



**THIRD MEETING OF THE  
2018 BUDGET COMMITTEE  
COUNCIL CHAMBER, MARKHAM CIVIC CENTRE  
October 13, 2017**

**MINUTES**

**Attendance:**

<p><b>Members Present:</b> Councillor Logan Kanapathi, Chair Councillor Amanda Collucci, Vice-Chair Regional Councillor Nirmala Armstrong Regional Councillor Jim Jones Councillor Alex Chiu Councillor Karen Rea Councillor Don Hamilton</p> <p><b>Regrets:</b> None</p>	<p><b>Staff Present:</b> Andy Taylor, Chief Administrative Officer Trinela Cane, Commissioner of Corporate Services Brenda Librecz, Commissioner of Community &amp; Fire Services Brian Lee, Acting Commissioner of Development Services Stephen Chait, Director of Culture &amp; Economic Development Morgan Jones, Director of Operations Nasir Kenea, Chief Information Officer Graham Seaman, Director of Sustainability &amp; Asset Management Joel Lustig, Treasurer Andrea Tang, Senior Manager of Financial Planning Laura Gold, Council/Committee Coordinator</p>
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The Budget Committee convened at 9:08 am with Councillor Logan Kanapathi presiding as Chair.

**1. Review of the Capital Budget**

Joel Lustig, Treasurer advised that the Capital Budget will be reviewed on an exception basis only; items will only be discussed if Committee has questions on the .

## Development Services Commission

Joel Lustig reported that the Planning & Design Capital Budget Items will be reviewed at the October 17, 2017 Budget Committee meeting.

### Culture Capital Budget Items

<b>Capital Budget Item</b>	<b>Discussion</b>
18000 Culture Public Art Coordinator - \$45,000	<p>The Committee asked if this capital budget request is to fill the public art coordinator position and for information on roles and responsibilities of the position.</p> <p>Stephen Chait, Director of Economic Development &amp; Culture advised that a new Public Art Coordinator has been hired. The role will oversee the City's public art projects and the creation of a Public Art Master Plan. as the Public Art Coordinator and the Director of the Gallery will attend the Public Art Advisory Committee meetings and the Development Services Committee when public art matters are being discussed. This is a contract position and the contract will be renewable on an annual basis.</p>

Moved by Councillor Karen Rea

Seconded by Councillor Alex Chiu

That the Budget Committee approve the Culture Capital Budget Item No. 18000.

Carried

### Museum Capital Budget Items

A Committee Member asked if funds raised by the Friends of the Markham Museum Board are used towards museum maintenance.

Stephen Chait advised that the Friends of the Markham Museum Board is both an advisory and fundraising board. The funds it raises are used to support the Museum's programming initiatives rather than infrastructure.

Staff stated that all possessions on the premise of Museum grounds are City's assets. Many of these assets have been donated to the Museum. The Museum will work with the donor on the programming/presentation of the asset. It is the City's responsibility to replace the assets and maintain them in a state of good repair.

<b>Capital Budget Item</b>	<b>Discussion</b>
18001 Baptist Church - \$34,000	
18002 Strickler Barn Phase - \$109,400	
18003 Museum Maintenance - \$76,000	

Moved by Regional Councillor Nirmala Armstrong

Seconded by Councillor Amanda Collucci

That the Budget Committee approve the Museum Capital Budget Items.

Carried

<b>Capital Budget Item</b>	<b>Discussion</b>
18004 Stage Equipment Replacement - \$77,800	
18005 Building Envelope Design - \$29,900	
18006 Charitable Foundation Startup – Consulting - \$50,900	<p>A Committee Members asked why it is so expensive to set up a foundation.</p> <p>Staff advised that this request is to set up a charitable foundation for the Flato Markham Theatre and to fund a contract board employee to assist with fundraising and applying for grants. The benefit of having a foundation is that the Board is eligible to apply for grants that the City is not eligible to apply for. Setting up a foundation is also recommended in the proposed Theatre Strategic Plan.</p> <p>This budget item request was withdrawn by Staff as Staff will fund the cost of setting up the foundation through the Operating Budget. The request for the contract position will first need to be reviewed by the Executive Leadership Team prior to being presented to the Budget Committee. It was also noted that the Executive Leadership Team would only consider loaning funds to the foundation for a board employee, as a board employee would be the responsibility of the foundation. For an example, the Varley-McKay Art Foundation of Markham funds their board employee.</p>
18007 Facility Electrical Assessment & Replacement - \$18,800	
18008 Facility Maintenance - \$17,500	
18009 Intelligent Lighting Replacement - \$63,000	A Committee Member asked if the lifecycle of the lighting could be extended.

<b>Capital Budget Item</b>	<b>Discussion</b>
	Staff advised that the Theatre's lighting system needs to be replaced as it is past its lifecycle and it would have an impact on the theatre's services if the lighting system is not working properly.
18010 Lighting Console & Fixture Replacement - \$136,200	
18011 New Theatre Complex Study - \$152,600	
18012 Water Heater Replacement - \$23,400	

Moved by Regional Councillor Jim Jones

Seconded by Councillor Don Hamilton

That the Budget Committee approve the Theatre Capital Budget Items approved (excluding 18806, as this item was pulled from the budget).

Carried

### **Art Centres**

<b>Capital Budget Item</b>	<b>Discussion</b>
18016 Gallery- HVAC Cooling Tower, Chiller + Exhaust Fan - \$190,200	<p>A Committee Member asked why this is required since the Gallery was recently renovated.</p> <p>Staff reported that the Gallery's HVAC system is being replaced, as it was not updated as part of the Gallery expansion and it has not been updated since the building was first built.</p>
18017 Gallery -McKay House Maintenance - \$39,700	
18018 Gallery -Varley and McKay House Signage - \$18,018	<p>A Committee Member asked why the signs were being replaced and if key stakeholder, like the Heritage Markham Committee will be consulted on the signage.</p> <p>Staff advised that the capital budget request is for new signs for the Varley Art Gallery and for the McKay House, which will provide a refreshed image for the Varley. Part of the approval process of the new signage will include consulting the</p>

	Heritage Markham Committee and other key stakeholders.
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Moved by Councillor Alex Chiu

Seconded by Councillor Karen Rea

That the Budget Committee approve the Art Centre Capital Budget items.

Carried

### **Engineering Capital Budget Items**

<b>Capital Budget Item</b>	<b>Discussion</b>
18040 Active Transportation Master Plan - \$232,900	
18042 Cycling Awareness Program - \$86,500	<p>A Committee Member asked if the “pilot program on alternative safer intersection design” could include signage asking cyclists to dismount from their bicycles at intersections.</p> <p>Staff advised that under this new type of intersection design, cyclists are required to stop at traffic lights, but are not required to dismount from their bicycles when crossing the intersection. There will be specific cross-rides for cyclists with separate cyclist signals.</p> <p>The Region is currently looking at putting signs at certain intersections requesting cyclist to dismount prior to crossing.</p>
18043 Downstream Improvement Work Program - \$856,200	<p>A Committee Member asked if the stream erosion behind Bakerdale Road could be added to the program</p> <p>Staff advised that this stream erosion is being restored under an Environmental Services project.</p>
18044 Intersection Improvements - \$695,800	
18045 John Street MUP Design - \$152,400	
18046 Markham Road/ Mount Joy Secondary - \$232,900	

Capital Budget Item	Discussion
18047 – Planning for Higher Order Transit Stations – Phase 1 of 2 - \$116,800	<p>A Committee Member suggested this project should be under the planning capital budget items and questioned if enough funds were being allocated to the project.</p> <p>Staff advised that this item is a joint study being conducted by the Planning and Engineering Departments. The project will be undertaken in phases. This year's budget allotment is for Phase 1 to better understand the scope of the project. After the scope of the project is understood the City can hire a consultant to conduct the study in future phases.</p> <p>It was recommended that input on the scope of the project be obtained from a Sub-Committee, which was created on the subject matter based on the resolution from the May 23, 2017 Development Services Committee. It was noted that Vaughan and Richmond Hill should possibly be included in the project and that the GO train usage trends should also be investigated as part of the study.</p> <p>With respect to a question regarding ridership at the Mount Joy GO train station, Staff advised that based on GO surveys, the majority of GO Train users come from nearby areas.</p>
18048 – Regional Mid-Block Crossing EA & Design - \$1,012,500	
18049 Rouge Valley Trail Multi-Use Pathway - \$1,181,900 (phase 4 of 5)	
18050 – Sidewalk Construction (City Wide) - \$1,497,000	Clarification on some of the sidewalk locations was provided.
18051 Smart Commute Markham – Richmond Hill - \$76,300	
18052 Standardizing Capital Works/Capital Specs Projects - \$116,800	
18053 Street Light Design Criteria & Standards Update - \$59,100	

<b>Capital Budget Item</b>	<b>Discussion</b>
18054 Street Lighting Program (Design) - \$289,600	Clarification was provided on the location of some of the streetlights being installed.
18055 Traffic Assets Replacement – Annual - \$175,200	
18056 Traffic Operational Improvements – \$40,700	A Committee Member asked if the school zone flex post pilot project will be expanded to other areas in Markham. STaff advised that based on the success of the pilot project, the City is planning to expand these flex posts to other schools zones.
18057 Traffic Signal Controller Upgrades - \$548,400	A Committee Member asked for clarification on this item.  Staff advised that the traffic signal controller upgrades will allow for traffic signals to be synchronized. Currently, the traffic signals operate on their own internal clocks.
18058 Transportation Studies related to Secondary Plan – \$548,400	A Committee Member asked why the City is looking at approving development in Cornell prior to the transportation study being undertaken for Cornell Centre.  Staff advised that transportation studies for Cornell have been undertaken in the past and that these studies were used to review and approve the current applications. A new study is required for new development,
18059 Victoria Square Boulevard – Detailed Design - \$743,000	
18060, 2018 Engineering Salary Recovery - \$924,000	
18061 Yorktech Drive Extension (design)	

Moved by Councillor Karen Rea

Seconded by Councillor Don Hamilton

That the Budget Committee approved the Engineering Capital Budget Items.

Carried

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The Budget Committee took a 10 minute break at 10:48 am.

Moved by Councillor Amanda Collucci

Seconded Councillor Alex Chiu

That the Budget Committee take a 10 minutes break.

Carried

The Budget Committee reconvene at 10:58 am

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## Corporate Services

### ITS Capital Budget Items

Capital Budget Item	Discussion
18070 Theatre – Ticketing System Replacement - \$57,000	
18071 Library – Web Based Discovery & e-Resource Management Solution - \$57,800	<p>A Committee Member asked if the life cycle of Library’s book self-checkout machines could be extended.</p> <p>Staff advised that a condition assessment was conducted and it was determined that the book self-checkout machines require replacement. The life cycle has already been extended past the vendor’s recommendation. The self-checkout machines are critical to the libraries operations and would interrupt library services if they were down.</p> <p>A Committee Member asked if the lifecycle of City vehicles were being extended past there optimal use.</p> <p>Staff advised that last year the life of City vehicles were extended as part of an E3 initiative. Staff are in the process of creating Fleet Strategy that will help staff make informed decisions.</p>
18072 Fire – Dispatch Upgrade - \$305,300	<p>A Committee Member asked why it was so expensive to replace the dispatch system.</p> <p>Staff reported that options have been explored for the replacement of the system, but that this was the most viable option explored to date considering also that system changes and data migration will incur additional cost</p>

Capital Budget Item	Discussion
	<p>The Committee asked if it was possible to partner with the City of Vaughan and Richmond Hill to share the cost of the dispatch system.</p> <p>Staff reported that staff have explored the opportunity to partner with these municipalities or use the Region’s system but based on the information available so far, it has been determined to be much more expensive. It was also explained that staff continue to explore similar opportunities when possible to benefit from economies of scale.</p> <p>It was noted that it is important that the system is replaced to protect the municipality against possible risks as the system is no longer supported by the vendor, which makes it more vulnerable to a cyberattack. Similar approach is recommended as part of the City’s cyber security assessment.</p>
<p>18073 Operations – Road Occupancy Permit Mapping - \$25, 400</p>	
<p>18077 – Enterprise Asset Management Solution – Additional Funds - \$508,800</p>	<p>Committee asked for clarification on this capital budget item and if the new system will have mobile capabilities.</p> <p>Staff advised that this budget request is to replace the Hansen System currently being used by the Waterworks Department, as the system has come to end of life and has been replaced by another system by the vendor many years ago..</p> <p>Staff will be replacing it with a system that other departments will also benefit from. The new system will be used to better manage the lifecycle of City assets. Some of the ways the new system will help extend the life of City assets is by: providing more accurate costs with respect to delivering a service; tracking the location of City assets, flagging issues as they arise; and providing trends, like where the work is being done and how long it is taking to complete etc..</p> <p>The new system will have the option of adding on mobile and other capabilities in the future.</p>
<p>18078 Infrastructure Support Specialist - \$120,700</p>	

Capital Budget Item	Discussion
<p>18079 Life Cycle Asset Replacement - \$492,000</p>	<p>Committee asked why the voice mail system needs to be replaced, as the phones were updated not too long ago.</p> <p>Staff advised that the budget request is to replace the voice mail software and does not include the replacement of the phones. The current software is six years old and is no longer supported by the vendor. Having software that is no longer supported by the vendor puts the organization at risk of providing reliable service..</p> <p>Committee questioned how the City can prevent purchasing a software that will soon become obsolete.</p> <p>Staff reported this is a challenge all organizations are currently facing.</p> <p>A Committee Member stated that technology is being replaced with technology that has the capability of self-monitoring.</p> <p>Staff stated that once the basic infrastructure is in place, other add-ons can be considered.</p>
<p>18081 Finance – Budget Software (additional funding) – \$61,100</p>	

Moved by Regional Councillor Jim Jones

Seconded by Councillor Don Hamilton

That the Budget Committee approve the ITS Capital Budget Items.

Carried

## 2. Adjournment

The Budget Committee adjourned at 12:05 pm.