TO: Bert Meunier, Chief Administrative Officer
FROM: Denis Leger, Commissioner of Corporate Services
PREPARED BY: Gerard Hunt, Manager of Finance
DATE OF MEETING: 2004-06-01
SUBJECT: 2003 Impost Reserve Fund Statement

RECOMMENDATION TO COUNCIL:
Not Applicable

ORIGIN/PURPOSE:
The purpose of this report is to provide Council with a status report of the City’s Impost Reserve Funds as at December 31, 2003.

OPTIONS/DISCUSSION:
In accordance with the intent of the City’s Impost by-law (2001-111), a statement shall be filed annually with Council indicating the City’s Impost Reserve Fund balance and activity of the calendar year. It is appropriate to file this statement with Council at the completion of the annual audit of the City’s accounting records. Impost levies are collected in accordance with the Municipal Act, 2001 and the municipal by-law enacting the charge (by-law 2001-111).

The impost fee establishes a mechanism for funding system capacity for new growth. All customers pay a fee to hook up a new service to the utility system or expand any existing service. The fee, collected as an impost fee, is utilized to fund the costs of future capacity in the water and sanitary sewer systems, including such costs as treatment plant expansions, over sizing of trunk mains, pumping or booster stations and reservoirs. These funds are not utilized for ongoing operations or maintenance, or replacement of existing facilities unless system capacity was being increased at the same time.
Appendix "A" provides information relating to the Impost fees collected during 2003 and related expenditures for works approved as part of the City’s capital expenditure program.

Appendix "B" provides a summary of capital financing associated with projects funded by Impost in 2003.

With the introduction of the new Impost by-law in 2001, the City now charges a uniform levy across the new City, and as such a City-wide Impost Reserve Fund is maintained. In addition, separate Reserve Fund accounts continue to be maintained for funds that were collected and unspent in the former Township of Kingston. In 2002 the Impost Reserve Fund of the former Township of Pittsburgh was depleted and closed. The attached statement reflects balances for Impost Reserve Funds at December 31, 2003.

EXISTING POLICY/BY-LAW:

By-law No. 2001-111 – A By-Law to Impose Sewer Rates and Water Rates under Subsections 221 (13) and (14) of the Municipal Act, R.S.O. 1990, Chapter M.45, as amended.

LINK TO THE STRATEGIC PLAN:

Not applicable

FINANCIAL CONSIDERATIONS:

The practice of reporting the Impost Reserve Fund activity and year end balances occurs annually.

CONTACTS:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Phone 1</th>
<th>Phone 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gerard Hunt</td>
<td>Manager of Finance</td>
<td>546-4291</td>
<td>2205</td>
</tr>
<tr>
<td>Jim Miller</td>
<td>Manager, Utilities Technical Services</td>
<td>546-1181</td>
<td>2475</td>
</tr>
<tr>
<td>Derek Hart</td>
<td>Capital Budget Analyst</td>
<td>546-4291</td>
<td>2370</td>
</tr>
</tbody>
</table>

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Not Applicable

NOTICE PROVISIONS:

Not Applicable
APPENDICES:

Appendix “A” – Impost Fees Schedule of Continuity December 31, 2003
Appendix “B” – Capital Project Financing Summary

Denis Leger
Commissioner of Corporate Services

Bert Meunier
Chief Administrative Officer
City of Kingston  
Statement of Continuity  
Impost Reserve Funds  
December 31, 2003  

Appendix "A"

<table>
<thead>
<tr>
<th></th>
<th>City Wide Impost</th>
<th>Former PT Impost</th>
<th>Former KT Impost</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at beginning</strong></td>
<td>5,151,376</td>
<td>0</td>
<td>10,524,384</td>
<td>15,675,761</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions from Developers</td>
<td>4,222,230</td>
<td></td>
<td></td>
<td>4,222,230</td>
</tr>
<tr>
<td>Contributions for exempt industrial</td>
<td>158,410</td>
<td></td>
<td></td>
<td>158,410</td>
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<tr>
<td>Total Revenue</td>
<td>4,380,640</td>
<td>0</td>
<td>0</td>
<td>4,380,640</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions to General Fund - debt servicing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewer - Ravensview Treatment Plant</td>
<td>267,225</td>
<td></td>
<td></td>
<td>267,225</td>
</tr>
<tr>
<td>Capital Financing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By-law Review</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Charges/Impost Study Update</td>
<td>20,000</td>
<td></td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>Development specific growth related projects</td>
<td>2,000,000</td>
<td></td>
<td></td>
<td>2,000,000</td>
</tr>
<tr>
<td>Cataraqui River Crossing</td>
<td>22,595</td>
<td></td>
<td></td>
<td>22,595</td>
</tr>
<tr>
<td>Airport Sewerline - oversizing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>2,309,820</td>
<td>0</td>
<td>0</td>
<td>2,309,820</td>
</tr>
<tr>
<td><strong>Balances at end of year</strong></td>
<td>7,470,761</td>
<td>0</td>
<td>10,916,309</td>
<td>18,387,070</td>
</tr>
</tbody>
</table>
City of Kingston  
Capital project and financing summary  
for the year ended December 31, 2003

<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>Project Budget</th>
<th>Project Financing</th>
<th>Financing to Date</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Municipal</td>
<td>Capital</td>
<td>Development</td>
<td>Reserve</td>
</tr>
<tr>
<td></td>
<td>Reserve</td>
<td>Charges</td>
<td>Reserve</td>
<td>Fund</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Debt</td>
<td>Rates</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Reserve Fund</td>
</tr>
</tbody>
</table>

Planned capital works to accommodate new growth

Development Charges/Impost Study Update  
150,000  
13,000  
117,000  
20,000  
20,000  
Work in progress

Growth Related

Cataraqui River Crossing  
19,010,000  
4,850,000  
13,150,000  
1,210,000  
2,000,000  
Growth Share

Sewage Line into Airport  
525,000  
25000  
500,000  
22,595  
Growth Share
TO: Bert Meunier, Chief Administrative Officer
FROM: Denis Leger, Commissioner of Corporate Services
PREPARED BY: Gerard Hunt, Manager of Finance
DATE OF MEETING: 2004-06-01
SUBJECT: 2003 Development Charges Reserve Fund Statement

RECOMMENDATION TO COUNCIL:
Not Applicable

ORIGIN/PURPOSE:
The purpose of this report is to provide City Council with a status report of the City’s Development Charges (DC) Reserve Funds as at December 31, 2003.

OPTIONS/DISCUSSION:
The Development Charges Act, 1997 requires that development charge collections and associated interest be placed in a separate reserve fund. Development charges levies shall be spent only for the estimate of costs as determined through the DC calculation process, in accordance with the City’s DC by-law (99-328). Amounts collected are held in the appropriate reserve fund and accumulate interest. DC reserve funds are not consolidated with other municipal reserve funds for investment purposes. In accordance with legislation, the Treasurer of the municipality is required to provide City Council with an annual financial statement reflecting the activity of the funds. Once complete, the statement is to be forwarded to the Minister of Municipal Affairs and Housing within 60 days of being filed with City Council.

With the introduction of the new Development Charges in 1999, the City now maintains two different DC Reserve Funds.

1. Development Charges Consolidated Reserve Fund
2. Development Charges – Sewer Capacity (area specific) Reserve Fund
The attached continuity statement provides a summary of financial activity of the specific DC reserve funds for the year ending December 31, 2003. Inflows consist of contributions from developers, collected at building permit issuance, plus interest earned in the fiscal year. Outflows are in accordance with the City’s DC by-law and approved budget amounts. A schedule of capital financing for the year 2003 for projects funded, in whole or in part, from DC reserve funds is included as Appendix “C”.

EXISTING POLICY/BY-LAW:
Ontario regulation 82/98 prescribes the information that must be included in the Treasurer’s statement of Development Charges Reserve Fund.

LINK TO THE STRATEGIC PLAN:
Not Applicable

FINANCIAL CONSIDERATIONS:
This report reflects the transactions recorded in 2003. The Finance Division is currently leading the review of development charges for a by-law update scheduled to be passed by September 2004.

CONTACTS:

Denis Leger  Commissioner of Corporate Services  546-4291  1328
Gerard Hunt  Manager of Finance  546-4291  2205

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Not Applicable

NOTICE PROVISIONS:
Not Applicable
APPENDICES:

Appendix “A” – Summary of Development Charge Reserve Funds
Appendix “B” – Consolidated Development Charge Reserve Fund (by stream of expenditure)
Appendix “C” – Summary of Capital Financing – DC Reserve Fund

<table>
<thead>
<tr>
<th>Signature</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Denis Leger</td>
<td>Commissioner of Corporate Services</td>
</tr>
<tr>
<td></td>
<td>Bert Meunier</td>
<td>Chief Administrative Officer</td>
</tr>
</tbody>
</table>
City of Kingston
Consolidated Development Charge Reserve Fund
Statement of Continuity
(by stream of expenditure)
as at December 31, 2003

<table>
<thead>
<tr>
<th>RESERVE FUND TOTAL</th>
<th>PROTECTION</th>
<th>ROADS and BRIDGES</th>
<th>PARKS and RECREATION</th>
<th>LIBRARIES</th>
<th>STUDIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>100.0%</td>
<td>6.482</td>
<td>53.100</td>
<td>22.883</td>
<td>13.395</td>
</tr>
<tr>
<td>Commercial</td>
<td>100.0%</td>
<td>6.868</td>
<td>71.729</td>
<td>10.013</td>
<td>5.681</td>
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</table>

<table>
<thead>
<tr>
<th>ALLOCATION</th>
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</thead>
<tbody>
<tr>
<td>BALANCE - JANUARY 1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>inflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developer contributions</td>
</tr>
<tr>
<td>Residential</td>
</tr>
<tr>
<td>- Residential</td>
</tr>
<tr>
<td>Commercial</td>
</tr>
<tr>
<td>Industrial</td>
</tr>
<tr>
<td>Institutional</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>SUBTOTAL</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>outflows</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers to capital fund</td>
</tr>
<tr>
<td>Development Charges/Impost. Study Update</td>
</tr>
<tr>
<td>Playgrounds funded by DC (funds returned)</td>
</tr>
<tr>
<td>Greenwood Park pathway (funds returned)</td>
</tr>
<tr>
<td>Storm Water Management Study (funds returned)</td>
</tr>
<tr>
<td>Urban Growth Management</td>
</tr>
<tr>
<td>Playground Revitalization</td>
</tr>
<tr>
<td>Parks Development</td>
</tr>
<tr>
<td>St. Lawrence College Sport Field</td>
</tr>
<tr>
<td>K&amp;P Trail</td>
</tr>
<tr>
<td>Parkfield Irrigation</td>
</tr>
<tr>
<td>Moly McGlynn Multi-use Pad</td>
</tr>
<tr>
<td>Centennial - Kingsdale to Taylor</td>
</tr>
<tr>
<td>Woodbine - Bayridge to Collins</td>
</tr>
<tr>
<td>Bayridge Cat Woods North</td>
</tr>
<tr>
<td>Elliott St. - Montreal to Division</td>
</tr>
<tr>
<td>City Wide Signallization</td>
</tr>
<tr>
<td>Equipment Maintenance Facility</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net annual transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest earnings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>BALANCE - DECEMBER 31</th>
</tr>
</thead>
</table>

| 7,630,283 | 736,366 | 3,657,923 | 2,274,754 | 691,666 | 29,540 |
## City of Kingston
### Consolidated Development Charge Reserve Fund
#### Summary of Capital Financing
##### For the Year Ending December 31, 2003

### Financing

<table>
<thead>
<tr>
<th>Project</th>
<th>Total Budget</th>
<th>Budget DC</th>
<th>Actuals DC</th>
<th>Other</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Playgrounds Funded by Development Charges</td>
<td>0</td>
<td>(58,984)</td>
<td>0</td>
<td></td>
<td>Project Complete</td>
</tr>
<tr>
<td>Greenwood Park Pathway</td>
<td>0</td>
<td>(52,663)</td>
<td>0</td>
<td></td>
<td>Project Complete</td>
</tr>
<tr>
<td>Urban Growth Management</td>
<td>570,000</td>
<td>41,540</td>
<td>41,540</td>
<td>528,460</td>
<td>Project Complete</td>
</tr>
<tr>
<td>Storm Water Management Study</td>
<td>0</td>
<td>(25,440)</td>
<td>0</td>
<td></td>
<td>Project Complete</td>
</tr>
<tr>
<td>Bayridge Cat Woods - 800m north</td>
<td>1,284,147</td>
<td>1,153,653</td>
<td>1,153,653</td>
<td>130,494</td>
<td>Debentures</td>
</tr>
<tr>
<td>Equipment Maintenance and Storage</td>
<td>1,100,000</td>
<td>275,000</td>
<td>275,000</td>
<td>825,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>Development Charges/Impost Study Update</td>
<td>150,000</td>
<td>117,000</td>
<td>117,000</td>
<td>33,000</td>
<td>Debentures and Impost Reserve Fund</td>
</tr>
<tr>
<td>Growth-Centennial - Kingsdale to Taylor Kidd</td>
<td>877,210</td>
<td>313,605</td>
<td>313,605</td>
<td>563,605</td>
<td>Debentures and Grants</td>
</tr>
<tr>
<td>Woodbine - Bayridge to Collins</td>
<td>100,000</td>
<td>10,000</td>
<td>10,000</td>
<td>90,000</td>
<td>Debentures</td>
</tr>
<tr>
<td>Elliott - Montreal to Division</td>
<td>2,015,694</td>
<td>503,923</td>
<td>503,923</td>
<td>1,511,771</td>
<td>Municipal Capital and Debentures</td>
</tr>
<tr>
<td>City Wide Signalization</td>
<td>55,556</td>
<td>50,000</td>
<td>50,000</td>
<td>5,556</td>
<td>Debentures</td>
</tr>
<tr>
<td>Playgrounds funded by Development Charges</td>
<td>70,000</td>
<td>63,000</td>
<td>63,000</td>
<td>7,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>Playground Retrofit Program</td>
<td>100,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>Playground Revitalization Program</td>
<td>150,000</td>
<td>50,000</td>
<td>50,000</td>
<td>100,000</td>
<td>Cash in Lieu Reserve Fund and Parkland Reserve Fund</td>
</tr>
<tr>
<td>Irrigation System for Sportsfield</td>
<td>20,000</td>
<td>18,000</td>
<td>18,000</td>
<td>2,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>Multi-Use Pad at Molly McGlynn Park</td>
<td>50,000</td>
<td>37,500</td>
<td>37,500</td>
<td>12,500</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>Park Developments Funded by DC</td>
<td>150,000</td>
<td>135,000</td>
<td>135,000</td>
<td>15,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>St. Lawrence College Sportfield</td>
<td>50,000</td>
<td>45,000</td>
<td>45,000</td>
<td>5,000</td>
<td>Municipal Capital</td>
</tr>
<tr>
<td>K &amp; P Trail</td>
<td>50,000</td>
<td>45,000</td>
<td>45,000</td>
<td>5,000</td>
<td>Municipal Capital</td>
</tr>
</tbody>
</table>

| Total                                                                  | 6,792,607    | 2,908,221 | 2,771,134  | 3,884,386|

Appendix "C"
City of Kingston  
Summary of Development Charge Reserve Funds  
Statement of Continuity  
as at December 31, 2003

<table>
<thead>
<tr>
<th>Description</th>
<th>TOTAL $</th>
<th>Development Charges $</th>
<th>Sewer Capacity $</th>
</tr>
</thead>
<tbody>
<tr>
<td>BALANCE - JANUARY 1</td>
<td>8,741,448</td>
<td>7,915,585</td>
<td>825,863</td>
</tr>
<tr>
<td>Inflows</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer contributions</td>
<td>2,229,028</td>
<td>2,057,797</td>
<td>171,231</td>
</tr>
<tr>
<td>Contributions for exempt industrial</td>
<td>99,438</td>
<td>99,438</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,683,613</td>
<td>2,485,832</td>
<td>197,782</td>
</tr>
<tr>
<td>Interest earnings</td>
<td>355,148</td>
<td>328,597</td>
<td>26,551</td>
</tr>
<tr>
<td>SUBTOTAL</td>
<td>11,425,061</td>
<td>10,401,417</td>
<td>1,023,644</td>
</tr>
<tr>
<td>Outflows</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net transfers to capital fund</td>
<td>2,771,134</td>
<td>2,771,134</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2,771,134</td>
<td>2,771,134</td>
<td></td>
</tr>
<tr>
<td>BALANCE - DECEMBER 31</td>
<td>8,653,927</td>
<td>7,630,283</td>
<td>1,023,644</td>
</tr>
</tbody>
</table>
TO: Bert Meunier, Chief Administrative Officer
FROM: Denis Leger, Commissioner of Corporate Services
PREPARED BY: Gerard Hunt, Manager of Finance
DATE OF MEETING: 2004-06-01
SUBJECT: Development Charges/Impost Fee Background Study - Project Status Update

RECOMMENDATION TO COUNCIL:
Not applicable

ORIGIN/PURPOSE:
This report is to provide information on the status of the Development Charges/Impost Fee Background Study project that has been underway since the fall of 2003.

OPTIONS/DISCUSSION:
The purpose of the project is to complete the background and supporting documentation required for the establishment of a Development Charges (DC) by-law. It is a requirement of the Development Charges Act, for a municipality to undertake this review and establish a new by-law every 5 years. The City’s current Development Charges by-law will expire in September 2004.

In July 2003 (Report No. 03-149), Council authorized staff to proceed with the required review and engage the firm of CN Watson and Associates Ltd. to lead the project. For the purposes of reviewing costs and associated charges for development related water and sewer works, a concurrent review was initiated for the City's Impost Fees by-laws.

A Steering Committee made up of representatives from City Council, the development community and city staff was established. The Steering Committee has met on a regular basis since October 2003 and has been instrumental in assisting the lead consultant through the process to date. We are now ready to provide a preliminary report and obtain public input. The members of the Steering Committee, organized in sub-groups, provided input for various aspects of the project, including
clarification and documentation of municipal local service policies for roads, storm-water, parks development and water and waste water.

The basis and foundation for the review and establishment of the new DC and Impost Fee amounts is taken from the data and results of the two long term planning studies: the Urban Growth Strategy (UGS) and the Transportation Master Plan (TMP). As Council is aware the UGS has been underway for sometime and is scheduled for completion in the coming months. At the Council meeting of May 18, Council gave approval, in principle, to the general direction of the UGS. The TMP is also nearing completion and provides the master planning work for transportation systems to address the needs of our developing city.

Over the course of the next few weeks the final stage of this review project will take shape. The draft report will be available to the public May 28, 2004. A copy will be forwarded to members of Council at the earliest opportunity. A public open house is scheduled for Monday June 7, 2004 at the City’s Midland Avenue office, 4:00 p.m. and a Public Meeting, as required under the Development Charges Act, and the Municipal Act is scheduled for Tuesday June 15, 2004 at 6:30 p.m. to 7:30 p.m. in the Council Chambers at City Hall. The appropriate advertisements for these events have been published.

As of the date of preparation of this report, CN Watson and Associates Ltd. continue to review the background material and information from both the UGS and the TMP. Once public consultation is complete a final report is expected to go to Council in July. The associated by-laws for development charges and impost fees will be included with the report.

EXISTING POLICY/BY-LAW:
Development Charges By-law 99-328
Impost Fee By-laws: 2001-111 and 2001-112

LINK TO STRATEGIC PLAN:
Fiscal Health and Economic Prosperity strategies

FINANCIAL CONSIDERATIONS:
The financial analysis will be provided as part of the May 28 draft report. This analysis will be developed in conjunction with long range financial projections included in the UGS and TMP reports. Policy considerations will be presented to Council as part of the final report.

CONTACTS:
Gerard Hunt Manager of Finance 546-4291 2205
DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Executive Management Team

DC/Impost Fee Steering Committee Members:
- George Beavis, City Councillor, Lakeside District
- Kevin George, City Councillor, Loyalist-Cataraqui District
- Neal Ritchie, GKHBA
- Barry Smith, GKHBA
- Murray Josselyn, GKHBA
- Peter Walker, KCA
- Doug Haight, KCA
- Jim Miller, Manager, Utilities Technical Services
- Mark Fluhrer, Manager, Policy & Support Services, Community Services
- Cherie Mills, Supervisor, Land-Use Policy, Planning Division
- Speros Kanellos, Manager, Engineering Services
- Gerard Hunt, Manager of Finance

NOTICE PROVISIONS:

The City is in compliance with the Development Charges Act in that notice has been publicized in the Kingston Whig Standard on May 25, 2004 of a public meeting scheduled on June 15, 2004, which is at least 20 days prior to the meeting.

The City is also in compliance with the Municipal Act in that notice has been publicized in the Kingston Whig Standard on May 25, 2004 of a public meeting scheduled on June 15, 2004 indicating the City’s intention to pass an Impost Fee by-law, which is at least 21 days prior to the meeting.

APPENDICES:

Not applicable

[Signatures]

Denis Leger
Commissioner of Corporate Services

Bert Meunier
Chief Administrative Officer
This report is for information only.

This report outlines what has been accomplished to date on by-law harmonization in light of the fact that Council has authorized the deferral of the process due to conflicting priorities and financial constraints.

Council Support Division hired a by-law harmonization officer on a contractual basis in the summer of 2001 to work with the relevant Departments on the harmonization of the key by-laws of the three former local municipalities and of Frontenac County. Based on input from Council members and senior managers, the following list of priorities of the by-laws to be harmonized was developed, which was approved by the Executive Management Team. These by-laws are listed in the order in which they are described in this report, and not necessarily in order of priority.

1. Business Licensing
2. Trades Licensing
3. Traffic
4. Fencing
5. Noise
6. Financial Administration
7. Animals
8. Encroachments on Municipal Highways
9. Retention of Municipal Records
10. Private Entrances to Municipal Highways
11. Parking on Municipal Highways and in Municipal Parking Facilities
12. Use of Municipal Highways ["Streets"]
13. Signs and other Advertising Devices
14. Fire and Public Safety
It quickly became apparent to the other Departments, especially to the Department of Planning and Development Services, that it would be necessary to have dedicated staff to work with the by-law harmonization officer because of the extent of the work that had to be undertaken. In the case of traffic, for example, it was discovered that many existing traffic lights, stop signs, and other traffic control devices in place on City streets were not clearly authorized by by-law. It therefore became necessary to compile and verify all regulatory provisions to ensure that the harmonized by-laws would accurately reflect what was in place and that they would be enforceable. This approach was consistent with the policy of ensuring that best practices were adopted in the development of harmonized by-laws. As a result, three by-law harmonization clerks were hired by the Department of Planning and Development Services to undertake this and other essential tasks and to work closely with the harmonization officer.

HARMONIZED BY-LAWS THAT HAVE BEEN COMPLETED

1. Business Licensing
A new harmonized by-law requiring certain businesses to obtain a licence was passed by Council on November 19, 2002. The special requirements for each type of business were included as 27 individual schedules to the new by-law. This project involved the harmonization of 53 individual licensing by-laws and permitted Council to repeal all of these by-laws. In accordance with subsection 150(13) of the Municipal Act, this by-law will expire on November 19, 2007.

2. Trades Licensing
A new harmonized by-law requiring electrical and plumbing contractors and master electricians and plumbers to obtain a licence was passed by Council on December 17, 2002. This project involved the rewriting of the trades licensing provisions of By-Law No. 2001-31, and permitted Council to repeal all relevant provisions of that by-law. This by-law will expire on December 17, 2007.

3. Traffic
A new harmonized by-law to regulate traffic on all of the City's highways was passed by Council on July 29, 2003. The detailed regulations dealing with speed limits, signalized intersections and all other traffic matters were compiled and verified by Engineering Division staff and included as individual schedules to the by-law. This project involved the harmonization of 89 individual traffic by-laws and a significant number of traffic provisions of By-Law No. 24 of the former City and By-Law No. 2-1994 of Frontenac County, and permitted Council to repeal all of these individual by-laws and by-law provisions.

4. Fencing
Two new harmonized by-laws dealing with fences were passed by Council on November 4, 2003: the first dealt with the regulation of lawful fences, including swimming pool fences, and the second provided for the administration of the Line Fences Act. This project involved the harmonization of 20 individual fencing by-laws, and permitted Council to repeal all of these individual by-laws.

5. Noise
A new harmonized by-law regulating and prohibiting certain types of noise was passed by Council on March 2, 2004. This project involved the harmonization of four individual noise by-laws, one of which was archaic, and permitted Council to repeal all four of these individual by-laws.
6. Financial Administration

Harmonized by-laws dealing with these matters, including tax certificate fees and penalties for NSF cheques, have been passed by Council. This work was done independently of the by-law harmonization process.

HARMONIZED BY-LAWS THAT ARE VIRTUALLY COMPLETED

7. Animals

Two versions of a proposed new harmonized animal by-law were deferred for further consideration by the previous Council in July and October, 2003. To obtain further input, a public meeting was held at City Hall on February 25, 2004, and interested residents were invited to submit their comments before March 31, 2004. A new Report to Council, which made recommendations on a small number of contentious policy issues, was approved on May 11, 2004. It is expected that a revised version of the proposed by-law which incorporates these policy changes, will be resubmitted to Council in late May. This project involves the harmonization of 33 individual animal by-laws; the enactment of a new animal by-law will permit Council to repeal all of these individual by-laws.

8. Encroachments on Municipal Highways

A proposed new harmonized by-law, whose purpose is to protect the City’s highways from unauthorized encroachments, was given first and second reading by Council on May 11, 2004 with third and final reading expected on May 18, 2004. This project involves the harmonization of two individual encroachment by-laws, including By-Law No. 4624 of the former City, “A By-Law to Authorize and Regulate Encroachments on Streets”, and a significant number of provisions of By-Law No. 10 [Streets] of the former City and of By-Law No. 2-1994 of Frontenac County. Enactment of a new encroachment by-law will permit Council to repeal these individual by-laws and by-law provisions. Several by-laws of the two former Townships which authorize specific encroachment agreements will need to remain in force.

9. Retention of Municipal Records

A draft version of a proposed new harmonized records retention by-law has been prepared. This project involves the harmonization of seven individual records by-laws, and enactment of a new records retention by-law will permit Council to repeal all of these individual by-laws. The draft by-law has been circulated to the Departments of the City for their comments. Because of conflicting priorities, staff have not been able to successfully complete the consultation process. Once that has been completed, regular staff in the Council Support Division will be able to compile and present the proposed by-law to Council for its consideration. This is expected to take place in 2004.

HARMONIZED BY-LAWS ON WHICH WORK IS UNDERWAY

10. Private Entrances to Municipal Highways

A draft version of a proposed new harmonized by-law establishing a requirement for a permit to construct or alter a private entrance has been prepared. This draft has been circulated to and reviewed with the Engineering Division. This project involves the harmonization of four individual entrance by-laws and a significant number of entrance provisions in By-Law No. 10 of the former City and in County roads by-laws. Enactment of a new entrances by-law would permit Council to repeal all of these individual by-laws and by-law provisions. Such a by-law would not apply to the construction of private entrances in accordance with a subdivision or site plan agreement. Although much of the work could be completed prior to the termination of by-law harmonization project, this by-law could not be completed before termination of by-law harmonization on June 30, 2004.
11. Parking on Municipal Highways and in Municipal Parking Facilities
A draft version of a proposed new harmonized by-law to regulate on-street parking has been prepared. This draft has been circulated to and reviewed with the Engineering Division. The Engineering Division has been compiling and verifying the detailed parking regulations, such as those which impose specific parking restrictions on individual streets in the central area, for inclusion in the by-law as individual schedules. This is a very time consuming process. The body of the by-law is largely complete, subject to further input from the Engineering Division and the completion of the Schedules. The next step, now that Council has approved the Parking System Recommendations contained in Report No. 04-23, would be to submit the draft version of this by-law to the Parking Services Division for review and discussion. Before the by-law could be completed, the Parking Services Division would have to be consulted regarding the provisions dealing with on-street parking meter zones and with enforcement.

Considerable work has been undertaken on a draft version of a proposed new harmonized by-law to regulate the use of municipal parking facilities. However, because the draft is incomplete, it has not been circulated to the Parking Services Division. The next step, now that Council has approved the Parking System Recommendations contained in Report No. 04-23, would be to complete the draft version of this by-law and to circulate it to the Parking Services Division for review and discussion. Completion of the draft would not require a significant amount of additional work. However, before this by-law could be completed, extensive consultation with the Parking Services Division would be required, as it would be responsible for the administration of the by-law.

This project involves the harmonization of 26 individual parking by-laws, including the two by-laws of the former City dealing with parking meters, and a significant number of parking provisions in By-Law No. 24 [Traffic] of the former City. Enactment of two new by-laws for on-street and off-street parking would permit the repeal of all of these individual by-laws and by-law provisions. This by-law could not be completed before termination of by-law harmonization on June 30, 2004.

12. Use of Municipal Highways [Streets]
A draft version of a proposed new harmonized by-law regulating the use of the City’s “streets” has been prepared. The draft has been circulated to and reviewed with the Engineering Division. It has also been discussed with the Environmental Services Division. Such a by-law would deal with such issues as the removal of snow and ice from sidewalks in the central area, damaging boulevards, the use of bicycles and in-line skates, and public notice boards. This project involves the harmonization of a significant number of provisions of By-Law No. 10 of the former City, many of which are outdated, and a limited number of provisions in other by-laws of the County and former Townships. Enactment of a new “streets” by-law would permit Council to repeal most of the remaining provisions of By-Law No. 10 of the former City and the other by-law provisions, as well as a number of archaic roads by-laws. This by-law is nearing completion and, unless there are unforeseen circumstances, it is likely that it could be ready to submit to Council for its consideration by the end of June.
13. Signs and other Advertising Devices
Considerable work has been undertaken by the Building and Licensing Division on a draft version of a proposed new harmonized by-law regulating signs, with limited input from the Council Support Division. This project involves the harmonization of 14 individual sign by-laws, and the enactment of a new sign by-law would permit Council to repeal all of these individual by-laws. The development of a new harmonized sign by-law is a very complex project because there are significant technical differences among the categories of signs in the current by-laws of the three former municipalities. The Building and Licensing Division has done extensive work in developing common categories of signs. However, further work remains to be done before a proposed harmonized sign by-law would be ready for submission to Council for its consideration. This by-law could not be completed before termination of by-law harmonization on June 30, 2004.

HARMONIZED BY-LAW ON WHICH WORK IS NOT UNDERWAY

14. Fire and Public Safety
The previous Fire Chief had expressed an interest in repealing or harmonizing a number of by-laws relating to fire and public safety issues, including the fire department structure, fire routes, storage of explosives, fireworks, and barbecues on balconies. Although a preliminary meeting was held with the Fire and Rescue Division, no further action has been taken. This project would involve the harmonization of some 20 individual by-laws. Enactment of one or more new by-laws dealing with fire and public safety issues would permit the repeal of all of these individual by-laws. This by-law could not be completed before termination of by-law harmonization on June 30, 2004.

EXISTING POLICY/BY-LAW:
Various by-laws.

LINK TO STRATEGIC PLAN:
"Getting Our House in Order" is one of the seven priority areas identified in the Community Strategic Plan that have been approved by Council for immediate action. The development of harmonized by-laws is an important element in establishing an effective and integrated municipal corporation, and in working with residents to build a sense of belonging to the new City.

FINANCIAL CONSIDERATIONS:
During its budgetary deliberations, Council reviewed the list of projects recommended for completion and/or action and those recommended for deferral in the CAO's Report of March 22, 2004, "Focus Kingston and Corporate Project Lists". This report was the result of a review of all of the City's priorities by the Executive Management Team, which rated them on the basis of their strategic value and the level of effort and cost needed to implement them. Although the by-law harmonization process was found to be of high strategic value, it was determined to be too costly both in terms of the staff and financial resources needed. As a result, Council decided that it should be deferred. Accordingly, in light of other priorities and following Council's directive, the by-law harmonization process has been deferred, and will formally come to a close on June 30, 2004.
CONTACTS:
Carolyn Downs, City Clerk and Manager, Council Support  546-4291, extension 1247

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
T. Willing, Acting Commissioner, Planning & Development Services 546-4291, Ext. 3181
M. Segsworth, Commissioner, Operations 546-4291, Ext. 1345

NOTICE PROVISIONS:
Not applicable

APPENDICES:
None

Denis Leger, Commissioner
Department of Corporate Services

Bert Meunier
Chief Administrative Officer
TO: Bert Meunier, Chief Administrative Officer
FROM: Mark Segsworth, Commissioner of Operations
PREPARED BY: Malcolm Morris, Transit Manager
Beth Sills, Environmental Engineer
DATE OF MEETING: June 1st, 2004
SUBJECT: Biodiesel Fuel Consumption in the Kingston Transit Fleet

RECOMMENDATION TO:

There are no recommendations associated with this report as it is for information purposes.

ORIGIN/PURPOSE:

A pilot project was conducted from June to October of 2003 to test consumption of biodiesel fuel in the Kingston Transit fleet. The results of the pilot were favourable and we are now in a position to begin consuming biodiesel fuel as part of our normal operations beginning Wednesday, June 2nd (Clean Air Day).

OPTIONS/DISCUSSION:

What is biodiesel?:

Biodiesel is a renewable, non-toxic fuel substitute refined to an ASTM (American Society of Testing and Materials) standard from vegetable oil, animal fat or even used cooking oils; the most common feedstock is soybean or canola oil. It can be combusted in any standard unmodified diesel engine using existing fueling infrastructure. Biodiesel can be used in its pure form (B100) or can be blended with petroleum diesel; a common blending rate is 20% (B20). Biodiesel is safe, biodegradable and reduces air pollutants such as green house gases, soot particulates, carbon monoxide, hydrocarbons and air toxins. It is free of sulphur and non-toxic to plants, animals and humans. It contains no aromatics, has a high cetane number (necessary for compression ignition engines) and is a superior lubricant.

Environmental Benefits:

By incorporating biodiesel into the transit fuel mix the City of Kingston is acting on its April 17, 2001 council endorsed resolution to support the Federation of Canadian Municipalities Partners in Climate Protection Program (PCP) and the May 21, 2002 council supported resolution to endorse the ratification of Kyoto.
This initiative supports the Legislative Assembly of Ontario Select Committee on Alternate Fuel Sources Report (submitted June 2002). In Section A.11 (61) of this report the committee recommends that all municipalities in Ontario shall be mandated to develop policies and programs to increase the utilization of alternative fuel/energy in their operations by December 31, 2003.

Biodiesel provides a suite of quantifiable environmental benefits.

1. At the pump greenhouse gas emissions are reduced by 21% and 100% using B20 and B100 respectively in comparison to petroleum diesel (STAPPA/ALAPCO and ICLEI “Clean Air and Climate Protection Software”, version 1.0, March 12, 2003). During the 5 month B20 pilot period it is estimated that “at the pump” greenhouse gas emissions were reduced by 21% or approximately 200 tonnes of CO2 equivalent.

2. Biodiesel reduces the emission of smog pollutants including: oxides of nitrogen and sulfur, ozone, particulate matter and volatile organic carbons.

3. Biodiesel reduces other urban air quality pollutants including carbon monoxide, hydrocarbons, and sulphur compounds.

In comparison to other alternative fuels, biodiesel has the highest BTU rating with a 3.2:1 energy ratio (i.e. for every 1 unit of energy input into its production yields 3.2 units of output energy) (National Biodiesel Board).

Who is using biodiesel fuel?:

Biodiesel fuel is currently being consumed in over 280 public and private fleets in Canada and the United States. The City of Brampton and Toronto Hydro have been consuming various blends of biodiesel fuel for some time. Toronto Hydro began a pilot project in September of 2001 using biodiesel in 80 vehicles and by July of 2002 they had extended this project to include their entire fleet of 400 diesel powered vehicles. The Cities of Brampton and Guelph are currently using biodiesel in their transit vehicles. The City of Oshawa has recently started consuming biodiesel blends in their fleet of operational services vehicles as well. The City of Saskatoon is testing biodiesel in a small number of buses; the fuel is derived from agricultural sources within the Province of Saskatchewan. The Société de Transport de Montréal (STM) completed an extensive biodiesel demonstration and impact assessment project using B5 and B20 in 155 buses operating in downtown Montreal. The results were very positive but they chose not to continue using biodiesel until such time as the Quebec provincial government exempts biodiesel from the provincial transportation tax of 16.2¢ per litre.

Pilot Project Summary:

The Kingston Transit pilot project began on June 4th and ran until October 31st of last year. We sourced our supply of biodiesel from a company called Biodiesel Canada headquartered in the Toronto area. The actual feedstock source for the fuel came from recovered oils and was processed into biodiesel by Rothsay-Laurenco a division of Maple Leaf Foods, based in the Montreal area. The feedstock was comprised of recycled waste oils from animal and vegetable sources. In fact, a percentage of the fuel came from recycled fry oil collected by Rothsay from restaurants throughout Quebec and eastern Ontario, including restaurants in Kingston yielding a closed-loop system of resource consumption.

The actual volumes of petrochemical diesel and biodiesel used throughout the pilot are shown below:
Some of the biodiesel test projects that have occurred in the recent past have experienced fuel filtering issues that stem from the cleansing properties of biodiesel fuel. The chemical reaction that occurs when transforming animal and vegetable oils into biodiesel fuel involves the removal of glycerin molecules. The process, however, does not remove all glycerin leaving a percentage that has the effect of cleaning diesel residue from the inside linings of fuel tanks and fuel supply systems. In certain circumstances it can lead to premature clogging of fuel filtration systems. Our fuel tank filters and engine fuel system filters are routinely changed as part of our preventative maintenance program and we found that none had to be replaced more frequently than the existing duty cycle. Overall, the pilot project experience was very positive from a mechanical perspective.

EXISTING POLICY/BY-LAW:

Purchasing by-law 2000-134.

LINK TO STRATEGIC PLAN:

Consumption of biodiesel fuel is directly linked to the Environment Priority area within the Community Strategic Plan. It specifically addresses the goal of reducing our contribution to global climate change, our commitment to Partners in Climate Protection, and the general degradation of air quality.

FINANCIAL CONSIDERATIONS:

The provincial government has recognized the potential for biodiesel as a significant contributor to environmental protection in the province. The 2002 Ontario budget included an announcement by the government to exempt biodiesel fuel from the 14.3¢ per litre tax under the Fuel Tax Act. This measure became effective June 17th, 2002 under the Keeping the Promise for Growth and Prosperity Act, 2002. The federal government has exempted 4¢ per litre of their 10¢ per litre excise tax on biodiesel purchases. The excise tax exemptions place biodiesel in a more competitive light when compared to petroleum diesel. The reality, however, is that it still costs more on a per litre basis than petroleum diesel fuel at the time of writing this report.

The price of biodiesel fuel during the pilot exceeded that of conventional petrochemical diesel by approximately 13¢ per litre. The price disparity between fuel types was magnified by two factors; firstly, we were paying a very favourable rate on our petrochemical diesel and, secondly, the relatively low volume of biodiesel we had committed to purchase did not enable us to achieve preferred pricing. The fuel pricing landscape is somewhat different today in that petrochemical diesel has risen in value while biodiesel has been reduced yielding a price differential of approximately 3¢ per litre. The volatility and recent upward trend in petrochemical fuel pricing would seem to indicate the price differential will narrow even further and, quite conceivably, invert.

The 2004 operating budget contains sufficient funds to support biodiesel consumption.

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<td>Biodiesel</td>
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<td><strong>Total</strong></td>
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<td><strong>Average Blend</strong></td>
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</tbody>
</table>
CONTACTS:

Malcolm Morris, Transit Manager – (613) 546-4291 extension 2260
Beth Sills, Environmental Engineer – (613) 384-1770 extension 3120
Bud Steele, Fleet Manager – (613) 546-4291 extension 2216

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:

Operations Services – Fleet Division
Planning & Development – Environment Division
Corporate Services – Finance Division

NOTICE PROVISIONS:

N/A

APPENDICES:

None.

Mark Segsworth
Commissioner of Operations

Bert Meunier
Chief Administrative Officer

K:Trsptn/Reports & Attachments/BIO-Diesel REPORT_04-197
TO: Bert Meunier, Chief Administrative Officer
FROM: Mark Segsworth, Commissioner of Operations
PREPARED BY: Malcolm Morris, Transit Manager
DATE OF MEETING: June 1, 2004
SUBJECT: Kingston Transit – Clean Air Day Promotion

RECOMMENDATION TO COUNCIL:

There are no recommendations associated with this report as it is for information purposes.

ORIGIN/PURPOSE:

Kingston Transit

OPTIONS/DISCUSSION:

Wednesday, June 2nd is Clean Air Day Canada and this year’s slogan is “Clean Air. It’s Within Your Reach”. The objective of Clean Air Day Canada is to raise national awareness of the important role public transit has in preserving healthy communities. Clean Air Day is a grassroots event that relies on strong partnerships with all sectors of society. It encourages communities, the public, and commuters to take action on environmental, health and transportation issues during Canadian Environment Week. Clean Air Day shows Canadians that we can make a difference. People are urged to walk, bike or ride public transit to decrease emissions that impact air quality and generate greenhouse gases. The message is being supported across the country through the use of bus boards and bus shelters as an advertising medium. Air quality is being used as an enticement to get commuters to try Kingston Transit as a low-cost and environmentally superior transportation choice.

Kingston Transit is supporting the Clean Air Day campaign locally for the third consecutive year with a promotional effort aimed at encouraging commuters to use public transit on June 2nd. Our campaign message is being delivered through radio, print advertising, bus boards and information on the City website. Flyers and “Ride for Free” coupons will be distributed via Parking Services employees at all downtown lots. “Ride for Free” coupons will also be placed in local print media and will be valid on Clean Air Day only. A total of 4,925 coupons were redeemed during Clean Air Day 2003. A new feature this year will see customers that present a Clean Air Day “Ride for Free” coupon upon boarding receive a free medium coffee coupon from Country Style.

Clean Air Day 2004 will also mark the resumption of biodiesel fuel usage in our Transit fleet as outlined in report 04-197.
EXISTING POLICY/BY-LAW:
N/A

LINK TO STRATEGIC PLAN:
N/A

FINANCIAL CONSIDERATIONS:

There are sufficient funds in the budget to cover advertising and promotional expenses. Costs associated with bus boards are being underwritten by Environment, Health and Transport Canada.

CONTACTS:
Malcolm Morris, Transit Manager, (613) 546-4291 extension 2260
Gina MacArthur, Public Education and Promotions Coordinator, (613) 546-4291 extension 2287

DEPARTMENTS/OTHERS CONSULTED AND AFFECTED:
Operations Services - Transit Division
Operations Services - Parking Division
Corporate Services - Client Services and Communications Division

NOTICE PROVISIONS:
N/A

APPENDICES:
None

Mark Segsworth
Commissioner of Operations

Bert Meunier (Acting)
Chief Administrative Officer