipment purchases and replacements at the two Pollution Control plants and the pumping stations through an annual transfer to the Pollution Control Reserve (F208). Recognizing the need for continued maintenance and upgrades at these facilities, the 2025 wastewater budget recommends additional annual funding to ensure the sustainability of the Reserve.

The Pollution Control Reserve (F208) balance as at November 30, 2024 has a balance of \$2.8M and based on the current 15-year capital plan is expected to be in a deficit position in the near future. An additional annual increase of \$2.5M is required to keep the Reserve in a positive balance through the next 15 years. However, in an effort to manage projected expenditures with fiscal priorities and other budget pressures, an increase of \$1.5M has been recommended in the 2025 wastewater budget with phased increases to follow in the coming years.

The recommended increase will certainly have a positive impact on the future balance of the Reserve. Given ongoing inflationary pressures, there is a risk that planned expenditures for future years will need to continue to be increased to reflect actual projected costs. The capital plan, along with the available reserve balance, is analyzed annually as part of the budget process and will continue to be assessed to ensure its continued sustainability.

Future annual increases of the same magnitude as that proposed in the current budget will likely be required as both plant and equipment age and required replacement and upgrades become necessary.

### 2025 Recommended Stormwater and Wastewater Budget

The 2024 Approved Budget for Sewer Surcharge totalling \$104.8M was split into Stormwater and Wastewater budget components and were illustrated in the previous Stormwater & Wastewater council report that set the sewer fees (C 130/2024).

Administration is recommending an overall increase to the 2025 Stormwater budget of \$6,954,149, as detailed in the table below.

<b>Stormwater Funded Expenditures</b>				
	<b>2024 Approved Stormwater Budget*</b>	<b>2025 Recommended Stormwater Budget</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Operating Expenditures	\$ 12,343,706	\$16,741,855	\$4,398,149	36%
Contribution to the Pollution Control Reserve Fund	\$ 1,030,696	\$1,030,696	\$0	0%
Contribution to the Stormwater Reserve Fund (F234)**	\$ 3,250,000	\$3,250,000	\$0	(0%)
Capital Expenditures	\$ 29,469,538	\$32,025,538	\$2,556,000	9%
<b>Total Operating &amp; Capital</b>	<b>\$ 46,093,940</b>	<b>\$53,048,089</b>	<b>\$6,954,149</b>	<b>15%</b>

\*The 2024 Stormwater Budget has been adjusted to reflect post-budget administrative balancing adjustments.

\*\*The 2024 contribution amount went to Wastewater Reserve Fund (F153) as the Stormwater Reserve Fund (F234) is beginning Jan 1, 2025.

Administration is recommending an overall increase to the 2025 Wastewater budget of \$3,886,551, as detailed in the table below

<b>Wastewater Funded Expenditures</b>				
	<b>2024 Approved Wastewater Budget*</b>	<b>2025 Recommended Wastewater Budget</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Operating Expenditures	\$ 29,574,655	\$30,961,206	\$1,386,551	5%
Contribution to the Pollution Control Reserve Fund	\$ 10,037,049	\$11,537,049	\$1,500,000	15%
Contribution to the Wastewater Reserve Fund (F153)	\$ 3,250,000	\$4,250,000	\$1,000,000	31%
Capital Expenditures	\$ 15,868,213	\$15,868,213	\$0	0%
<b>Total Operating &amp; Capital</b>	<b>\$ 58,729,917</b>	<b>\$62,616,468</b>	<b>\$3,886,551</b>	<b>7%</b>

\*The 2024 Wastewater Budget has been adjusted to reflect post-budget administrative balancing adjustments.

Below is a summary of the Stormwater and Wastewater total program.

<b>Stormwater and Wastewater Budgets</b>				
	<b>2024 Approved*</b>	<b>2025 Recommended</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Stormwater Budget	\$ 46,093,940	\$53,048,089	\$6,954,149	15%
Wastewater Budget	\$ 58,729,917	\$ 62,616,468	\$3,886,551	7%
<b>Total Stormwater &amp; Wastewater Budgets</b>	<b>\$ 104,823,857</b>	<b>\$115,664,557</b>	<b>\$10,840,700</b>	<b>10%</b>

**Consultations:**

Windsor Utilities Commission  
 Pollution Control  
 Public Works Operations  
 Engineering  
 Asset Planning

**Conclusion:**

City Council previously approved the 2025 Wastewater and Storm Water rates (C130/2024) to facilitate a timely transition to the new funding model for both water and storm water operations on January 1, 2025. As part of the 2025 Operating Budget, City Council is now being requested to approve the respective budgets for waste and storm water. Based on the recommendations in the Stormwater implementation, the Sewer master Plan and the need to continue to fund much needed investments in the City's sewer infrastructure, it is recommended that the stormwater budget increase by \$6,954,149 and the wastewater budget increase by \$3,886,551 for 2025. These budget increases are consistent with the sewer rates previously approved by City Council at its meeting on October 28, 2024.

**Planning Act Matters:**

N/A

**Approvals:**

<b>Name</b>	<b>Title</b>
Mark Spizzirri	Manager of Performance Measurement & Business Case Development
Tony Ardovini	Deputy Treasurer, Financial Planning
David Simpson	Commissioner, Infrastructure Services and City Engineer

Name	Title
Janice Guthrie	Commissioner, Finance and City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

Name	Address	Email

**Appendices:**

- 1 Appendix A – 2025 Stormwater Budget and Four-Year Forecast (2026-2029)
- 2 Appendix B – 2025 Wastewater Budget and Four-Year Forecast (2026-2029)

**Appendix A: Stormwater Budget**  
**2025 Budget and Four-Year Forecast (2026 - 2029)**  
Forecast Based on Amended Rates @ January 1, 2025

	2024	2025	2026	2027	2028	2029
	Stormwater Budget (\$)	Recommended (\$)	Forecast (\$)	Forecast (\$)	Forecast (\$)	Forecast (\$)
<b>OPERATING EXPENDITURES</b>						
<b>POLLUTION CONTROL</b>						
Pumping Stations	2,128,728	2,755,075	2,892,829	3,037,470	3,189,344	3,348,811
Depreciation (Transfer To Reserves for Equipment Replacement)	1,030,696	1,030,696	1,130,696	1,230,696	1,330,696	1,430,696
	<u>3,159,424</u>	<u>3,785,771</u>	<u>4,023,525</u>	<u>4,268,166</u>	<u>4,520,040</u>	<u>4,779,507</u>
<b>SEWER MAINTENANCE &amp; REPAIR</b>						
Public Works	5,778,486	6,301,785	6,616,874	6,947,718	7,295,104	7,659,859
Engineering	379,084	1,336,975	1,403,824	1,474,015	1,547,716	1,625,101
Financial Planning	33,026	279,044	292,996	307,646	323,028	339,180
	<u>6,190,596</u>	<u>7,917,804</u>	<u>8,313,694</u>	<u>8,729,379</u>	<u>9,165,848</u>	<u>9,624,140</u>
<b>Total Operating Budget Expenditures</b>	<u>9,350,020</u>	<u>11,703,575</u>	<u>12,337,219</u>	<u>12,997,545</u>	<u>13,685,888</u>	<u>14,403,647</u>
<b>CAPITAL EXPENDITURES</b>						
Capital Expenditures	29,469,538	29,469,538	30,469,538	31,469,538	32,469,538	33,469,538
Stormwater LOS Capital - Year 1		2,556,000				
<b>Total Capital Expenditures</b>	<u>29,469,538</u>	<u>32,025,538</u>	<u>30,469,538</u>	<u>31,469,538</u>	<u>32,469,538</u>	<u>33,469,538</u>
<b>PLANNED INCREASE LOS (OPERATING &amp; CAPITAL)</b>						
Stormwater LOS	-	-	5,738,803	8,921,606	12,104,409	15,287,212
<b>TOTAL OPERATING AND CAPITAL EXPENDITURES</b>	<u>38,819,558</u>	<u>43,729,113</u>	<u>48,545,560</u>	<u>53,388,689</u>	<u>58,259,835</u>	<u>63,160,397</u>
<b>OTHER EXPENDITURES</b>						
ENWIN Administration Fee	1,227,469	1,400,846	1,470,888	1,544,433	1,621,654	1,702,737
ENWIN WRAP Funding	16,783	22,500	22,500	22,500	22,500	22,500
Overhead Allocation (Transfer to Current)	2,712,996	3,058,496	3,398,189	3,737,208	4,078,188	4,421,228
Appeals, Refunds & Credits	67,134	1,587,134	1,587,134	1,587,134	1,587,134	1,587,134
Transfer to Stormwater Reserve	3,250,000	3,250,000	4,316,629	6,294,236	9,087,589	12,794,304
<b>TOTAL OTHER EXPENDITURES</b>	<u>7,274,382</u>	<u>9,318,976</u>	<u>10,795,340</u>	<u>13,185,511</u>	<u>16,397,065</u>	<u>20,527,903</u>
<b>TOTAL OF ALL EXPENDITURES</b>	<u>46,093,940</u>	<u>53,048,089</u>	<u>59,340,900</u>	<u>66,574,200</u>	<u>74,656,900</u>	<u>83,688,300</u>
<b>STORMWATER REVENUES</b>	<u>(46,093,940)</u>	<u>(53,048,089)</u>	<u>(59,340,900)</u>	<u>(66,574,200)</u>	<u>(74,656,900)</u>	<u>(83,688,300)</u>

**NOTES:**

- A - Assumes general expenditures increase at a rate of 5.0% per annum (2026-2029) for inflation.
- B - Assumes annual transfers to reserves continue to increase based on Watson report projections.
- C - Overhead expenditure allocation based on approximately 7% of total operating and capital expenditures
- D - Revenues are based on 2025 impervious area projections
- E - Operating Expenditures include LOS increases of \$1,973,853 across various departments as detailed in BI 2025-0098

It should be stressed that the City's expenditure figures are projections. As with all projections, they are based on a number of variables and assumptions that, if not achieved, may materially impact the results of this model. This is especially true for longer term projections such as this.

**Appendix B: Wastewater Budget  
2025 Budget and Four-Year Forecast (2026 - 2029)**  
Forecast Based on Amended Rates @ January 1, 2025

	2024	2025	2026	2027	2028	2029
	Wastewater Budget (\$)	Recommended (\$)	Forecast (\$)	Forecast (\$)	Forecast (\$)	Forecast (\$)
<b>OPERATING EXPENDITURES</b>						
<b>POLLUTION CONTROL</b>						
Treatment Plants & Pumping Stations	18,214,984	18,974,213	19,922,924	20,919,070	21,965,023	23,063,274
Depreciation (Transfer To Reserves for Equipment Replacement)	10,037,049	11,537,049	12,037,049	13,037,049	14,037,049	15,037,049
	28,252,033	30,511,262	31,959,973	33,956,119	36,002,072	38,100,323
<b>SEWER MAINTENANCE &amp; REPAIR</b>						
Public Works	3,196,692	3,184,069	3,343,272	3,510,436	3,685,958	3,870,256
Engineering	548,370	640,940	672,987	706,636	741,968	779,067
Financial Planning	82,026	187,780	197,169	207,027	217,379	228,248
	3,827,088	4,012,789	4,213,428	4,424,100	4,645,305	4,877,570
<b>Total Operating Budget Expenditures</b>	<b>32,079,121</b>	<b>34,524,051</b>	<b>36,173,401</b>	<b>38,380,219</b>	<b>40,647,377</b>	<b>42,977,894</b>
<b>CAPITAL EXPENDITURES</b>						
Capital Expenditures	15,868,213	15,868,213	16,368,213	16,868,213	17,368,213	17,868,213
<b>Total Capital Expenditures</b>	<b>15,868,213</b>	<b>15,868,213</b>	<b>16,368,213</b>	<b>16,868,213</b>	<b>17,368,213</b>	<b>17,868,213</b>
<b>TOTAL OPERATING AND CAPITAL EXPENDITURES</b>	<b>47,947,334</b>	<b>50,392,264</b>	<b>52,541,614</b>	<b>55,248,432</b>	<b>58,015,590</b>	<b>60,846,107</b>
<b>OTHER EXPENDITURES</b>						
Debt Servicing Costs - LRWRP 20 Year Debenture	2,565,079	2,565,079	2,565,079	2,565,079	2,565,079	263,761
Debt Servicing Costs - Re-Issue Debt for DMAF 4	-	-	-	-	-	2,301,318
ENWIN Administration Fee	1,515,128	1,712,146	1,797,753	1,887,641	1,982,023	2,081,124
ENWIN WRAP Funding	20,717	27,500	27,500	27,500	27,500	27,500
Overhead Allocation (Transfer to Current)	3,348,793	3,586,613	3,677,913	3,867,390	4,061,091	4,259,227
Appeals, Refunds & Credits	82,866	82,866	82,866	82,866	82,866	82,866
Transfer to Wastewater Reserve	3,250,000	4,326,370	6,104,423	7,240,764	6,922,750	9,842,275
<b>TOTAL OTHER EXPENDITURES</b>	<b>10,782,583</b>	<b>12,300,574</b>	<b>14,255,534</b>	<b>15,671,240</b>	<b>15,641,310</b>	<b>18,858,071</b>
<b>TOTAL OF ALL EXPENDITURES</b>	<b>58,729,917</b>	<b>62,692,838</b>	<b>66,797,148</b>	<b>70,919,672</b>	<b>73,656,900</b>	<b>79,704,178</b>
<b>WASTEWATER REVENUES</b>	<b>(58,729,917)</b>	<b>(62,692,838)</b>	<b>(66,797,148)</b>	<b>(70,919,672)</b>	<b>(73,656,900)</b>	<b>(79,704,178)</b>

**NOTES:**

- A - Assumes general expenditures increase at a rate of 5.0% per annum (2026-2029) for inflation.
- B - Assumes annual transfers to reserves continue to increase based on Watson report projections.
- C - Overhead expenditure allocation based on approximately 7% of total operating and capital expenditures
- D - Revenues are based on 2025 water meter and consumption projections received from WUC.
- E - The chart above is meant to reflect the net wastewater expenditures funded by the wastewater fee. Therefore, expenditures and revenues in the chart exclude approximately \$2.5 million in expenses funded directly by billings to the towns of Lasalle & Tecumseh.

It should be stressed that both the Windsor Utility Commission's water consumption and City's expenditure figures are projections. As with all projections, they are based on a number of variables and assumptions that, if not achieved, may materially impact the results of this model. This is especially true for longer term projections such as this.





**Subject: WPL 2025 Annual Reserve Fund Expenditure Plan & List of Donations and Bequests received in 2024 - WPL Board**

**Reference:**

Date to Council: January 27, 2025  
Author: Carrie McCrindle  
Manager of Financial Accounting  
519-255-6770 ext 4426  
cmccrindle@citywindsor.ca  
Financial Accounting  
Report Date: December 30, 2024  
Clerk's File #: ML/10013 & AF/14854

**To:** Mayor and Members of City Council

**Recommendation:**

That Council **RECEIVE FOR INFORMATION** this report entitled "2025 Annual Reserve Fund Expenditure Plan & List of Donations and Bequests received in 2024 - Windsor Public Library Board".

**Executive Summary:**

N/A

**Background:**

The 2014 Operating Agreement between the Corporation of the City of Windsor and the Windsor Public Library Board (WPLB), as amended, pursuant to Section 2(b)(v), assigns the WPLB the responsibility to:

*"Direct the use of all Windsor Public Library reserve funds and bequests and donations made to the Windsor Public Library. At the time the Board makes its annual budget submission to City Council, the Board shall also submit an annual expenditure plan for the reserve funds, as well as a list of bequests and donations received, for the information of Council."*

This report is submitted on behalf of WPL Administration to fulfill this requirement.

**Discussion:**

**Reserve Fund Expenditure Plan**

The WPL Reserve Fund and 2025 Plan report, which provides the WPLB with the reserve fund balances year to date as well as the plan outlined below providing the plan for the use of the reserve funds for 2025, was approved by the WPLB on August 13, 2024. This future reserve fund expenditure plan, and draft fund balances as at November 30, 2024, are outlined in the table below.

Fund	Reserve Fund	Description	Balance November 30, 2024	Reserve Fund Expenditure Plan
199	Capital	For WPLB approved capital expenditures	\$411,368	Established to address unexpected capital expenditures. <b>At this time no additional expenses have been identified.</b>
200	Budimir	Established by the Budimir family to improve the Budimir Branch	\$15,318	Established to purchase furnishings, equipment & collection for the branch as needed. No expenditures anticipated
202	Discard	Revenue from the sale of discarded library materials and community donations	\$39,982	Currently designated to fund the opening day collection for the new Central Library <b>with funding transferred to the reserve from annual discard sales.</b> No expenditures anticipated.
204	Operation Expenditures	All net annual operating surplus funds are held in this fund.	\$3,296,564	Currently designated to fund the planning and development of a new Central Library. <b>Motion 65.19</b>
430	C.M. Bradley	Established by donations to recognize a WPL employee	\$4,533	Established to purchase furnishings, equipment & collection for the Sandwich/Muir branch. <b>Plans are in place to spend the remaining funding in 2025 with WPL Board approval.</b>
		Total	\$3,767,765	

Note this chart has been amended from what was presented to the WPLB at the August 13, 2024 Board meeting with updated fund balances and further Administration comments. Changes to comments are noted in **bold** text.

**Donations & Bequests**

A total of 17 individual donations totalling \$5,912 have been received in 2024 as of November 30, 2024. Details are provided in Appendix A.

**Risk Analysis:**

There are no identified risks with this information report.

**Climate Change Risks**

**Climate Change Mitigation:**

N/A

**Climate Change Adaptation:**

N/A

**Financial Matters:**

As discussed throughout the report.

**Consultations:**

WPL Administration

**Conclusion:**

This report is submitted to Council for information pursuant to Section 2(b)(v) of the 2014 Operating Agreement between the Corporation of the City of Windsor and the Windsor Public Library Board (WPLB), as amended.

**Planning Act Matters:**

N/A

**Approvals:**

Name	Title
Dan Seguin	Deputy Treasurer – Financial Accounting and Corporate Controls
Jen Knights	Chief Executive Officer – Windsor Public Library
Michael Chantler	Sr. Executive Director – Community Services
Ray Mensour	Commissioner – Community Services
Janice Guthrie	Commissioner, Finance and City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

<b>Name</b>	<b>Address</b>	<b>Email</b>

**Appendices:**

- 1 Appendix A - 2024 WPL Donations and Bequests

Windsor Public Library  
**2024 Donations and Bequests**

As of November 30, 2024

<b>Date</b>	<b>Fund</b>	<b>Amount</b>
25-Jan-24	Gift & Memorial	\$30
25-Jan-24	Gift & Memorial	\$285
25-Jan-24	Gift & Memorial	\$1,500
31-Jan-24	General	\$192
27-Feb-24	Gift & Memorial	\$30
03-Apr-24	Gift & Memorial	\$30
03-Apr-24	Gift & Memorial	\$30
06-May-24	General	\$20
15-May-24	General	\$100
31-May-24	General	\$20
31-May-24	General	\$5
31-May-24	General	\$100
12-Jun-24	General	\$30
31-Jul-24	General	\$5
31-Jul-24	General	\$5
08-Aug-24	Gift & Memorial	\$530
20-Nov-24	General	\$3,000

<b>Total Donations Received - \$</b>	<b>\$5,912</b>
<b>Total Donations Received - #</b>	<b>17</b>



**Subject: Municipal Accommodation Tax Program Update (City Wide)**

**Reference:**

Date to Council: January 27, 2025

Author: Lorie Gregg

Deputy Treasurer, Taxation, Treasury and Financial Projects

(519) 255-6100 ext. 6522

lgregg@citywindsor.ca

Taxation & Financial Projects

Report Date: October 25, 2024

Clerk's File #: AF/14854

**To:** Mayor and Members of City Council

**Recommendation:**

**THAT** City Council **APPROVE** an increase in the Municipal Accommodation Tax from four percent (4%) to six percent (6%), effective April 1, 2025, on the purchase of accommodation(s) for continuous stays of thirty (30) days or fewer; and,

**THAT** the corresponding increase in Municipal Accommodation Tax revenue be distributed equally between the City of Windsor and Tourism Windsor Essex Pelee Island, with the City of Windsor portion being transferred to the Tourism Development Infrastructure and Program Reserve Fund; and,

**THAT** the agreement between the City of Windsor and the Tourism Windsor Essex Pelee Island **BE AMENDED**:

1. To remove the annual minimum core operating budget funding of \$923,300;
2. To require that Tourism Windsor Essex and Pelee Island establish an operating reserve to sustain future operations; and,

**THAT** agreements between the City of Windsor and short-term rental companies acting as agents to collect Municipal Accommodation tax from all registered operators associated with the company **BE AMENDED** for the change in rate from four percent (4%) to six percent (6%), effective April 1, 2025, satisfactory in form to the City Solicitor and technical and financial content to the City Treasurer; and,

**THAT** the remaining approved commitments for additional funding for City of Windsor focused initiatives of \$175,000 per year for 2025 and 2026 **BE FUNDED** from the Tourism Development Infrastructure and Program Reserve Fund; and,

**THAT** the CAO **BE AUTHORIZED** to approve requests for funding by Administration for projects or initiatives that primarily benefit tourism in the City of Windsor to be funded from the Tourism Development Infrastructure and Program Reserve Fund; and,

Where amounts approved by the CAO exceed \$150,000 **THAT** said approval **BE REPORTED** annually to City Council as part of the year-end operating report; and,

**THAT** the Chief Administrative Officer and the City Clerk be **AUTHORIZED** to sign an agreement with Tourism Windsor Essex and Pelee Island relating to Municipal Accommodation Tax, and with the short-term rental companies acting as agents to collect Municipal Accommodation Tax, satisfactory in form the City Solicitor and technical and financial content to the satisfaction of the City Treasurer; and,

**THAT** the City Solicitor **BE AUTHORIZED** to update the Municipal Accommodation Tax By-law.

### **Background:**

In April of 2017, the Province of Ontario passed Bill 127: Stronger, Healthier Ontario Act (Budget Measures) 2017, which allowed lower or single tier municipalities in Ontario to charge a mandatory Municipal Accommodation Tax (MAT), often referred to as a “Hotel Tax”. The addition of Part XII.1, Power to Impose Transient Accommodation tax, to the Ontario Municipal Act, 2001 (the Act) and accompanying Ontario Regulation 435/17, Transient Accommodation Tax, came into force on December 1, 2017.

On September 17, 2018, the City of Windsor passed By-law 133-2018, which imposed a four percent (4%) MAT on the purchase price of any accommodation provided for a continuous period of thirty (30) days or less in a hotel, motel, inn, Bed and Breakfast, resort, hostel, dwelling unit, or any other place in which accommodation is purchased.

As per Ontario Regulation 435/17, the City of Windsor entered into a revenue-sharing agreement with Tourism Windsor Essex Pelee Island (TWEPI), a not-for-profit organization and the official Destination Marketing Organization (DMO) for our regional tourism industry. The revenue-sharing agreement allows for MAT proceeds, net of reasonable costs for administering the Program, to be shared equally between the City of Windsor and TWEPI. The City of Windsor’s share of the proceeds is transferred to the Tourism Development Infrastructure and Program Reserve Fund and used to fund tourism attractions enhancements. TWEPI’s share of proceeds are used to fund their operations. Furthermore, City Council authorized (CR427/2018) the Chief Administrative Officer to approve requests for additional funding to be made by TWEPI for specific City of Windsor focused initiatives. Funding for these requests would come from the annual contribution of \$300,300 allocated to the Tourism Development Infrastructure and Program Reserve Fund, to fund tourism attraction enhancements.

The City of Windsor is responsible for the collection and administration of the MAT Program. Presently, there are forty-three (43) remitters. This includes the community-based online platform Airbnb, which remits on account of several providers or short-term rental companies (hereinafter referred to as Providers). Remittances by Providers are made monthly, where annual revenues of the Provider are more than \$6 million, or quarterly, where annual revenues of the Provider are \$6 million or less. Providers are

given self-remittance forms and filing instructions. Payments are made by cheque or electronic funds transfers within 30 days of the end of the filing period. Late payments are subject to penalties and interest of:

- 1 ¼% of the amount of tax due and unpaid as a penalty charge for non-payment on the first day of default and;
- 1 ¼% of the amount of tax due and unpaid as an interest charge on the first day of each month of non-payment of the outstanding tax remittance.

Consistent with the requirements of the Act, the By-Law 133-2018 allows Providers with a dispute resolution mechanism, if there is an objection with MAT that has been assessed or reassessed by the City.

**Discussion:**

From October 2018 to December 2023, the MAT Program has generated additional revenue, net of administrative costs of \$9,622,916, shared equally with TWEPI. The additional revenue has been reinvested into marketing Windsor, Essex, and Pelee Island as a destination spot. It has also provided Windsor with opportunities to host conferences and sporting events including:

- 2022 Hockeyfest GAME ON
- 2022 Play On! Canada
- 2024 Olympic Diving Trials
- 2024 Destination Ontario Marketing Partnership
- 2024 NFL Draft Detroit: Windsor Activation
- 2024 Canadian National Junior Team Summer Showcase

Further, the City of Windsor has reinvested its share of the revenue into tourism attraction enhancements including:

- Peace Fountain Restoration and Repairs (PFO -002-19)
- Central Riverfront Improvement Plan & Civic Esplanade/Plaza (PFO-003-15), more specifically the City Hall Square Ice Rink

**Occupancy:**

Locally, occupancy rates for short-term stays continue to rise. The following table illustrates the occupancy rates for hotels in Windsor for the period 2018 to 2023. In general, the table below demonstrates that hotel occupancy has rebounded since the COVID-19 Pandemic, and in fact now exceeds pre-pandemic levels.

Reference Year	Occupancy Rate
----------------	----------------



2018	65.9%
2019	60.6%
2020	32.9%
2021	43.1%
2022	51.5%
2023	72.9%

Reference: Government of Ontario (<https://data.ontario.ca/dataset/hotel-statistics>)

For 2024, monthly average occupancy is 73.96% for the period January to October for hotels as compared to 73.79% for the comparative period in 2023. This data was derived locally from hotels self-reporting monthly. The trend in the data is consistent with the Canadian Hotel Industry Outlook Report released in September of 2024, which forecasts that hotel occupancy levels will stabilize from 2024 to 2027.

For the year-ended December 31, 2024, Administration is forecasting MAT revenue, net of administrative costs of \$2.95 million. This represents a \$250K increase in MAT revenue, net of administrative costs, from 2023 (2023 - \$2.7 million).

### **Municipal Monitoring**

Administration continues to monitor the MAT rate in effect at other municipalities in Ontario. In general, most municipalities maintain a four percent (4%) MAT rate. Municipalities with different rates (other than four percent) or that are adopting changes to their rates in the near term are as follows:

<b>Municipality</b>	<b>Rate</b>
City of Niagara Falls	\$2 per night
City of Toronto	6%
City of Mississauga	6%
City of Kingston	5%
City of Ottawa	5%
City of London	4%, Changing to 5% January 1, 2026
Town of Niagara on the Lake	3%, Changing to 4% on January 1, 2025
City of St. Catharines	3%, Changing to 4% on January 1, 2025

### **Proposed Changes to the MAT Program**

As part of the MAT Program review, Administration is recommending a two percent (2%) increase in the MAT rate from four percent (4%) to six percent (6%), on purchase of accommodation(s) for continuous stays of thirty (30) days or fewer. This increase will provide the needed revenue to keep pace with inflationary pressures on attractions that improve our visitor experience. To allow sufficient time for communication to the Providers in Windsor, Administration is recommending an effective date of April 1, 2025.

Furthermore, Administration is recommending the following changes to the agreement with TWEPI:

- **Guaranteed Annual Base Funding:** In recognition of the growth in MAT revenue generated since the inception of the Program in October of 2018, Administration is recommending discontinuing the guaranteed annual base funding of \$923,300.
- **Operating Reserve:** Administration is recommending that TWEPI establish an operating reserve, to sustain future operations. The City of Windsor will continue to support in terms of any tourism grants that may become available through upper levels of government.

### **Requests for City-Focused Initiatives (Previously Approved)**

With the increase in the MAT rate from four percent (4%) to six percent (6%), TWEPI's share of proceeds from the MAT Program will increase. Therefore, Administration is recommending that requests, from TWEPI, for additional funding supporting City-focused initiatives be discontinued in 2025 and going forward. Further, Administration is recommending that previously approved requests for 2025 and 2026, as noted below, be funded from the Tourism Development and Infrastructure and Program Reserve Fund.

	<u>2025</u>	<u>2026</u>
Windsor International Film Festival	\$ 50,000	\$ 50,000
World (2025) and Canada (2026) Diving Cup	<u>125,000</u>	<u>125,000</u>
Total Future Commitments	<u>\$175,000</u>	<u>\$175,000</u>

### **Requests for City-focused Initiatives (New)**

As indicated above, requests from TWEPI for additional funding supporting City-focused initiatives will be discontinued in 2025 and going forward. However, it is anticipated that there will still be a need to address future funding requirements for City-focused initiatives by Administration, that are not capital in nature, Administration is recommending that City Council authorize the CAO to continue to approve such requests. Requests for funding would only be approved if they met the criteria as previously established primarily:

- Event Sponsorship and Host Receptions

- Development of event Bid Submissions and related Bid Fees
- Conference and Event Programming
- Marketing and Branding initiatives

At times, and for larger events which require hosting and bid support, amounts being requested may exceed \$150,000 and may be considered significant. Administration is recommending that any requests approved by the CAO and funded from the Tourism Development and Infrastructure and Program Reserve Fund which exceed \$150,000 will be reported annually to City Council as part of the overall year end operating report.

**Risk Analysis:**

The risks associated with increasing the MAT rate from four percent (4%) to six percent (6%) include:

- Loss of demand for accommodations in the City of Windsor, as visitors may seek accommodations elsewhere to avoid the additional cost. This risk is considered low given Windsor’s relative proximity to other large municipalities in Southwestern Ontario and few alternatives within the Windsor-Essex County catchment area.
- Foregoing the increase in MAT may result in a shift of the burden to maintain local tourism infrastructure to local taxpayers.

It is important that the City communicate the on-going importance of revenues generated through the MAT Program, and how these dollars are used, not only to market Windsor as a destination spot, but also to support the on-going maintenance of Windsor’s tourism attractions, which provide memorable experiences to our visitors.

**Climate Change Risks:**

**Climate Change Mitigations:**

N/A

**Climate Change Adaptations:**

N/A

**Financial Matters:**

The proposed increase in the MAT tax rate from four percent (4%) to six percent (6%), is expected to generate \$4.2 million, net of administrative costs which represents a \$1.25 million increase over forecasted 2024 revenue. These revenues will be shared equally between the City of Windsor and TWEPI, with the City’s share (\$2.1 million)

being transferred to the Tourism Development Infrastructure and Program Reserve Fund.

As discussed under Proposed Changes to the MAT Program, there are previously approved requests for future events of \$175,000 per year for 2025 and 2026. At November 30, 2024, the Tourism Development and Infrastructure and Program Reserve Fund had a balance of \$2,023,626, net of encumbrances. The balance in this reserve fund is sufficient to fund these outstanding commitments over the two (2) year period.

Further, the 2025 Operating Budget, includes a recommendation for the elimination of the use of funds for specific City of Windsor focused initiatives to a maximum of \$300,300 per annum represents a savings in the 2025 operating budget and going forward.

The 2025 Capital Budget includes \$25.5 million in MAT revenue over the 10-year period, which, if approved, would support the following projects:

- Peace Fountain Restoration and Repairs (PFO -002-19);
- Central Riverfront Improvement Plan & Civic Esplanade/Plaza (PFO-003-15);
- 401 Riverside Drive West Capital Refurbishments (PFO -003-13);
- Lakeview Park Marina Rehabilitation Program (REC-002-07);
- Other tourism related projects (REC-003-24; FIN-001-19).

**Consultations:**

Gordon Orr – CEO, Tourism Windsor Essex Pelee Island

**Conclusion:**

Administration is recommending an increase in MAT rate from four percent (4%) to six percent (6%) effective April 1, 2025. Revenue generated from the MAT Program not only market the City of Windsor as a destination spot, but also support the on-going maintenance of Windsor’s tourism attractions, which provide memorable experiences to our visitors.

**Approvals:**

Name	Title
Lorie Gregg	Deputy Treasurer, Taxation, Treasury & Financial projects
Janice Guthrie	Commissioner of Finance and City Treasurer
Joseph Mancina	Chief Administrative Officer

**Appendices:**



**Subject: Options for Dog Licensing and Registration - City Wide**

**Reference:**

Date to Council: January 27, 2025

Author: Craig Robertson

Manager of Licensing and Enforcement & Deputy Licence Commissioner

519-255-6100 ext. 6869

crobertson@citywindsor.ca

City Clerk

Report Date: January 7, 2025

Clerk's File #: ACLD/13154 and AF/14854

**To:** Mayor and Members of City Council

**Recommendation:**

**THAT** Council **RECEIVE** the report of the Manager of Licensing & Enforcement and Deputy Licence Commissioner dated January 7, 2025 entitled "Options for Dog Licensing & Registration"; and,

**THAT** Council **DIRECT** Administration **TO MAINTAIN** the status quo as it relates to the City's current dog licence and registration program for 2025; and further,

**THAT** Council **DIRECT** Administration **TO IMPLEMENT** a voluntary dog licensing program and education campaign, along with a mandatory registry for dogs that have bitten or attacked to commence the 2026 registration period; and further,

**THAT** Council **DIRECT** Administration **TO AMEND** Bylaw No. 245-2004, The City's dog control and registration by-law to reflect these changes.

**Executive Summary:**

N/A

**Background:**

Historically, The City of Windsor had mandated annual dog licences for pet owners at a cost to them based on a variety of factors which included compliance dates and alteration status of the animal. Dog licences were valid from the time of purchase and were due at the end of each calendar year. A grace period to avoid late renewal fees was provided if renewed by February 1<sup>st</sup>. Approximately 10,500 licences were issued annually, with a 65% compliance rate, necessitating follow-up by enforcement staff for

the remaining 35%. Fee reductions were available for spayed or neutered dogs upon proof of alteration, and service animals were exempt from fees with proper documentation. However, no fee reductions existed for microchipped dogs.

During the 2024 Budget deliberations, Council recommended waiving fees for dogs that are both altered and microchipped, while still requiring registration and issuance of a unique identification tag. It was suggested that this process would remove “red tape” for dog owners who registered their dog and that it could possibly free up By-law Enforcement Officer time to concentrate on other priorities and initiatives. Owners who had already paid fees for 2024 for such dogs were able to seek reimbursements.

In addition, Council further directed administration with the following:

*Moved by: Councillor Jo-Anne Gignac*

*Seconded by: Councillor Fred Francis*

**Decision Number: B14/2024**

*That administration **BE DIRECTED** to report back to Council for the 2025 budget deliberations regarding an analysis related to Dog Licensing fees and the impact that a one-time voluntary registration fee may have on administrative resources.*

### **Discussion:**

The implementation of the new dog licensing system began immediately following Council’s decision. At the time of authoring this report, approximately 8,500 dog licences have been issued for the 2024 campaign. Of those, approximately 350 dog owners met the requirements for the full fee reduction and did not have to pay when registering their dog. Dog owners who renewed their pet’s license prior to Council’s decision were eligible for refunds and approximately 300 dog owners took advantage of that opportunity. It should be noted that the remaining dog owners that met the thresholds for free registration communicated to Licensing & Enforcement staff that they did not want to go through the hassle of a refund process (for a \$17 tag) and indicated that they would take advantage of the free registration the following year.

As noted in previous years, the Corporation issued an average of 10,500 dog licences annually under a mandatory registration program. The voluntary compliance rate has sat between 60-65%, necessitating Bylaw Enforcement Officers to follow up with over 3000 service requests to address dog owners who may not be following the registration requirements. The initial actions taken by Officers are mainly phone call reminders to residents taking between 5 and 10 minutes each. However, in most cases several actions are required which may include multiple calls, initial and follow-up site visits, education and at times enforcement action. In these situations, a significant amount of Officer time is spent on a single non-compliant individual with no service cost recovery. The amount of general follow-up work being undertaken by Bylaw Enforcement Officers

in relation to the dog licensing program has always been significant. While ensuring the successful compliance to any City program is paramount, this workload does take a substantial amount of Officer time that could be spent on other initiatives and City Council priorities.

While most municipalities in Ontario have a dog licensing program, the consensus is that it's difficult to balance the enforcement needs of the program with the wide-ranging enforcement needs for the rest of their municipality. Most municipalities indicated that they do not pro-actively deploy enforcement resources unless responding to a complaint and operate a "quasi" voluntary registration program. Most cite an enforcement backlog and agree that, at renewal times, their respective dog licensing programs can take precedence over other enforcement needs. Every municipality cites the importance of a strong educational campaign in conjunction with ensuring compliance to attain the goals of the program. Municipalities have employed various methods to manage the dog licensing program and allow enforcement staff to focus on other initiatives. The issue of the heavy workload of a dog licensing regime is shared across municipalities, and while some are trying to help manage it, Officer resources still need to be involved.

With the above in mind, the following options are submitted for Council's review in terms of managing the City's dog licensing program on an ongoing basis.

### **Status Quo**

The newest iteration on the dog licence program allows for pet owners with altered and microchipped pets to acquire the benefits of the program at no cost to themselves. In partnership with Ren's Pets, the current program provides residents who register their pets (on-line) a \$20 voucher for use at Ren's Pets locations, providing further motivation for residents to register their dogs with the City. While the City has seen success with this program thus far, the issue of workload has not been addressed. Those owners who have their pets altered and microchipped are likely to be included in the initial 65% compliance rate which requires no follow-up by Officers.

While the changes to the program have benefitted some members of the public, it's not been able to assist in freeing up Officer time to focus on other enforcement initiatives as registration remains mandatory for all dog owners. In addition, the full cost for Licensing staff to administer the program is not being recovered as there is still a requirement to process and file the "free" applications, issue a physical identification tag and maintain the licence registry.

### **No Licensing Regime**

A limited number of municipalities have foregone a dog licensing regime altogether. These are generally small, rural areas with limited staff and resources. Although this option would free up valuable time for By-law Enforcement Officers, this option is not recommended for the City of Windsor. There are many benefits to having a registration

or licensing program overall, one of the biggest being lost pet recovery. Pets can easily get lost, whether they escape from home or get separated while on a walk. A licence or microchip provides identification and shows the pet has an owner. If a lost licensed or microchipped dog is found, the information can be traced back to the guardianship through the City's and Humane Society's databases and the pet can then be quickly reunited with the owner. In addition, a registry that includes dangerous or potentially dangerous dogs allows enforcement agencies to identify the location of pets that pose a threat to the community.

Dog licensing fees also go towards supporting animal shelters and welfare initiatives such as the services provided to the municipality by the Windsor Essex County Humane Society (WECHS) and the feral cat spay/neuter voucher program. The revenue lost by eliminating licensing requirements all together may impact the levels of program services the WECHS can provide. The agreement with the WECHS will be discussed further in the financials area of this report.

A licensing system is also paramount for ensuring the safety of the community through the registration of dogs that have bitten, attacked or have acted in a manner that is menacing or poses a threat to an individual or another animal. The registry allows information to be maintained regarding occurrences and any control requirements imposed on an owner for their dog. This information is used by enforcement officers for many reasons, including the maintenance of their own safety when investigating and responding to citizen complaints.

### **One-Time Registration**

A one-time dog registration fee could be considered for Windsor and has been implemented by some municipalities. Like the de-regulation option, the municipalities that have endorsed this type of program are often small, rural areas with limited staff and resources to maintain and enforce an annual registry. Lifetime registration fees are often higher than traditional annual and renewal fees and range from \$75.00 to \$200.00 per the municipal scan. The challenge with this approach has been the willingness for dog owners to voluntarily comply due to circumstances such as paying higher registration fees than those accustomed to, decreased interest with rescue and adoption initiatives and the dog's age. In these cases, municipal councils and administrators have faced criticism from dog owners requesting retro active payments and re-imburement of previous year registration fees causing budget implications and burdens on their registration program. In addition, the regulatory authority has faced challenges maintaining the registry specific to circumstances when a dog has passed away, moved to another residence or where ownership has changed.

A one-time registration program could potentially recover the administration and issuance of a dog licence however, expensive enforcement resources would still be required to ensure that dog owners are adhering to a mandatory one-time registration



program. It is unlikely that the cost of a lifetime registration licence would cover the costs associated to enforce the program and would certainly take away staff resources from other by-law enforcement priorities.

### **Voluntary Licensing Program**

In evaluating options and in-line with Council's intent to remove "red tape" for residents and free up enforcement officer resources, Administration recommends a voluntary dog licensing program. In this case, a combination of the current licensing regime could be considered, wherein a robust educational campaign on the importance and benefits of pet registry by obtaining a licence or microchip is brought to the forefront. An annual single flat registration rate of \$25.00 is proposed, regardless of time of purchase or the pet's alteration status. The fee will recover the cost of administering and issuing the licence. Annual registration reminders accompanied with educational material will still be sent to dog owners at year end and the partnership with Ren's Pets would still be maintained, allowing for residents to acquire the additional benefit and incentive of a \$20 in store coupon for on-line registrations as the current contract allows. With positive rates of voluntary compliance, it is believed that responsible pet owners who realize the value of registration would continue to comply. A voluntary program would provide a significant increase in the amount of time Officers are able to use to support other enforcement initiatives. Licensing & Enforcement Administration would collaborate with the Windsor-Essex County Humane Society and internal customer service and marketing staff to develop the educational portion of the campaign.

Although the intent of the program will be voluntary for most, mandatory dog registration will be required for those dogs that have bitten, attacked or have acted in a manner where an Officer deems the behaviour to be menacing or a public risk. A dog at risk registry would be maintained by municipal licensing staff and the owners of these dogs would be required to pay an elevated fee of \$150.00 to deter irresponsible behaviours and ensure cost recovery for the Department to maintain the information required to uphold public safety. By-law Enforcement Officer resources would still be required to ensure the registration is upheld however, the time spent on dog registration matters would be significantly reduced compared to the previous mandatory or status quo registration programs.

The 2025 dog licence campaign is scheduled from December 1, 2024 until November 30, 2025. Administration proposes that the voluntary dog licence program and mandatory dog at risk registry be in place for the 2026 campaign which would commence on December 1, 2025. The changes recommended in this report would not have an impact on the 2025 operating budget in terms of the user fee schedule or a potential loss in budgeted revenue. Any financial implications of this recommendation (should Council approve it) would be brought forward in a budget issue during the 2026 budget development process.

## **Risk Analysis:**

There is a moderate financial risk by maintaining the status quo or eliminating the dog licensing program based on the revenue sharing agreement with the Windsor Essex County Humane Society. Although there is a clause in the contract to allow the Corporation to withdraw licensing revenues, the WECHS could incorporate the loss of any revenues into the cost for future services upon the next Request for Proposal (RFP) process to be offered in 2027. A voluntary program and mandatory dog at risk registry would mitigate some of this risk by continuing to maintain the revenue sharing agreement and proactively encourage dog owners to register through educational materials and literature.

Maintaining the status quo or a mandatory registration regime provides a significant risk opportunity related to an increase in response times to other priority by-law enforcement complaints or service requests. Without consideration of site visits or enforcement efforts, initial telephone calls to noncompliant dog owners take upwards of 500 total staff hours.

The implementation of a voluntary licensing system provides minimal risk to the Corporation. The program would essentially fund itself based on voluntary compliance. The hours saved from By-law Enforcement Officer services would be dramatically cut and put back into enforcement of other initiatives.

## **Climate Change Risks**

### **Climate Change Mitigation:**

N/A

### **Climate Change Adaptation:**

N/A

## **Financial Matters:**

### **Non-Cost Recovery vs. Full-Cost Recovery**

In previous years, the City's mandatory dog licensing program generated an average of \$237,650 annually. However, in 2024, the program generated approximately \$155,000 in revenue, significantly less than previous years. It is suspected that this number will continue to decrease during the 2025 campaign because of the changes made to registration fees during 2024 budget deliberations. It is most certain (based on consumer feedback) that more owners of a dog that is altered and microchipped will participate in the free registration in the upcoming year. It is suspected that more dog owners will take advantage of the thresholds for free registration resulting with an annual decrease in municipal revenue over the years to come as it is less expensive to microchip rather than licence a dog. In addition, the program does not operate at full

cost recovery as Licensing staff resources are still required to process the applications at no cost and Officer follow up is still required for non-compliance as it remains as a mandatory regime.

Although unknown until the end of the 2025 campaign, it is inevitable that there will be a decrease in revenue with the status quo registration program, as well as a corresponding decrease to the sharing payment to the Humane Society. Therefore, Administration has presented its rationale to recommend the implementation of a voluntary dog licence program except for dogs at risk. In addition, this would allow for valuable enforcement officer resources to be better utilized on other outstanding priorities. There would be no additional costs including staff resources to implement this initiative in 2026, however, the anticipated revenue loss would be brought forward during the 2026 budget process. The education campaign would be conducted in house in conjunction with the Windsor-Essex County Humane Society through both corporate websites, social media and registration notices which are already budgeted for. The registration program would essentially fund itself based on voluntary compliance and impose a significantly higher registration fee, inclusive of any other monetary penalties or control provisions, for irresponsible pet owners or dogs that pose a risk to the public.

### **Proposed Dog Registration Fees**

New or “on time” dog registration fees currently range from \$17 to \$34 based on alteration status. Increased fees up to \$98 are applied for late renewals. Licence fees are currently waived for any dogs that are altered and microchipped regardless of when the dog is registered with the City.

As previously mentioned in this report, it is proposed that a flat rate of \$25.00 would be charged for a voluntary annual dog licence and a mandatory elevated fee of \$150.00 would be imposed for those dogs that have bitten/attacked a person or animal or where an Officer has deemed the behaviour(s) of a dog pose a threat to the community. These user fee changes would be addressed during the 2026 budget process and would be reflected in the 2026 user fee schedule.

Dog owners who wish to register their dog online with the City would still be entitled to receive the in-store coupon offered by Ren’s Pets until such time that the contact is dissolved. There are no direct costs to the City associated with the incentive offered by Ren’s Pets.

### **Windsor-Essex County Humane Society Contract**

The Windsor Essex County Humane Society is under contract to provide our municipality with pound services until June 30, 2027. Revenues from dog licence sales are aside and go towards programs including shelter and welfare initiatives offered by the WECHS. As part of that agreement, revenue shares are noted below:

*Up to \$139,220: 100% Corporation*

*\$139,220.01 - \$202,220 40% Corporation, 60% Proponent*

*\$202,220.01 and over 20% Corporation, 80% Proponent*

The fees or lack of fees collected for dog registration will impact the future revenue sharing with the WECHS, regardless of whether the program remains status quo or if there was to be a change in service delivery. Within the agreement, there is language indicating that the City is not obligated to continue with a dog licensing program and that a total elimination would dissolve all revenue sharing.

As previously noted, it is likely that revenues will continue to decrease with the status quo as it is likely that over time, more and more dog owners will become eligible for free registration under the current dog registration program. The voluntary program and mandatory dog at risk registry provides a level of financial security to some degree as any costs will be recovered within the program itself and allows for revenue sharing to continue.

**Consultations:**

Various municipalities across Windsor-Essex County and Ontario  
Lynnette Bain – Executive Director, Windsor-Essex County Humane Society  
Alena Sleziak – Senior Manager of Communications and Customer Service  
Rosa Maria Scalia – Financial Planning Administrator  
Dawn Lamontagne – Purchasing Manager (A)

**Conclusion:**

While the current licensing system has allowed some members of the community a break from paying dog licence fees, it does not address the amount of staff time devoted to the program. Other municipalities have noted the same issues and have been trying to move forward with different mechanisms to attempt to mitigate this. Implementation of a voluntary dog licence program packaged with a strong educational campaign that focuses on the benefits and importance of dog registration, will allow Licensing and Enforcement staff to focus on other initiatives and will ensure that the program is operating on a cost recovery basis. The Department would maintain a separate mandatory registry for dogs that have bitten, attacked or have shown behaviours considered by an Officer to be a public risk. The intent of elevated licence fees for these types of dogs is to deter pet owners from participating in bad dog control practices and the recovery of staff costs to maintain the registry.

As previously mentioned, the 2025 dog registration program is scheduled from December 1, 2024 until November 30, 2025. Should Council decide to implement changes to the current dog registration program it is being recommended by Administration that it be done so for the 2026 campaign.

**Planning Act Matters:**

N/A

**Approvals:**

<b>Name</b>	<b>Title</b>
Craig Robertson	Manager of Licensing & Enforcement and Deputy Licence Commissioner
Anna Ciacelli for Steve Vlachodimos	City Clerk & Licence Commissioner
Dana Paladino	Senior Executive Director of Corporate Service (A)
Ray Mensour	Commissioner of Community and Corporate Services
David Soave	Manager, Strategic Capital Budget Development & Control
Janice Guthrie	Commissioner of Finance & City Treasurer
Joe Mancina	Chief Administrative Officer

**Appendices:**



**Subject: Results of the Minutes of Settlement for the Centralized Appeals for Banner Stores in Windsor - City Wide**

**Reference:**

Date to Council: January 27, 2025  
Author: Carolyn Nelson  
Manager Property Valuation & Administration  
(519) 255-6100 ext. 6170  
cnelson@citywindsor.ca

Taxation & Financial Projects  
Report Date: November 21, 2024  
Clerk's File #: AF/14854

To: Mayor and Members of City Council

**Recommendation:**

**THAT** City Council **RECEIVE** for information, the results of the Minutes of Settlement for the Centralized Assessment Appeals for Banner Stores in Windsor as required per CR 334/2016 (Report S 76/2016); and further,

**THAT** City Council **RECEIVE** for information, the status of all Assessment Appeals filed with the Assessment Review Board (ARB).

**Executive Summary:**

N/A

**Background:**

In April 2016, Administration went to Council with a report (S 76/2016) recommending:

- **THAT** City Council **AUTHORIZE** the CFO/City Treasurer (or delegate) to sign Minutes of Settlement as it related to Centralized Property Appeals, and
- **THAT** the CFO/City Treasurer (or delegate) **BE REQUIRED** to report the results of the Minutes of Settlement to City Council once all appeals had been finalized.

The report was approved by City Council (CR 334/2016). This is the required follow-up report requested in the second Recommendation.

## **Discussion:**

### **CENTRALIZED ASSESSMENT APPEALS**

All properties in Ontario are provided with an assessment value for the purpose of calculating and levying annual property taxes by the municipalities. The provincial body responsible for the valuation is the Municipal Property Assessment Corporation (MPAC). MPAC determines this assessment value using the current sales/market values based on properties' current state and condition. Typically reassessment occurs once every four (4) years. If there is an increase in value, the increase will be phased in evenly over the four (4) years. If there is a decrease in value, it is applied in full in the first year of the cycle. As noted below, assessment valuations updates have been placed on hold.

Property owners have the opportunity to appeal the assessment value of their property annually through a Request for Reconsideration which is filed directly with MPAC, and/or through an appeal filed with the Assessment Review Board (ARB).

2017 was the first year of the 2016 assessment cycle which updated assessment values for all properties in Ontario to be phased in from 2017 through 2020. This new assessment update triggered a significant number of new appeals largely in the commercial property class, and the ARB was already dealing with a tremendous backlog of appeals, some dating back to 2009.

One solution to deal with the backlog was to group all outstanding centralized appeals for properties classified as "banner stores." This would expedite the settlement process by dealing with properties that have similar attributes and/or ownership on a province wide basis at the same time. The valuation of like properties would be done more efficiently and consistently. "Banner stores" are represented by brand name stores with locations throughout Ontario. Properties in this group include the following store names:

- Costco
- Wal-Mart
- Target
- Sears
- Hudson's Bay
- Lowes
- Loblaw
- Shoppers Drug Mart
- Leon's
- Rona
- Sobey's
- Metro
- Forzani's
- Winners/Home Sense
- Cineplex
- Pizza Pizza
- Best Buy
- Tim Horton's

Appendix A of this report is an updated version of the appendix contained in the original report from 2016. It lists all the banner stores in Windsor, appeals filed at the time of the report, shows that all appeals have been settled, the tax implications of the Minutes of Settlement (MOS), and whether the appeals were settled through MOS or withdrawn by the parties that filed the appeals.

The ARB sets out a Schedule of Events for every appeal filed that includes a Statement of Issues, Response(s) to the Statement of Issues, requests for evidence and expert opinions, and a mandatory settlement meeting. After this meeting, MPAC provides MOS to the Appellant and the City for consideration and execution. For these centralized appeals, MOS were reviewed by City Administration and for those properties assessed greater than \$10 million, consultants and legal counsel were utilized to review and represent the City's interests. Because City Council approved the recommendation to delegate authority to the CFO/Treasurer (or delegate) to sign the MOS on these appeals (CR386/2017), they were finalized much quicker.

## **CURRENT STATUS OF ALL APPEALS**

Since the COVID pandemic in 2020, the Ministry of Finance has temporarily halted the four-year assessment update process, which means that MPAC has not updated the assessment values of all properties in Ontario since 2016 (unless due to appeal, error, or where additions/removals/changes to the property have occurred). Because of this, the number of new appeals being filed is minimal. This has allowed the ARB to complete all the backlogged appeals. Currently, there are only eleven (11) Windsor properties with open appeals, all for 2024.

Throughout 2024, Administration processed tax reductions resulting from the settlement of fourteen (14) appeals for eight (8) properties.

## **Risk Analysis:**

MPAC has not provided property owners with an updated assessment value since 2016. Since then, the market value of property has grown exponentially; some residential properties in Windsor are selling for as much as three times what they would have sold for four years ago. The Ministry of Finance is currently reviewing the assessment update process and has not indicated when the next update will be. This is very concerning for municipalities as the distribution of property taxes amongst property owners continues to reflect outdated information. MPAC, the ARB, and Ontario municipalities will need to develop a strategic plan on how to handle all the questions and appeals that will be asked and filed by property owners when the next update is completed.

## **Climate Change Risks**



N/A

**Climate Change Mitigation:**

N/A

**Climate Change Adaptation:**

N/A

**Financial Matters:**

**Centralized Assessment Appeals** – All banner store appeals that were in process at the time of the original report have been settled, MOS signed, and resulting adjustments made to property tax accounts. Appendix A shows a list of ninety-eight (98) banner stores identified in Windsor. Of those stores, thirty-nine (39) filed a total of one hundred and ninety-two (192) appeals. Ninety (90) appeals were withdrawn, and one hundred and two (102) appeals were settled with tax reductions totaling \$5,814,789. This amount represents the municipal portion of \$3,947,353 and the education portion of \$1,867,436. It is important to note that these property tax reductions were processed over a period of nine (9) years (2016 through 2024). The education portion was charged back to the school boards and the municipal portion was offset by additional taxes charged during the years from supplemental and omitted assessments.

**Current Status of All Appeals** – At the date of this report, there are eleven (11) properties with open appeals. Taxes at risk total \$1,603,884 of which \$1,306,338 is the municipal portion.

In 2024, Administration processed tax reductions resulting from the settlement of fourteen (14) appeals for eight (8) properties. The appeals spanned over taxation years 2021 through 2024 and the total tax reduction was \$306,831. The municipal portion of \$247,238 was offset by additional taxes charged for supplemental and omitted assessments in 2024, and the education portion of \$59,593 has been charged back to the school boards.

For 2025, any municipal taxes lost through appeals will be expensed to the Net Additions and Reductions Dept. ID (0224140). Tax reductions resulting from appeals, tax relief programs, and requests for reconsideration will be offset by property tax revenue collected through supplementary and omitted assessments received in the year. The City's Appeals Reserve Fund on November 30, 2024, had a balance of \$21,807,552, and may be utilized to cover any deficit in a year caused by reductions in taxes from appeals settlements for prior taxation years.

**Consultations:**

None

**Conclusion:**

The one hundred and ninety-two (192) appeals filed by banner stores in Windsor that were outstanding in 2016, have either been withdrawn by the owners (90) or resolved through Minutes of Settlement (102). The one hundred and two (102) appeals filed for taxation years 2009 through 2016 were settled and resulted in a total reduction in municipal taxes of \$3,947,353.

Currently, the total number of appeals outstanding is eleven (11), and total municipal taxes reduced from appeals settled in 2024 was \$247,238.

**Planning Act Matters:**

N/A

**Approvals:**

Name	Title
Lorie Gregg	Deputy Treasurer Taxation, Treasury & Financial Projects
Janice Guthrie	Commissioner Finance & City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

Name	Address	Email

**Appendices:**

**APPENDIX A - CENTRALIZED ASSESSMENT APPEALS - BANNER STORES**

Roll number	Registered Owner	Outstanding Appeal	Appeal Status		Taxation Implications		Comment
			Years Appealed	Settled	Total	Municipal Only	
070 160 03300	Costco Wholesale Canada Ltd	N	2009 - 2012	Y	\$ 177,627	\$ 113,681	MOS
070 160 03300	Costco Wholesale Canada Ltd	N	2013-2016	Y	\$ 562,265	\$ 365,472	MOS
080 040 02500	Wal-Mart	N	none	n/a			
070 680 01900	Wal-Mart	N	none	n/a			
070 080 05400	Sears Canada Inc.	N	2009-2012	Y	\$ 146,699	\$ 93,887	MOS
070 080 05400	Sears Canada Inc.	N	2013 - 2016	n/a			All appeals withdrawn
070 160 03308	Sears - Legacy Park	N	2013 - 2016	n/a			All appeals withdrawn
070 080 05401	Hudson's Bay	N	2009-2012	n/a			All appeals withdrawn
070 680 03200	Hudson's Bay	N	none	n/a			
070 160 01800	Lowe's Companies Canada	N	2013 - 2016	Y	\$ 244,599	\$ 176,111	MOS
010 060 08100	Loblaws	N	2014 - 2016	n/a			All appeals withdrawn
070 160 03205	Loblaws / CP REIT Ontario Properties Limited	N	2009 - 2016	Y	\$ 993,922	\$ 642,262	MOS
070 670 56700	Loblaws / CP REIT Ontario Properties Limited	N	2009 - 2016	Y	\$ 201,493	\$ 139,033	MOS
080 020 19000	Loblaws / CP REIT Ontario Properties Limited	N	2009 - 2016	Y	\$ 416,117	\$ 286,029	MOS
080 040 01500	Loblaws / CP REIT Ontario Properties Limited	N	2014 - 2016	n/a			All appeals withdrawn
070 680 02550	RONA	N	2013 - 2016	Y	\$ 276,203	\$ 198,866	MOS
070 680 03200	Sobey's / Tecumseh Mall	N	none	n/a			
050 370 15500	Metro / University Mall	N	none	n/a			
060 170 10200	Metro / Wyandotte E. @ St. Rose	N	none	n/a			
070 080 05500	Target (now Metro/ Devonshire Mall)	N	none	n/a			
070 370 05800	Metro / Tecumseh E. @ Central (Central mall)	N	none	n/a			
070 890 00100	Metro - 11729 Tecumseh E. east of Banwell Rd.	N	none	n/a			
070 080 05500	Forzani's Sport Check, National Sport, Nevada Bob's	N	none	n/a			
070 160 03308	Forzani's Sport Check, National Sport, Nevada Bob's	N	none	n/a			
080 020 19000	Winners / Homescape	N	2013 - 2016	n/a			All appeals withdrawn
070 670 56700	Winners / Homescape	N	2009 - 2016	n/a			All appeals withdrawn
070 160 04045	Winners / Homescape	N	2013 - 2016	n/a			All appeals withdrawn
070 160 03200	Winners / Homescape	N	2013 - 2016	n/a			All appeals withdrawn
070 080 05500	Cineplex - Devonshire Mall	N	2014 - 2016	n/a			All appeals withdrawn
070 160 03302	Cineplex - Silver City (Riocan)	N	none	n/a			
040 030 06400	Pizza Pizza	N	2014 - 2016	Y	\$ 10,369	\$ 7,227	MOS
050 270 03200	Pizza Pizza	N	none	n/a			
070 680 03200	Shoppers Drug Mart - Tecumseh Mall	N	2014 - 2016	Y	\$ 18,380	\$ 12,953	MOS
050 370 15500	Shoppers Drug Mart - University Mall	N	2013 - 2016	Y	\$ 228,296	\$ 155,943	MOS
070 080 05500	Shoppers Drug Mart	N	2013 - 2016	Y			All appeals withdrawn
080 060 00201	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
080 650 01810	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
020 230 04100	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
040 320 03000	Shoppers Drug Mart	N	none	n/a			
080 020 04800	Shoppers Drug Mart - Roundhouse	N	2013 - 2016	Y	\$ 36,822	\$ 25,855	MOS
01 0190 12700	Shoppers Drug Mart	N	none	n/a			
080 410 03200	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
070 730 05500	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
010 450 17003	Shoppers Drug Mart	N	none	n/a			
030 470 11900	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
050 300 13500	Shoppers Drug Mart	N	2013 - 2014	n/a			All appeals withdrawn
020 230 11303	Shoppers Drug Mart	N	none	n/a			
080 660 00500	Shoppers Drug Mart	N	none	n/a			
070 370 169000	Shoppers Drug Mart	N	none	n/a			
010 010 09805	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
060 320 00100	Shoppers Drug Mart	N	none	n/a			
060 330 00300	Shoppers Drug Mart	N	2013 - 2016	n/a			All appeals withdrawn
070 080 05600	Leon's - MURLEE Holdings Limited	N	2016	n/a			All appeals withdrawn
070 160 03204	Best Buy (4379 Walker Rd.)	N	none	n/a			
010 350 00100	Tim Horton's	N	none	n/a			
020 090 08000	Tim Horton's	N	none	n/a			
020 220 04000	Tim Horton's	N	none	n/a			
020 400 01600	Tim Horton's - Brewer's Retail Walker Rd.	N	none	n/a			
030 050 08000	Tim Horton's	N	none	n/a			
030 470 12100	Tim Horton's	N	none	n/a			
040 030 03700	Tim Horton's	N	none	n/a			
040 120 00100	Tim Horton's	N	none	n/a			
040 240 09701	Tim Horton's	N	none	n/a			

**CENTRALIZED ASSESSMENT APPEALS - BANNER STORES**

Roll number	Registered Owner	Outstanding Appeal	Appeal Status		Taxation Implications		Comment
			Years Appealed	Settled	Total	Municipal Only	
040 600 03000	Tim Horton's	N	none	n/a			
050 170 09400	Tim Horton's	N	none	n/a			
060 060 07300	Tim Horton's	N	none	n/a			
060 270 06600	Tim Horton's	N	none	n/a			
060 300 22800	Tim Horton's	N	none	n/a			
070 060 11900	Tim Horton's	N	none	n/a			
070 080 05500	Tim Horton's - Devonshire Mall	N	none	n/a			
070 270 00100	Tim Horton's	N	none	n/a			
070 305 02500	Tim Horton's	N	none	n/a			
070 590 16350	Tim Horton's	N	none	n/a			
070 670 03000	Tim Horton's	N	none	n/a			
080 020 09450	Tim Horton's	N	none	n/a			
080 060 00100	Tim Horton's - Dougall @ Cabana E.	N	none	n/a			
080 410 03200	Tim Horton's - Grand Marais W.	N	none	n/a			
080 650 00100	Tim Horton's - Ambassador Centre	N	none	n/a			
080 660 00130	Tim Horton's	N	none	n/a			
080 850 02902	Tim Horton's	N	none	n/a			
070 160 02051	Home Depot Holdings Inc.	N	2009 - 2016	Y	\$ 930,806	\$ 666,883	<b>MOS</b>
070 680 01200	Home Depot Holdings Inc.	N	2009 - 2016	Y	\$ 511,882	\$ 346,483	<b>MOS</b>
070 780 00200	Canadian Tire Real Estate Limited	N	2009 - 2016	Y	\$ 818,188	\$ 553,420	<b>MOS</b>
050 370 15500	Canadian Tire Real Estate Limited	N	2011 - 2016	n/a			All appeals withdrawn
070 160 04002	Canadian Tire Real Estate Limited	N	2009 - 2016	Y	\$ 241,121	\$ 163,247	<b>MOS</b>
020 230 11315	LCBO	N	none	n/a			
040 100 00600	LCBO	N	none	n/a			
070 670 56700	LCBO	N	none	n/a			
080 020 09800	LCBO	N	none	n/a			
080 650 00300	LCBO	N	none	n/a			
010 190 12550	Home Hardware	N	none	n/a			
050 400 02900	Home Hardware	N	none	n/a			
060 310 08900	Home Hardware	N	none	n/a			
080 400 00300	Home Hardware	N	none	n/a			
030 280 04100	Rexall	N	none	n/a			
040 490 05600	Rexall	N	none	n/a			
040 500 02800	Rexall	N	none	n/a			
070 090 09603	Rexall	N	2013 -2016	n/a			All appeals withdrawn
080 650 01200	Rexall	N	2013 -2016	n/a			All appeals withdrawn
					\$ 5,814,789	\$ 3,947,353	



**Subject: Mayoral Direction MD 43-2024 – Hybrid Work Program & Procedure Research & Report**

**Reference:**

Date to Council: January 27, 2025

Author: Joe Mancina

Chief Administrative Officer

519-255-6100 ext. 6505

[jmancina@citywindsor.ca](mailto:jmancina@citywindsor.ca)

CAO Office

Report Date: 1/10/2025

Clerk's File #: AS2025

To: Mayor and Members of City Council

**Recommendation:**

**THAT** Council **RECEIVE** the enclosed report regarding amending the Corporation's Hybrid Work Program & Procedure, pursuant to Mayoral Direction MD 43-2024; and further,

**THAT** in accordance with Mayoral Direction MD 43-2024:

**THAT** Council **DIRECT** the CAO to prescribe a minimum requirement of 4 anchor days in office, indicating that no employee can work from home more than 1 day per week, per the existing Hybrid Work Program & Procedure; and further,

**THAT** should Council direct a change in the Hybrid Work Program & Procedure and all related documentation, that Administration be **DIRECTED** to make such changes within 8 weeks to allow for a transition period.

**Executive Summary:**

N/A

**Background:**

The pandemic forced the majority of employees to work from home. As pandemic restrictions eased and employees were returned to the workplace, Administration conducted a more thorough review of modern workplace practices and developed a long-term strategy to incorporate hybrid work into a post-pandemic world.

There were a number of considerations that drove the development of a formal Hybrid Work Program, but after successfully running an ad-hoc work from home program during the pandemic, the primary rationale was to continue to allow this privilege in an organized fashion to support recruitment and retention efforts. With a number of employers offering remote work, the pool of opportunity for employees widely expanded beyond just Windsor and Essex County. An audit conducted by PwC in 2019 indicated that a flexible hybrid work model is more appealing to younger applicants and supports attracting new talent. Some existing staff were also leaving to work elsewhere for employers that offered more flexible work from home options.

The Corporation developed and implemented the Hybrid Work Program on January 26, 2023 (per C166/2022), which provides discretion to the CAO to prescribe minimum requirements for anchor days, per department, with the intention of reviewing and adjusting the program as necessary. At this time given the changing landscape of remote work amongst several employers, it is timely to undertake a similar review of the current program at the City of Windsor.

**Discussion:**

The current Hybrid Work Program procedure provides discretion to the CAO to determine the number of days available for hybrid work per department, and eligibility requirements for applicants, including satisfactory job performance, service delivery and no increased labour or operational cost.

The use of Hybrid Work across the Corporation is displayed below:

Service Area	Total # of Employees	# of Hybrid Applications Approved (Active)	% of Approved Hybrid Applications	Avg # of Days Working from Home
Office of the CAO	26	3	12%	1
Community Services	1442	17	1%	1.4
Corporate Services	244	121	50%	1.5
Economic Development	424	51	12%	1.6
Finance & City Treasurer	114	74	65%	1.8
Human & Health Services	655	209	32%	1.9
Infrastructure Services	352	52	15%	1.3
<b>Grand Total</b>	<b>3257</b>	<b>527</b>	<b>16%</b>	<b>1.67</b>

\*does not include Agencies, Boards, Commissions, Corporate Accounts, Crossing Guards, Roseland, Students, Windsor Police Service

It is noted that the average number of hybrid days currently being utilized is an average of 1.67, with several departments operating below average.

Among the 527 approved applications, the use among union/association groups are as follows:

<b>CUPE Local 543</b>	<b>CUPE Local 2067</b>	<b>Non-Union Transit Windsor</b>	<b>Non-Union CANUE</b>	<b>Non-Union Non-CANUE</b>
271	3	6	238	9

Across the following work locations:

<b>Primary Work Location</b>	<b># of Approved Hybrid Workers</b>
1266 McDougall	3
City Hall Campus	472
Crawford Avenue Yard	6
Fire Headquarters	2
Huron Lodge	1
Lou Romano Pollution Control Plant	3
OW - Leamington Office	14
Parks & Recreation Admin.	10
Parks & Recreation Yard	1
Solid Waste Control Centre	1
Transit Windsor	7
Willistead Complex	1
Windsor International Transit Terminal	1
Windsor Public Library	5

The Corporation has experienced both benefits and challenges in allowing for hybrid work.

**Benefits:**

- As many workplaces are taking the opportunity to review their hybrid work plans, it has been reported that a significant benefit to hybrid work is the decrease in ergonomic claims/interventions and WSIB claims.
- Working remotely provides some flexibility when employees are sick and not well enough to attend work but are able to undertake productive work and/or attend remote meetings from home resulting in needing fewer sick days.
- Hybrid work also enhances the overall employee experience by enhancing their total rewards package. By providing employees with the flexibility to work remotely, the program serves as a form of indirect compensation, fostering greater work-life balance, increasing productivity, and enhancing overall engagement.
- There are other benefits to hybrid work that have not been measured or have yet to be realized, including environmental benefits, attracting a more diverse pool of talent, and the opportunity for shared workspaces.

**Challenges:**

- In contrast, some employees and leaders have noted an apparent difference to the office environment and corporate culture as varying on-site and remote work schedules can sometimes disrupt team connection and cohesion.
- The reduced presence of employees in the office has also led to fewer individuals engaging with the community on days they would traditionally be working on-site. As City Council continues its efforts to revitalize the downtown area, encouraging staff to work on-site at City Hall could play a pivotal role in supporting and enhancing the Strengthen the Core initiative, fostering greater community engagement and activity in the urban core.
- Due to the varying types of business carried out by City workers, not all employees are eligible for hybrid work, creating inequity in some departments. Hybrid work may not be conducive to new hires or employees who require ongoing training or guidance, and the perceived lack of fairness has been challenging for managers.
- There are also reports that some areas continue to encounter service delivery challenges by allowing work from home. From the outset, work from home was intended to be a seamless process without any service disruption. However, anecdotal feedback has included occasional difficulty in reaching employees and receiving responses to service requests such as “I’ll have to get that for you when I’m back in the office.”

Administration has conducted a scan of the work from home policies and procedures of other local/regional public sector employers. All allowed for some level of remote work, with most allowing work from home for 2 or 3 days per week.

However, recently, several organizations have been scaling back remote work; in July 2023, the City of London reduced the hybrid work availability to 1 day/week. In September 2024, the federal government implemented a requirement of three days per week in the workplace for all public servants. In October 2024, the City of Ottawa announced it was reviewing its hybrid work policy, which required staff to be in office a minimum of two days per week. Also at that time, KPMG reported 83% of Canadian CEOs expect a full return to the office within the next three years. Effective January 2, 2025, Amazon required employees to return to the office 5 days per week.

Other large employers such as Twitter have recalled employees back to the office 5 days per week, and Dell has tightened restrictions on remote workers, advising that any fully remote workers are ineligible for promotions and encouraging their workforce to move to a hybrid or in-office model.

### **Risk Analysis:**

There is a risk that reducing the availability of hybrid workdays will have an impact on staff morale. There has been significant investment and momentum toward becoming an employer of choice. As the Corporation works towards implementing the



recommendations of PwC's Employee Experience and Retention project, the perceived reduction of flexibility could appear contrary to these efforts.

There is a risk that staff attraction and retention could be impacted by a reduction of hybrid workdays. Some staff who have resigned or turned down job offers to work at the City of Windsor previously indicated that lack of hybrid work was a contributing factor to their decision.

In contrast, the more that hybrid work is permitted, the greater risk that office culture could suffer due to lack of in person connection among teams. This risk could be mitigated by ensuring that teams are making time to connect through formal or informal touch points, ensuring consistent direction and communication from management.

If status quo were to be maintained, there is also lost opportunity risk. Requiring more staff to work downtown more often would help support the Strengthen the Core initiatives.

Ultimately allowing for hybrid work will always bring some level of inconvenience that requires management, and whether to permit it and the number of days permitted will depend on the tolerance for potential inconvenience.

Any changes made to the Program would not impact those employees who require accommodations or the ability to work with staff on a case-by-case basis for special circumstances. The Disability Management team will continue to provide support and remote work alternatives as appropriate.

## **Climate Change Risks**

### **Climate Change Mitigation:**

The Hybrid Work Program was expected to result in an overall decrease in greenhouse gas (GHG) emissions. A hybrid work model would help the City progress toward meeting both its community targets and corporate targets.

Hybrid work would also support the Corporate Energy Management Plan (2019-2023), the key objective of which is to identify energy efficiency opportunities, reduce consumption, better manage costs, reduce the City's municipal carbon footprint and ultimately support a culture of energy conservation.

### **Climate Change Adaptation:**

In 2020 City Council approved the Degrees of Change, Climate Change Adaptation Plan. A hybrid work model would contribute to the goals of the plan. A hybrid work model allows flexibility for employees to work from home during inclement weather. Reducing traffic on City streets would reduce the risk to City staff responding to such

events such as snow plow and transit drivers. Hybrid work would support action item 2.10 - Enhance community safety during icy conditions.

**Financial Matters:**

Any changes to the Program should have limited financial impact to the Corporation.

**Operating Impacts:**

**Capital Impacts:**

**Consultants:**

Vincenza Mihalo, Executive Director, Human Resources

Alicia Saroli, Executive Initiatives Coordinator

**Conclusion:**

The formalized Hybrid Work Program has been in place for two years and has come with both benefits and challenges. Remote work has enhanced flexibility, reduced commuting time, and often increased employee satisfaction. However, challenges such as maintaining team cohesion, sustaining service excellence, and supporting community engagement persist. With the program's sustainability and suitability under review, evaluating these factors while balancing organizational objectives with employee well-being is key to determining the most effective course for long-term success.

**Approvals:**

Name	Title
Dana Paladino	Acting Senior Executive Director, Corporate Services
Rey Mensour	Commissioner, Community and Corporate Services
Joe Mancina	Chief Administrative Officer

**Notifications:**

Name	Address	Email

**Appendices:**



**Committee Matters: SCM 111/2024**

**Subject: Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects - City Wide**

Moved by: Councillor Mark McKenzie  
Seconded by: Councillor Renaldo Agostino

Decision Number: **ETPS 995**

THAT the report of the Commissioner of Infrastructure Services dated November 10, 2023 entitled "Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects - City Wide" **BE RECEIVED** for information and discussion; and,

THAT the report of the Commissioner of Infrastructure Services dated November 10, 2023 entitled "Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects - City Wide" **BE REFERRED** to the 2025 Budget Deliberation meeting to provide options to increase the quality control program; and,

THAT administration **BE REQUESTED** to conduct a thorough review of the 2025/2026 projects to determine whether there may be an opportunity to adopt an expedited schedule, including working off hours and weekends, especially on the main thoroughfares.

Carried.

Councillor Gary Kaschak voting nay.

Report Number: S 44/2024  
Clerk's File: SW2024

**Clerk's Note:**

1. The recommendation of the Environment, Transportation & Public Safety Standing Committee and Administration are **NOT** the same.
2. Please refer to Item 8.1 from the Environment, Transportation & Public Safety Standing Committee held on April 24, 2024.
3. To view the stream of this Standing Committee meeting, please refer to:  
<https://csg001-harmony.slig.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20240425/-1/10479>

**Subject: Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects - City Wide**

**Reference:**

Date to Council: January 27, 2025  
Author: Mark Winterton  
Commissioner of Infrastructure Services  
mwinterton@citywindsor.ca  
(519) 255-6247 ext. 6415

Public Works – Operations – City Engineer  
Report Date: April 5, 2024  
Clerk's File #: SW2024

**To:** Mayor and Members of City Council

**Recommendation:**

**THAT** the report of the Commissioner of Infrastructure Services dated November 10, 2023 in response to CQ 24-2023 which asked Administration to provide a report to Council regarding construction projects specific to road repair, sewer infrastructure and road rehab, including policies and procedures, minimum standards and vendor warranties **BE RECEIVED** for information and discussion.

**Executive Summary:**

N/A

**Background:**

At its August 8th, 2023 meeting of Council, Councillor Mark Mckenzie asked the following question:

**CQ 24-2023**

*“Asks that administration provide a report to Council regarding construction projects, specific to road repair, sewer infrastructure and road rehab, including policies and procedures, minimum standards and vendor warranties for review.”*

A response to CQ 24-2023 originally came to the Environment, Transportation, & Public Safety Standing Committee on November 29th, 2023, where it was deferred to a future Environment, Transportation, & Public Safety Standing Committee meeting to allow for Administration to provide more information.

In order to address the CQ in a more comprehensive fashion, this report was subsequently created. The original report, S 155/2023, is appended as Appendix 7.

## **Discussion:**

The City of Windsor, throughout years of construction practice, has developed a comprehensive set of reference documents and specifications to guide the planning, design, and construction of municipal linear infrastructure in the city. These documents are crucial resources for various stakeholders, including City staff, engineers, consultants, contractors, developers, and the general public. They undergo regular reviews and updates to ensure they remain aligned with evolving construction standards, best practices, and regulatory requirements.

To maintain the quality and consistency of the City of Windsor's construction projects, a Standard Specification Review Committee is in place. This committee comprises internal staff members from various divisions within the Operations Department and Engineering Department, including Corporate Projects, Design, Development, Contracts, Maintenance, and Field Services. The Committee has been convening since January 2010 and plays a critical role in reviewing and updating the City's Standard Specifications and introducing new specifications and drawings.

Adhering to industry best practices, the City collaborates with organizations like the Windsor Heavy Construction Association before releasing new or updated Standard Specifications. This collaborative approach enables Administration to gather valuable insights and recommendations from industry experts who may be aware of first-hand recent innovative construction methods, materials and specification changes. These insights are then presented to the City's Standard Specification Review Committee for further evaluation and discussion.

The City of Windsor Standard Specification is primarily based on the Ontario Provincial Standard Specifications (OPSS) with minor adjustments to suit localized situations. The Ontario Provincial Standards (OPS) are a unified set of standards for roads and public works infrastructure in Ontario. Windsor's modifications allow these standards to be effectively applied to the city's urban and rural road network, ensuring consistency and uniformity in roadwork practices.

Originally developed in the 1970s by the Ministry of Transportation Ontario (MTO) and the Municipal Engineers Association (MEA) with input from other partner organizations, the OPS has undergone continuous updates, refinements, and expansions since its inception. These updates are driven by the efforts of more than one hundred engineering, government, and construction industry experts who participate in the OPS's nine specialty and three management committees. They base their updates on research into the real-world performance of infrastructure-building materials and techniques, advances in infrastructure science and education, and on-the-job experience from the OPS's various partners, particularly the Ministry of Transportation Ontario (MTO), the Municipal Engineer Association (MEA) and its construction industry committee members. These ongoing efforts result in biannual updates, published every April and November, offering a science-based, detailed guide for municipalities to

design, specify, and build safe, durable infrastructure, either directly or through third-party suppliers.

In addition to the City's Standard Specifications, the Standard Specification Review Committee has created an internal document known as "Supplemental Specifications and Mandatory Procedures and Practices (SSMPP)." This document addresses any gaps or missing updates in the Standard Specifications and is periodically reviewed alongside new or updated Standard Specifications to maintain its relevance.

All construction projects, including roads, boulevards, sidewalks, sanitary and storm sewers, are required to conform to City of Windsor Standard Specifications and Drawings. The Project Engineer, the Field Supervisor and the Construction Technologist are deployed to ensure that all construction activities comply with the established contract terms and City of Windsor Standards Specifications and Drawings.

Maintaining a focus on Quality Assurance (QA) is a priority at every stage of a construction project, from sub-base inspections to granular placement and surface course installation. This ensures the project is delivered as per the design and the standard specification requirements. Materials undergo rigorous testing as outlined in the City of Windsor standard specifications and according to various applicable standards, including but not limited to the standards set by the Canadian Standards Association (CSA), the American Society for Testing and Materials (ASTM) and the MTO. Administration ensures that testing is performed at industry-accepted frequencies and timing throughout the construction of different pavements, upholding the highest standards of quality and safety.

Below are some statistics on the City's Quality Assurance inspection and testing activities that were carried out in 2023 utilizing our own staff on Capital Projects for Engineering, Maintenance and Contracts projects as well as Parks Department projects:

### **Concrete Testing**

273 sets of concrete cylinders were cast for compressive strength testing in our lab to confirm that the concrete supplied met the minimum strength requirements. An estimated 400 loads of concrete were tested on various projects by City staff. An additional 193 sets of concrete cylinders were cast on a couple of major Consultant projects in which the test results were reviewed and input was provided by City staff on a regular basis.

### **Hot Mix Asphalt Testing**

162 samples of hot mix asphalt were obtained from project sites for determining mix property conformance with Ontario Provincial Standards Specifications for Hot Mix Asphalt. Asphalt cement samples were also collected on a regular basis for future testing as required. A relationship with asphalt suppliers has been developed and all Quality Assurance, Quality Control and Referee Test results are shared between the City and their suppliers.

## **Aggregate Sampling**

507 aggregate samples were obtained from job sites, supplier's quarries, supplier's aggregate docks, asphalt and concrete plants. Testing was performed in the City's lab to assure the materials conform to Ontario Provincial Standards as well as City of Windsor Standard Specifications for gradation as well as Standard Proctor testing was carried out to assist staff in performing nuclear density and moisture determination testing (Compaction Testing).

## **Compaction Testing of Granular and Asphaltic Concrete Materials**

Attended City project sites on 312 occasions to perform more than 1600 insitu density tests to confirm that project compaction requirements were being achieved. Performed compaction testing during watermain installation on joint Windsor Utility Commission/City of Windsor Projects to assure that the work was done to City Standards.

In addition, City staff:

- Inspected recycled concrete aggregate piles and visited supplier yards bi-weekly.
- Conducted investigative coring work and oversaw external investigative work.
- Procured qualified consultants for specialized testing as part of the Quality Assurance program.

## **Period of Maintenance:**

The "Period of Maintenance" is the maintenance period or warranty specified in the Contract for the Work. It starts from the date of the Engineer's Notice of Substantial Performance of the Work or the completion of the Work if no substantial performance is involved in the contract. The condition of the Work completed under the Contract must be in good and perfect condition, except for fair wear and tear during the maintenance period. Unless otherwise specified, the Period of Maintenance is minimum one year.

The Contractor is responsible for delivering the Work to the Corporation in a condition as defined in the Contract at the end of the Period of Maintenance, to the satisfaction of the Engineer. The Contractor must carry out repair, amendment, reconstruction, rectification, and defect correction work as required by the Engineer in writing during the maintenance.

If the Contractor fails to promptly execute the required maintenance work after receiving notice from the representative of the Corporation, the Corporation can perform the work using its own workers or other Contractors. The cost of such work, if the Contractor was responsible for it, can be recovered from the Contractor or deducted from any amounts owed to the Contractor.

The contract is not considered complete until the Engineer signs a Letter of Assuming the Work, stating that the Work has been completed and maintained to their satisfaction.

City inspectors and supervisors diligently monitor projects to ensure that all defects are identified and addressed by contractors. One recent example is the sidewalks on Wellesley Avenue. The City's inspection and quality control programs have been very effective in ensuring the quality of City projects.

### **Efforts to Extend Road Longevity: Advances in Asphalt Quality**

In response to concerns about the quality of asphalt pavement in Ontario, the Ontario Hot Mix Producers Association (OHMPA) formed the Quality of Pavement Task Force in late 2014. Comprising industry experts, consultants, and academics, the Task Force examined and improved aspects critical to asphalt pavement quality. They reviewed and revised standards for asphalt cement quality and its testing methods. Their efforts culminated in a set of refined guidelines and recommendations aimed at ensuring the long-term durability and sustainability of asphalt pavements.

Following an internal review, OHMPA extended an invitation to provincial and municipal stakeholders, including the City of Windsor, to collaborate with the Task Force.

Additionally, in 2015, the City of Windsor sought the expertise of Dr. Simon Hesp, a Chemical Engineering professor at Queen's University with a specialization in asphalt technology. Dr. Hesp's research focused on the durability and longevity of asphalt materials. His findings indicated that asphalt quality is a crucial factor affecting the condition of Windsor's roads, with the area's distinct freeze-thaw cycles further exacerbating road wear.

Due to the concerted efforts of the Quality of Pavement Task Force, today's asphalt mixtures are significantly higher in quality compared to those used in the past. This has led to a decrease in roads exhibiting signs of premature failure. The introduction of higher-quality and better-blended asphalt cement has resulted in roads constructed in recent years being expected to outlast those built 7 to 10 years ago with lesser quality asphalt mixtures.

Additionally, an asset management plan established in 2015 for road maintenance will assist in enhancing the lifespan of the city's road infrastructure.

The City of Windsor's engagement on provincial committees is crucial, as it allows for direct input and influence on the evolving specifications for asphalt cement (AC). Representatives from the City of Windsor sit on pivotal bodies, including the OPSS Pavements Committee and the Quality of Asphalt Pavement Task Force, ensuring that municipal concerns and perspectives are integrated into provincial standards and practices. This involvement is essential for the City to adopt and adapt provincial updates to its local standards, which in turn influences the quality and longevity of municipal infrastructure projects.

The City of Windsor remains committed to actively utilizing the outcomes and best practices shared by the Quality of Asphalt Pavement Task Force to further extend the longevity of its roads. These efforts are aimed at prolonging the life of road surfaces, ultimately supporting the goal of achieving more sustainable and cost-effective infrastructure.



Recently, the City of Windsor's approach to quality and sustainability in road construction has been recognized by the Toronto Area Road Builders Association (TARBA), who recently met with representatives of the City's Public Works Department to discuss our Quality Assurance (QA) Recycled Aggregate Program. They are attempting to implement a QA program in the GTA that models the City's program. The interest from an external organization serves as an acknowledgment of the City's role as a leader in QA Recycled Aggregate. The City of Windsor is proud to offer insights into our QA processes to any municipalities seeking to enhance their road construction specifications.

### **Impacts on Residents and Businesses**

Construction can be disruptive, yet it represents a temporary trade-off for long-term enhancements. Recognizing its impact, the City takes peak business times and seasons into consideration when planning construction activities.

The City is committed to supporting impacted businesses. They are engaged early in the planning process, and access to their establishments is maintained, with signage prominently posted to guide customers. These measures help reduce the occurrence of claims for financial loss due to construction, known as 'injurious affection.'

For critical infrastructure projects, Windsor is prepared to adopt an expedited construction schedule to minimize disruption while still ensuring that quality and safety standards are upheld. Such measures are considered on a case-by-case basis, with due consideration given to associated costs. For example, the upcoming work on the E.C. Row Expressway will be performed expediently, ensuring this critical infrastructure is completed promptly and without compromising quality and safety.

### **Reference Documents**

Listed below are the City's various reference documents and specifications – all which are available on the City's website at:

<https://www.citywindsor.ca/business/buildersanddevelopers/Pages/Builders-and-Developers.aspx>

### **Reference Documents and Specifications**

#### **1. Stormwater Management Requirements (December 6, 2018):**

- Specific to the Windsor/Essex Region.
- Defines stormwater management standards.

#### **2. Engineering Best Practices (BP):**

- Includes guidelines for various aspects, such as sewers, driveways, right-of-way, and miscellaneous items.
- Ensures high-quality and efficient projects.

### **3. Supplementary Specifications and Mandatory Procedures and Practices (January 2023):**

- Mandatory for all City contracts, taking precedence over other specifications.
- Require explicit approval from the City Engineer for any changes.

### **4. Standard Specifications (as of January 19, 2023):**

- Covers various aspects of construction, such as sewers, concrete work, pavement, and more.
- Provides detailed standards for materials and workmanship.

### **5. Standard Engineering Drawings Index:**

- Contains a comprehensive list of standard engineering drawings for various infrastructure components.
- Ensures consistency in design and construction.

### **6. Construction Technologist Inspection Manual (Updated 2023):**

- Outlines roles and responsibilities for field services construction technologist staff inspection.

### **7. General Conditions:**

- Defines key terms and provisions related to contract administration.
- Covers matters such as contract documents, administration, responsibilities, and payment.

Indexes or links to these documents are attached as Appendices to this report.

### **Risk Analysis:**

The City of Windsor's reference documents and specifications are essential criteria and tools for all stakeholders involved in municipal linear infrastructure projects. They provide guidance, are enforceable, ensure quality, and uphold safety and environmental standards. Regular reviews and updates ensure that these documents remain current and effective, facilitating the continued development, upgrading and maintenance of the City's infrastructure.

### **Climate Change Risks**

### **Climate Change Mitigation:**

N/A

**Climate Change Adaptation:**

N/A

**Financial Matters:**

There are no financial impacts identified with receiving this information report.

**Consultations:**

Jane He, Engineer III – Construction Standards Lead

Shawna Boakes, Executive Director, Operations

Phong Nguy, Manager, Contracts Field Services & Maintenance

Andrew Lewis, Coordinator, Right of Way & Field Services

Aaron Farough, Senior Legal Counsel

Rob Slater, Executive Initiatives Coordinator

**Conclusion:**

The City of Windsor's reference documents and specifications play a vital role in guiding, enforcing, maintaining quality, and upholding safety and environmental standards in municipal linear infrastructure projects. The regular review and updates of these documents are crucial for ensuring their ongoing relevance and effectiveness in supporting the City's infrastructure development, upgrading and maintenance efforts.

**Planning Act Matters:**

N/A

**Approvals:**

Name	Title
Shawna Boakes	Executive Direction, Operations
Mark Winterton	Commissioner, Infrastructure Services / City Engineer
Joe Mancina	Chief Administrative Officer

**Notifications:**

N/A

**Appendices:**

Appendix 1 - Engineering Best Practices

Appendix 2 – Appendix 2 - Supplementary Specifications and Mandatory Procedures and Practices (January 2023)

Appendix 3 - Standard Specifications (as of January 19, 2023)

Appendix 4 - Standard Engineering Drawings Index

Appendix 5 - Construction Technologist Inspection Manual

Appendix 6 – General Conditions

Appendix 7 - Report S 155/2023

**Appendices:**

## **Appendix 1 - Engineering Best Practices**

BP1 - Sewers

BP2 - Driveways & Access

BP3 - Right-of-Way

BP4 – Miscellaneous such as:

- Oil and Grit Separator
- Development Securities
- Pavement Widening on Local Roads
- Servicing Charges and Sewerage Fees
- Environmental Pollution Liability
- Canada Post Community Mailboxes

## **Appendix 2 - Supplementary Specifications and Mandatory Procedures and Practices (January 2023)**

These specifications, procedures, and practices are mandatory for all City contracts, taking precedence over City of Windsor General Specifications and Ontario Provincial Standard Specifications. Any changes or revisions to these specifications require explicit approval from the City Engineer.

<https://www.citywindsor.ca/business/buildersanddevelopers/Documents/SSMPP%20REVISED%20-%20January%202023.pdf>

## **Appendix 3 - Standard Specifications (as of January 19, 2023)**

### Index to Standard Specifications (January, 2023)

1. S-1 - Sewers (January, 1999)
2. S-2 - Maintenance Holes and Catchbasins (March, 2018)
3. S-3 - Earth Excavation (Grading) and Structural Removal (January, 1976)
4. S-4 - Granular Base & Aggregates (February, 2022)
5. S-5 - Concrete Curbs and Gutter Systems (April, 2022)
6. S-6 - Concrete Sidewalk and Driveway Approaches (April, 2022)
7. S-7 - Concrete Pavement and Concrete Base (April, 2022)
8. S-8 - Sewer Pipeline and Culvert Rehabilitation by Cured-In-Place Pipe (February, 2022)
9. S-9 - Concrete (February, 2022)
10. S-10 - Hot Mix Asphalt (February, 2022)
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TECHNOLOGIST STAFF INSPECTION

Updated 2023

<https://www.citywindsor.ca/business/buildersanddevelopers/Documents/Construction-Technologist-Inspection-Manual.pdf>

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**Subject: Response to CQ 24-2023 Regarding Minimum Standards, Vendor Warranties, and Construction Policies for Road Repair, Sewer Infrastructure, and Road Rehab Projects**

**Reference:**

Date to Council: November 29, 2023  
Author: Chris Nepszy  
Commissioner of Infrastructure Services  
cnepszy@citywindsor.ca  
(519) 255-6247 ext. 6415  
Public Works - Operations  
City Engineer

Report Date: November 10, 2023  
Clerk's File #: SW2023

**To:** Mayor and Members of City Council

**Recommendation:**

THAT the report of the Commissioner of Infrastructure Services dated November 10, 2023 in response to CQ 24-2023 which asked Administration to provide a report to Council regarding construction projects specific to road repair, sewer infrastructure and road rehab, including policies and procedures, minimum standards and vendor warranties **BE RECEIVED** for information and discussion.

**Executive Summary:**

N/A

**Background:**

At its August 8th, 2023 meeting of Council, Councillor Mark Mckenzie asked the following question:

**CQ 24-2023**

*“Asks that administration provide a report to Council regarding construction projects, specific to road repair, sewer infrastructure and road rehab, including policies and procedures, minimum standards and vendor warranties for review.”*

This report provides an overview of the primary reference documents and specifications available on the City's website related to construction projects specific to road repair, sewer infrastructure and road rehab.

## **Discussion:**

The City of Windsor, throughout years of construction practice, has developed a comprehensive set of reference documents and specifications to guide the planning, design, and construction of municipal linear infrastructure in the city. These documents are crucial resources for various stakeholders, including City staff, engineers, consultants, contractors, developers, and the general public. They undergo regular reviews and updates to ensure they remain aligned with evolving construction standards, best practices, and regulatory requirements.

To maintain the quality and consistency of the City of Windsor's construction projects, a Standard Specification Review Committee is in place. This committee comprises internal staff members from various divisions within the Operations Department and Engineering Department, including Corporate Projects, Design, Development, Contracts, Maintenance, and Field Services. The Committee has been convening since January 2010 and plays a critical role in reviewing and updating the City's Standard Specifications and introducing new specifications and drawings.

Adhering to industry best practices, the City collaborates with organizations like the Windsor Heavy Construction Association before releasing new or updated Standard Specifications. This collaborative approach enables Administration to gather valuable insights and recommendations from industry experts who may be aware of first-hand recent innovative construction methods, materials and specification changes. These insights are then presented to the City's Standard Specification Review Committee for further evaluation and discussion.

The City of Windsor Standard Specification is primarily based on the Ontario Provincial Standard Specifications (OPSS) with minor adjustments to suit localized situations. The Ontario Provincial Standards (OPS) are a unified set of standards for roads and public works infrastructure in Ontario. Windsor's modifications allow these standards to be effectively applied to the city's urban and rural road network, ensuring consistency and uniformity in roadwork practices.

Originally developed in the 1970s by the Ministry of Transportation Ontario (MTO) and the Municipal Engineers Association (MEA) with input from other partner organizations, the OPS has undergone continuous updates, refinements, and expansions since its inception. These updates are driven by the efforts of more than one hundred engineering, government, and construction industry experts who participate in the OPS's nine specialty and three management committees. They base their updates on research into the real-world performance of infrastructure-building materials and techniques, advances in infrastructure science and education, and on-the-job experience from the OPS's various partners, particularly the Ministry of Transportation Ontario (MTO), the Municipal Engineer Association (MEA) and its construction industry committee members. These ongoing efforts result in biannual updates, published every April and November, offering a science-based, detailed guide for municipalities to design, specify, and build safe, durable infrastructure, either directly or through third-party suppliers.

In addition to the City's Standard Specifications, the Standard Specification Review Committee has created an internal document known as "Supplemental Specifications

and Mandatory Procedures and Practices (SSMPP)." This document addresses any gaps or missing updates in the Standard Specifications and is periodically reviewed alongside new or updated Standard Specifications to maintain its relevance.

All construction projects, including roads, boulevards, sidewalks, sanitary and storm sewers, are required to conform to City of Windsor Standard Specifications and Drawings. The Project Engineer, the Field Supervisor and the Construction Inspector are deployed to ensure that all construction activities comply with the established contract terms and City of Windsor Standards Specifications and Drawings.

Maintaining a focus on Quality Assurance (QA) is a priority at every stage of a construction project, from sub-base inspections to granular placement and surface course installation. This ensures the project is delivered as per the design and the standard specification requirements. Materials undergo rigorous testing as outlined in the City of Windsor standard specifications and according to various applicable standards, including but not limited to the standards set by the Canadian Standards Association (CSA), the American Society for Testing and Materials (ASTM) and the MTO. Administration ensures that testing is performed at industry-accepted frequencies and timing throughout the construction of different pavements, upholding the highest standards of quality and safety.

#### **Period of Maintenance:**

The "Period of Maintenance" is the maintenance period or warranty specified in the Contract for the Work. It starts from the date of the Engineer's Notice of Substantial Performance of the Work or the completion of the Work if no substantial performance is involved in the contract. The condition of the Work completed under the Contract must be in good and perfect condition, except for fair wear and tear during the maintenance period. Unless otherwise specified, the Period of Maintenance is minimum one year.

The Contractor is responsible for delivering the Work to the Corporation in a condition as defined in the Contract at the end of the Period of Maintenance, to the satisfaction of the Engineer. The Contractor must carry out repair, amendment, reconstruction, rectification, and defect correction work as required by the Engineer in writing during the maintenance.

If the Contractor fails to promptly execute the required maintenance work after receiving notice from the representative of the Corporation, the Corporation can perform the work using its own workers or other Contractors. The cost of such work, if the Contractor was responsible for it, can be recovered from the Contractor or deducted from any amounts owed to the Contractor.

The contract is not considered complete until the Engineer signs a Letter of Assuming the Work, stating that the Work has been completed and maintained to their satisfaction.

Listed below are the City's various reference documents and specifications – all which are available on the City's website at:

<https://www.citywindsor.ca/business/buildersanddevelopers/Pages/Builders-and-Developers.aspx>

## Reference Documents and Specifications

### 1. Stormwater Management Requirements (December 6, 2018):

- Specific to the Windsor/Essex Region.
- Defines stormwater management standards.

### 2. Engineering Best Practices (BP):

- Includes guidelines for various aspects, such as sewers, driveways, right-of-way, and miscellaneous items.
- Ensures high-quality and efficient projects.

### 3. Supplementary Specifications and Mandatory Procedures and Practices (January 2023):

- Mandatory for all City contracts, taking precedence over other specifications.
- Require explicit approval from the City Engineer for any changes.

### 4. Standard Specifications (as of January 19, 2023):

- Covers various aspects of construction, such as sewers, concrete work, pavement, and more.
- Provides detailed standards for materials and workmanship.

### 5. Standard Engineering Drawings Index:

- Contains a comprehensive list of standard engineering drawings for various infrastructure components.
- Ensures consistency in design and construction.

### 6. Construction Technologist Inspection Manual (Updated 2023):

- Outlines roles and responsibilities for field services construction technologist staff inspection.

### 7. General Conditions:

- Defines key terms and provisions related to contract administration.
- Covers matters such as contract documents, administration, responsibilities, and payment.

Indexes or links to these documents are attached as Appendices to this report.

**Risk Analysis:**

The City of Windsor's reference documents and specifications are essential criteria and tools for all stakeholders involved in municipal linear infrastructure projects. They provide guidance, are enforceable, ensure quality, and uphold safety and environmental standards. Regular reviews and updates ensure that these documents remain current and effective, facilitating the continued development, upgrading and maintenance of the City's infrastructure.

**Climate Change Risks**

**Climate Change Mitigation:**

N/A

**Climate Change Adaptation:**

N/A

**Financial Matters:**

There are no financial impacts identified with receiving this information report.

**Consultations:**

Jane He, Engineer III – Construction Standards Lead

Rob Slater, Executive Initiatives Coordinator

**Conclusion:**

The City of Windsor's reference documents and specifications play a vital role in guiding, enforcing, maintaining quality, and upholding safety and environmental standards in municipal linear infrastructure projects. The regular review and updates of these documents are crucial for ensuring their ongoing relevance and effectiveness in supporting the City's infrastructure development, upgrading and maintenance efforts.

**Planning Act Matters:**

N/A

**Approvals:**

Name	Title
Shawna Boakes	Executive Direction of Operations
Chris Nepszy	Commissioner, Infrastructure Services, City Engineer

Name	Title
Joe Mancina	Chief Administrative Officer

**Notifications:**

N/A

**Appendices:**

- Appendix 1 - Engineering Best Practices
- Appendix 2 - Supplementary Specifications and Mandatory Procedures and Practices (January 2023)
- Appendix 3 - Standard Specifications (as of January 19, 2023)
- Appendix 4 - Standard Engineering Drawings Index
- Appendix 5 - Construction Technologist Inspection Manual
- Appendix 6 – General Conditions



**Council Report: S 86/2024**

**Subject: Response to CQ 12-2023: Public conduct policy and security screening options for City Hall and other municipal facilities - City-wide**

**Reference:**

Date to Council: January 27, 2025  
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Administration  
Report Date: July 4, 2024  
Clerk's File #: ACO2024

**To:** Mayor and Members of City Council

**Recommendation:**

THAT City Council **RECEIVE** Report S 86/2024, "Response to CQ 12-2023: Public conduct policy and security screening options for City Hall and other municipal facilities," **FOR INFORMATION.**

**Executive Summary:**

N/A

**Background:**

At its May 29, 2023, meeting, City Council directed Administration to respond to the following Council Question posed by Councillor Mark McKenzie:



## **CQ 12-2023**

Asks Administration develop new policies and provide report back to tamp down on “frivolous, dangerous and unreasonable” behaviour at City Hall and other City owned facilities, similar to Essex County Council. Also, report back on feasibility of installing metal detectors at City Hall and WFCU Centre.

This report responds to that question.

On May 3, 2023, the County of Essex implemented a Public Conduct Policy to establish guidelines for members of the public when interacting with members of County government, County employees, or other members of the public. The policy was brought forward after the April 5 meeting of Essex County Council was cancelled due to the disruptive behaviour of members of the public in attendance. The Essex policy is intended to address situations where individual’s behaviour and actions are unreasonable, frivolous, or vexatious and may be considered disruptive to democratic processes or impede conducting County business.

Metal detectors are a type of security screening device that can help security staff identify someone attempting to enter a secured area with prohibited metal items on their person. While several municipal premises, including City Hall and WFCU Centre, are protected by on-site security or police officers, metal detectors are not currently used at City Hall or WFCU Centre for security screening purposes.

Actions taken by governments in Canada must not unreasonably infringe or take away from individuals’ rights under the *Canadian Charter of Rights and Freedoms*. Those rights are not absolute and can be limited, provided those limits:

- are set out in law;
- pursue an important goal that is justified in a free and democratic society; and,
- are reasonable, proportionate, and minimally infringing.

### **Discussion:**

Administration explored what could be done in terms of developing policies and procedures in response to the Council question.

### **On addressing unacceptable behaviour in public facilities**

Public facilities are where people access resources, like sports fields, and services, like marriage licensing, as well as the workplaces for the City employees that deliver them. As the owner or operator of public facilities, the City establishes policies, by-laws, and operational procedures that guide staff responses to different types of behaviour that could be encountered in public facilities. Together, these by-laws, policies and procedures allow for a tiered approach when addressing unacceptable behaviour at public facilities when it interferes with City business or impacts the ability of others to access or enjoy them. This approach ensures the City’s responses to unacceptable behaviour are consistent, reasonable, proportionate, and minimally infringing on individuals’ Charter rights.

## **Existing City policies and by-laws**

### **Respectful Workplace Policy (CR192/2019)**

Under the *Occupier's Liability Act*, R.S.O. 1990, c 0.2 and the *Occupational Health and Safety Act*, R.S.O. 1990, c 0.1, the City has a duty to protect its employees and keep the people and things in public facilities reasonably safe. The City's Respectful Workplace Policy (CR192/2019) was established to bring all workplace policies related to violence, harassment, or discrimination together into one consistent framework.

The policy confirms the City's zero-tolerance approach to discriminatory, harassing, or violent behaviour in all public facility workplaces, whether between employees or involving an employee, an official (elected or appointed) or a customer of the Corporation. It applies to all City workplaces and the conduct of all people in them.

Responding to an incident covered by this policy requires responsible staff to act in accordance with the seriousness and immediacy of the issue. Under this policy, members of the public who engage in unacceptable behaviour towards City staff or in public facilities may have reasonable limitations placed on how they access a service, such as only communicating over email if in-person conversations cannot be had appropriately. In more severe circumstances, an individual may be prohibited from accessing a service for a period and/or trespassed from one or more public facilities if the limitations applied do not resolve the unacceptable behaviour exhibited.

### **Notice of Trespass Policy (CR98/2013)**

Ontario's *Trespass to Property Act*, R.S.O. 1990, T.21 (the "Act") empowers all property owners to instruct someone to leave their property immediately and prohibit them from returning in the future. The City's Notice of Trespass Policy (the "Trespass Policy") provides a mechanism for City staff to prohibit individuals from public facilities while complying with the Act and the Charter. This policy governs how the City prohibits individuals from public facilities when their behaviour is disruptive or threatening. When someone's behaviour is disruptive or threatening, "authorized persons" under the Trespass Policy, which includes a person currently employed with the City in a supervisory position, may verbally instruct the person to leave the facility immediately and prohibit them from returning for the rest of the day. When appropriate, the City Solicitor may be requested to issue a written Notice of Trespass to the individual, prohibiting the individual from one or more City facilities for certain time periods in accordance with the Trespass Policy and law. If the trespasser refuses to leave, or if the trespasser has caused property damage, the police may be called to lay a charge. Notices of Trespass can be appealed by a written letter to the Chief Administrative Officer, whose decision is final. All active Notices of Trespass are reviewed every twelve months to confirm they should remain in effect.

When a written Notice of Trespass is issued, staff working in facilities an individual is trespassed from are provided with a separate notice to be posted in a staff-only area. This document contains the individual's name and the conditions applied to them, but does not include sensitive information, including the reason the individual was trespassed, in order to maintain confidentiality and privacy of both the trespassed individual and any persons impacted or targeted by their unacceptable behaviour.

## **Council Procedure By-law 98-2011**

Section 238 of the *Municipal Act, 2001*, S.O. 2001, c. 25 requires municipalities to pass a by-law to govern their meetings. In accordance with this requirement, the City's Procedure By-law 98-2011 (the "Procedure By-law") lays out the rules for how Council and Standing Committee meetings operate, including the behaviour expected of all people in attendance. The Procedural By-Law also gives the person in charge of a meeting (the "Chair") powers to address public outbursts, shouting, or other actions intended to disrupt debate, discussion, or the meeting's proceedings in general.

If someone registered as a delegate for a meeting and does not adhere to the rules prescribed in the Procedure By-law, referred to as maintaining decorum, the Chair can instruct the person to correct their behaviour and may end their right to speak on the matter. Additionally, Sections 10.17 and 10.30 of the Procedural By-law allows the Chair to instruct anyone whose behaviour is disruptive to the business at hand, delegate or otherwise, to vacate the Council Chambers or meeting room.

The Chair may unilaterally suspend the meeting until order is restored in the Council Chambers or meeting room. If warranted, individuals whose behaviour is threatening or continues to disrupt City business can also be issued a Notice of Trespass.

### ***Additional administrative responses***

#### **Customer Service and Code of Conduct Policy**

Administration researched how other municipalities and institutions address public behaviour issues in their facilities. This research found that although few municipalities have policies on public behaviour in general, some (including Essex County) have created policies to standardize staff responses to resource-intensive customers. Work is underway to draft a policy to guide City staff interacting with resource-intensive customers. Once completed and approved, the policy will harmonize existing approaches across departments and provide guidance when developing procedures suitable for their services and clients.

#### **Operational adaptations**

Following the May 29, 2023 meeting of City Council when this question was asked, Administration took steps to block off the first three rows of seating in Council Chambers and reserve them for City staff and authorized media personnel only. This arrangement ensures a few seats distance' of physical space between members of Council and the public functions as a buffer to noises and actions that may distract or disrupt the meeting's proceedings. It also gives observers greater freedom to quietly discuss proceedings and express themselves without disrupting the meeting's order, much like the galleries in the legislative buildings at other levels of government.

Because municipal government is the most accessible level of government for most people, individuals attending a Standing Committee or Council Meeting may be doing so with limited experience with the rules of order or decorum required for public meetings to run efficiently and lawfully. Improving education and awareness on decorum offers a proactive approach to mitigate frivolous or unreasonable behaviour, avoid escalation to disruptive behaviour, and improve public engagement and trust in democratic processes. Options currently under consideration include:

- Additional signage in and outside of Council Chambers
- An informational slide deck to be projected prior to meetings
- “Plan your visit” information on the City’s website

**On security screening devices at City Hall and WFCU Centre**

Some large Canadian cities like Toronto and Calgary have implemented security screening technologies at their municipal buildings. As of September 2015, all visitors to Calgary’s Council Chambers must pass through a metal detector and have all bags, backpacks and purses inspected. Toronto implemented comparable procedures in February 2020. Similar measures are used at the Ontario Legislature, and advanced screening measures have recently begun at Windsor Regional Hospital.

To determine how often security screening devices are used at buildings like WFCU Centre, Administration reached out to other Ontario Hockey League (OHL) venues. Of the twenty OHL teams contacted, twelve provided information. Of those responding, only four use walk-through metal detectors. An additional three venues use security wands only. Two of the three teams currently using security wands only are considering additional security screening devices.

***Technology Option 1: Security Guards with Wands***

This option would require security guards at each of a subject facility’s public entrances to screen individuals for metal objects as they enter. When entering, guards will ask individuals to pause while the guard moves the device near the individual’s body. Any metal objects present will disrupt the magnetic field the wand generates, alerting the operator. Each device is powered by a battery that must be charged before use, which requires a secure location to store and charge them but otherwise allows deployment at any location where pedestrian traffic can be appropriately controlled.

Preliminary research indicates security wands can range in purchase price from \$300 to \$400 per device. At least two guards each equipped with a wand are required for each entrance being monitored to perform scans safely. Additional wands should also be kept in case a device malfunctions.

***Technology Option 2: Portable Security Metal Detectors***

This option would require individuals entering a subject facility to empty their pockets, allow a search of any bags they may be carrying, and pass one at a time through a portable archway that alerts security personnel when a metal object disrupts the magnetic field it produces. These devices can be located (or relocated) to any suitable spot pedestrian traffic can be appropriately controlled where electrical power, either from a standard electrical outlet or supplemental battery packs, and Wi-Fi access are available.

Preliminary research indicates basic portable units can be purchased for approximately \$10,500 each including delivery and set up costs. At least one portable unit, a table for personal objects, and a metal detector wand would be required for each entrance to be monitored. Each unit also requires at least three security guards to operate: one to oversee the device, one to search bags, and one to conduct secondary searches using

a wand when an individual triggers the device or alternative screening for those who cannot pass through it for medical reasons.

### **Technology Option 3: Advanced Security Scanners**

This option would see advanced security scanners installed at entrances to subject facilities. These units use low-frequency radio waves, similar to those in retail anti-theft devices, to scan individuals, then process those scans using artificial intelligence (AI) to identify potential prohibited items like weapons without requiring people to empty their pockets or remove metal objects like their keys or phone. If a suspicious object is detected, security personnel are discretely alerted on a laptop or tablet. Like the portable metal detectors described in Technology 2, only one person can pass through the device at a time, but processing time is shortened because emptying one's pockets is not required. These units are not portable, however, and need to be permanently installed in a location where electrical power and wi-fi are available.

Preliminary research indicates that advanced security scanners are usually rented, rather than purchased, at an estimated cost of \$65,000 per unit annually including delivery and set up costs. Only two staff – one to monitor the device and one to perform secondary searches – are needed to operate advanced security scanners, as the guard searching bags and pocket contents is not required. Like portable metal detectors, at least one wand per entrance is still needed for secondary searches or as backup in case of malfunction.

#### **Risk Analysis:**

There are no risks associated with receiving this report for information.

There is inherent risk associated with operating public spaces which must be tolerated, but can be mitigated.

#### **Climate Change Risks**

##### **Climate Change Mitigation:**

N/A

##### **Climate Change Adaptation:**

N/A

#### **Financial Matters:**

Should Council wish to move forward with any options noted in this report, a funding source for capital and operating costs will need to be identified in future budgets.

Pricing to deliver security screening varies widely depending on the scope of screening and the type of screening used. The values provided in the tables below are estimates based on staff research and informal quotes where possible but may increase due to inflationary pressures, overtime labour hours, and/or higher events number.

Annual costs for the various technology options generally include staffing, maintenance, supplies and other recurring expenses. One-time costs could include purchase price of the equipment in addition to delivery and/or installation set up costs, and contingency. Annual operating costs for portable metal detectors could be higher if units must be moved frequently.

**Screening for public meetings at City Hall**

The values below have been calculated based on estimates of visitor attendance at public meetings held in chambers at 350 City Hall Square W. Staffing and resources could be adjusted as needed, depending on anticipated attendance for particular meetings.

Table 1: Estimated yearly costs for security screening at City Hall during public meetings

Screening Technology	Annual Cost	One-Time Cost	Total
Option 1: Guards with wands	\$12,240	\$1,760	\$14,000
Option 2: Portable metal detectors	\$18,360	\$12,430	\$30,790
Option 3: Advanced AI scanners	\$20,240	\$77,880	\$98,120

**Screening during major events at WFCU Centre**

The values below have been calculated based on estimates of visitor traffic during major events in the main bowl of the WFCU Centre.

Table 2: Estimated yearly costs for security screening at major WFCU Centre events

Screening Technology	Annual Cost	One-Time Cost	Total
Option 1: Guards with wands	\$149,760	\$6,160	\$155,920
Option 2: Portable metal detectors	\$224,640	\$72,380	\$297,020
Option 3: Advanced AI scanners	\$197,760	\$465,080	\$662,840

**Consultations:**

Muhammad Masri, Financial Planning Administrator

Kate Tracey, Senior Legal Counsel

Cory Elliott, Manager, Arena and Recreation Facilities

Katherine Donaldson, Corporate Policy Coordinator

Lori Boston, Customer Service Coordinator

OHL Member teams

**Conclusion:**

The City has policies in place to address dangerous and inappropriate behaviour at municipal facilities and continues to take actions to ensure conduct at City facilities is safe and respectful for everyone. If Council wishes to implement security screening devices at either City Hall or WFCU Centre, additional information regarding parameters and funding should be returned as part of the City's Corporate Security Plan.

**Planning Act Matters:**

N/A

**Approvals:**

<b>Name</b>	<b>Title</b>
Sebastian Pirrone	Director, Corporate Security
Jude Malott	Executive Initiatives Coordinator, Corporate Services
Samantha Magalas	Executive Initiatives Coordinator, Community Services
Emilie Dunnigan	Manager, Development Revenue & Financial Administration
Wira Vendrasco	City Solicitor
Dana Paladino	Senior Executive Director, Corporate Services (A)
Ray Mensour	Commissioner, Community & Corporate Services
Lorie Gregg	On behalf of Commissioner, Finance/City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

<b>Name</b>	<b>Address</b>	<b>Email</b>

**Appendices:**



**Committee Matters: SCM 267/2024**

**Subject: Response to CQ 13-2024, CQ 16-2024 and CQ 30-2024 - Pickleball & Squash Courts within the City - City Wide**

Moved by: Councillor Mark McKenzie

Seconded by: Councillor Renaldo Agostino

Decision Number: **CSSC 256**

THAT the report of the Manager, Community Programming and Development dated August 16, 2024 entitled "Response to CQ 13-2024, CQ 16-2024 and CQ 30-2024- Pickleball & Squash Courts within the City - City Wide" **BE RECEIVED** for information. Carried.

Report Number: S 108/2024

Clerk's File: SR2024

**Clerk's Note:**

1. The recommendation of the Community Services Standing Committee and Administration are the same.
2. Please refer to Item 8.3 from the Community Services Standing Committee held on September 4, 2024.
3. To view the stream of this Standing Committee meeting, please refer to:  
<https://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20240904/-1/10502>



**Subject: Response to CQ 13-2024, CQ 16-2024 and CQ 30-2024-  
Pickleball & Squash Courts within the City - City Wide**

**Reference:**

Date to Council: January 27, 2025  
Author: Nada Tremblay  
Manager, Community Programming and Development  
519-253-2700x2720  
ntremblay@citywindsor.ca  
Recreation and Culture  
Report Date: August 16, 2024  
Clerk's File #: SR2024

**To:** Mayor and Members of City Council

**Recommendation:**

THAT the report titled Response to CQ 13-2024, CQ 16-2024 and CQ 30-2024-  
Pickleball & Squash Courts within the City **BE RECEIVED FOR INFORMATION.**

**Executive Summary:**

N/A

**Background:**

At the February 26, 2024, meeting of City Council, Councillor Kaschak asked CQ 13-2024:

“Asks that Administration prepare a report in regard to the potential of City installing a couple squash courts at a City owned facility for residents to rent & use moving forward. I understand there are no squash courts or facilities any longer in the City.”

At the March 18, 2024, meeting of City Council, Councillor Gignac asked the CQ 16-2024:

“Asks that Administration provide a report on the feasibility of adding indoor pickle ball courts to our facilities where space allows, utilizing the space as much as possible.”

At the May 27, 2024, meeting of City Council, Councillor Marignani asked CQ 30-2024:

“When responding to the CQ 16-2024 regarding indoor pickle ball courts asks that administration report back on limiting Pickleball bookings and making it more open to more users.”

This report is in response to those questions.

In 2019, City Council approved the new Recreation Master Plan. During the creation of this plan, the consultants examined the overall sport court inventory within the City. The Recreation Master Plan's 20-year vision identified 48 recommendations.

Recommendation # 20 states: "Formalize a sport court replacement strategy and associated funding plan for existing hard surface courts (e.g. tennis courts, pickleball courts, and basketball courts) so that the City can offer a safe and desirable playing experience in a fiscally sustainable manner. Resurfacing projects should evaluate the use of Flex Court sports tiling, or other alternative court surfaces that offer a longer warranty of 7 to 10 years, to determine if these are more cost-effective options compared to replacing the traditional and /or asphalt concrete. A sport court replacement strategy should be developed to identify and prioritize the replacement of hard surface sport courts."

As funding becomes available, Administration continues to explore the latest materials and technologies for sport court replacement in the most cost-effective manner. An example of this is the new surface that was installed at Forest Glade courts which is comprised of a new type of material, similar to fiberglass. All new and refurbished courts are included in the City's asset management plan to ensure these are being installed/renewed in a fiscally sustainable manner.

Recommendation #21 states: "Investigate opportunities to create multi-use courts by adding pickleball court lining to existing tennis courts. Potential locations include Garry Dugal Park, Remington Booster Park, or other locations to be determined by City staff." This process has begun and over the course of the past two years, pickleball lines were overlaid on all existing tennis courts, excluding Central Park and Forest Glade Optimist Park.

There are no further recommendations within the Recreation Master Plan for either squash or pickleball courts within the City of Windsor.

## **Discussion: Indoor Options**

Presently, pickleball configuration is set up in four out of six gymnasiums within the Recreation Centres. Those include the WFCU Centre (WFCU), Forest Glade Community Centre (FGCC), Capri Pizzeria Recreation Complex (CPRC) and John Atkinson Memorial Community Centre (AMC). Among the four, the WFCU and AMC feature multiple-court configurations, each with three courts. The remaining gyms (CPRC and FGCC) are designed for single-court use. There are currently no indoor courts at Optimist Community Centre (OPT) or Gino & Liz Marcus Community Centre (GLM).

Administration has explored the possibility of extending pickleball to OPT however it became apparent that the court floor at this location is not suitable due to the pickleball's poor reaction to the existing floor surface. Should Council wish to expand pickleball to a fifth location, Administration believes that with potential floor replacement at OPT, a fifth pickleball location could be established, subject to programming availability. Replacement is estimated to be a minimum of \$150,000.

Of the current locations offering pickleball, the daily gym schedules are currently being adjusted to increase time slot availability during peak hours of the day which include 8:30am-10:30am, and 4:30pm-8:30pm. This adjustment aims to strike a balance between the community programming offered at our centers and the needs of our long-standing renters. Some rental groups already offer pickleball programming during their reserved permitted timeslots.

Court bookings over the past three years have shown that the most popular court reservations are at facilities such as the WFCU and AMC, as they offer multiple court availability at one time. The single-court availability at FGCC and CPRC received less interest from rental groups, as multi-court play is the preferred option.

City of Windsor facilities can operate from 6am to midnight, providing approximately 557 operational programming hours per gym in a 31-day month. It is important to note that some of the available time is designated for setup and teardown between various activities and rental groups and is therefore not available for use or rent. Below is a chart illustrating the available rental hours for the gyms, noting that significant portion of these hours are during early morning or late evening hours. There are also sporadic times throughout the weekday and weekends available for rental hours.

Resource	Total Hours in a Month	Hours Reserved	Hours Available	% Hours Reserved
AMC - Sports Gym	557	339.98	217.02	61.04%
CPRC - Sports Gym	557	121.25	435.75	21.77%
FGCC - Gymnasium	557	116.50	440.50	20.92%
GLM - Gymnasium	557	119.00	438.00	21.35%
OPT - Gymnasium	557	192.00	365.00	34.47%
WFCU - Sports Gym	557	324.75	232.25	58.30%

If directed by Council, Administration could expand pickle ball to OPT, however, based on the current usage rates, it does not appear that an additional court is necessary at this time.

**Squash:**

There are currently no public squash courts available within the City. There are courts available at private facilities in Windsor, such as the Caboto Club and Westchester Place condominium complex. The Windsor Squash and Fitness Club did offer squash courts to members, but it recently closed.

Administration has looked at opportunities to offer squash to community members on both a temporary and regular basis.

In terms of utilizing indoor space for squash, Administration could be directed to install permanent squash courts in an existing community centre. The cost to do so would be determined by what venue would be the host. Unfortunately, the installation of a squash court in a City facility would limit the space from being used for any other purpose, as the primary use would be squash. Squash courts are generally not desirable for other recreation programming. This would significantly impact the ability of Administration to

run any other programming including summer camps in that space. If Administration was directed to permanently install squash courts at a specified location, current registered and drop-in programming and summer camps would be displaced as a result.

### **Outdoor Courts:**

Presently, Administration permits outdoor courts, three (3) days per week for two (2) hours per day to a local pickleball club. As a result, the club runs games at the court and oversees the management of game times and rotation of players within their organization. If Council wishes to move forward with a formal Outdoor Pickleball Court Booking Policy, Administration is recommending limiting formal bookings/rentals of outdoor pickleball sports courts to a maximum of 10% total time (of all courts) per location and furthermore to allow for a maximum of 2 hour booking timeslots prior to 10am or after 6pm daily. Additionally, Administration suggests only 50% of available courts at each location can be formally booked at a time, allowing availability of 50% of said location for open public drop in use.

Signage is currently placed at each venue and on the City of Windsor's website encouraging 30-minute play intervals when others are waiting. By implementing time limits, recognizing peak and off-peak hours, careful court allocation, and permitting advance reservation, this allows for maximum court usage and more people to play.

Permitting or renting courts can be favourable as it helps organize play and improve facility usage. As per the user fee schedule, the current fee to rent a court is \$5.25 plus HST, per court, per hour. This approach also helps with covering costs associated with regular upkeep, repairs, and potential upgrades, ensuring the sport court facilities remain a valuable community resource. In addition, Administration will be purchasing pickleball paddle holders for each outdoor venue (13 venues in total) to promote organized rotation. These holders range from \$350 to \$750, depending on size and material of the system. Paddle holders help maintain an organized queue system. Players place their paddles in the holder to signify their spot in line, making it clear who is next to play. By encouraging a rotation system, these types of paddle holders ensure that everyone gets a chance to play, especially during busy times, resulting in fair play for all. With the current posted signage encouraging 30-minute play intervals when others are waiting, a paddle holder system visually reinforces this rule, helping players respect the time limits and aid in time management. Furthermore, Administration will continue to actively seek community engagement and regularly gather feedback from the community and propose adjustments to better meet the needs and preferences of all players.

### **Risk Analysis:**

There is a significant risk in installing squash courts within a City facility. There is currently no available space for a dedicated squash court. Administration has explored various gymnasium space and even available indoor and outdoor off-season rink space. The Recreation Master Plan had identified one surplus ice pad however that pad is now being utilized for curling. Any installation of a squash court would either displace existing programming or would require a new facility or a facility addition to be built.

## **Climate Change Risks**

### **Climate Change Mitigation:**

N/A

### **Climate Change Adaptation:**

N/A

### **Financial Matters:**

There is no cost to formalize an Outdoor Sport Court Allocation Policy. Furthermore, Administration is already planning on purchasing paddle holders for outdoor sport courts to help encourage time limits as noted in the Discussion section of this report. The total cost for those holders is approximately \$4,550 - \$9,750 + applicable HST (13 venues x \$350-\$750 per venue). The cost for these paddle holders will be funded through the 2024 recreation programming operating budget.

Should Council wish to expand pickleball to OPT, floor replacement at an estimated cost of \$150,000 would likely be necessary. Currently there is no funding available in 2024 10-year capital budget for the floor replacement at OPT. Should Council direct to go forward, Administration would need to reprioritize available project funding through the 2025 capital budget process.

If directed to build a squash court in a current facility, Administration would need to be directed as to what facility should be utilized. Administration would either need to cancel existing programming (to be determined depending on what venue) or would need to add to an existing facility. The high-level cost estimate put on an addition for new squash court space alone would start at \$450,000 per court. Full costing details would need to be confirmed by a contractor if Administration is directed to proceed with this option. There is no funding currently available in the 2024 10-year capital project for the construction of a new squash court. Should Council wish to move forward, Administration would need to reprioritize projects to fund the construction of a new squash court as part of the 2025 capital budget preparation.

### **Consultations:**

Michael Fuerth – Supervisor, Community Programming

Emilie Dunnigan – Manager, Development Revenue and Financial Administration

Mike Dennis - Manager, Strategic Capital Budget Development and Control

### **Conclusion:**

If Council wishes to move forward with formalizing an Outdoor Sport Court Allocation Policy, or with installing a new floor at OPT or a squash court at an existing recreation facility, Administration would need to be directed to do so. Moving forward with installing a new floor or adding squash courts would require a reprioritization of funds as there are currently no funds available for these projects within the 10-year capital budget.

### **Planning Act Matters:**

N/A

### **Approvals:**

Name	Title
Nada Tremblay	Manager, Community Programming & Development
Tracy Ou	Financial Planning Administrator
Jen Knights	Executive Director, Recreation & Culture
Ray Mensour	Commissioner, Community Services
Dan Seguin	On behalf of Commissioner, Finance & City Treasurer
Joe Mancina	Chief Administrative Officer

**Notifications:**

Name	Address	Email

**Appendices:**

BY-LAW NUMBER 15-2025

A BY-LAW TO CONFIRM PROCEEDINGS OF THE COUNCIL OF THE CORPORATION OF THE CITY OF WINDSOR AT ITS SPECIAL MEETING HELD ON THE 27<sup>TH</sup> DAY OF JANUARY, 2025

Passed the 27<sup>th</sup> day of January, 2025.

**WHEREAS** it is deemed expedient that the proceedings of the Council of The Corporation of the City of Windsor at this meeting be confirmed and adopted by by-law;

**THEREFORE** the Council of the Corporation of the City of Windsor enacts as follows:

1. The action of the Council of The Corporation of the City of Windsor in respect to each recommendation contained in the Report/Reports of the Committees and the local Boards and Commissions and each motion and resolution passed and other action taken by the Council of The Corporation of The City of Windsor at this special meeting is hereby adopted and confirmed as if all such proceedings were expressly in this by-law.
2. The Mayor and the proper officials of The Corporation of the City of Windsor are hereby authorized and directed to do all things necessary to give effect to the action of the Council of The Corporation of the City of Windsor referred to in the preceding section hereof.
3. The Mayor and the City Clerk are authorized and directed to execute all documents necessary in that behalf and to affix thereto the seal of The Corporation of the City of Windsor.

This by-law shall come into force and take effect on the day of the final passing thereof.

DREW DILKENS, MAYOR

CITY CLERK

First Reading – January 27, 2025  
Second Reading – January 27, 2025  
Third Reading – January 27, 2025