

**THE CORPORATION OF THE TOWN OF WASAGA BEACH**

**MINUTES OF THE SPECIAL MEETING OF  
TOWN COUNCIL**

**Held Monday, May 11, 2015 at 4:00 p.m.  
In the Council Chambers**

**PRESENT:**

B. Smith	Mayor
N. Bifulchi	Deputy Mayor
R. Anderson	Councillor
S. Bray	Councillor
R. Ego	Councillor
B. Smith	Councillor
S. Stockwell	Councillor
G. Vadeboncoeur	CAO
T. Nicholson	Clerk
P. Archdekin	Deputy Clerk
M. McWilliam	Fire Chief
K. Lalonde	Director of Public Works
D. Vincent	Senior MLEO
J. Leggett	EDCCO
M. Quinlan	Treasurer
B. Vickers	CBO
G. Reinders	Manager of Parks Facilities & Recreation
M. Stahr	Legal Counsel

**1. CALL TO ORDER**

Mayor Smith called the meeting to order at 4:00 p.m.

**2. DISCLOSURE OF PECUNIARY INTEREST - None**

**3. STAFF REPORTS**

The Clerk advised that the first motion should be suspending the Rules of Procedure to permit the May 7, 2015 Committee of the Whole item regarding repairs to the Dardenella Roof Trusses to be tabled. This item will be dealt with last on the Agenda. It was then;

MOVED BY B. STOCKWELL  
SECONDED BY R. EGO

RESOLUTION NO. 2015-05-01

RESOLVED THAT Council suspends the rules of the Procedure to permit the May 7/15 Committee of the Whole item regarding the repairs to the Dardenella Roof Trusses.

CARRIED

**a) Rental Rates for Beachfront Properties**

Councillor Smith requested that the last part of the motion “up to a variance of 20%” for the rates for the beachfront be taken out for separate discussion and moved a motion. The motion was seconded by Councillor Stockwell.

Discussion ensued with respect to giving the CAO authority to negotiate with a twenty percent spread. It was noted that if Council is negotiating a property matter it should be In Camera.

Deputy Mayor Bifulchi did not support the recommendation and requested a recorded vote. The condition of the buildings is not acceptable to lease and asked the CAO when Council would receive a report on health and safety, deficiencies and cost of repairs.

Councillor Anderson advised that he preferred to talk about any possible discount first before the rates.

Mayor Smith inquired of the Town Solicitor if Council could move In Camera. Mr. Stahr came to the table and advised that as it pertains to leases, which is a form of disposition of land, which is one of the permitted uses to go into Closed Session.

Mayor Smith inquired if we can do this at the end of the meeting or should it be done now.

The Chief Administrative Officer noted that as we are in a different setting, Council would have to retire to the Board Room for discussion; the public could remain in the Council Chambers.

In answer to the Deputy Mayor’s questions of timing of report, the CAO advised that the Fire Chief and Deputy Chief have generated a list of items that need to be addressed. The Chief Building Official accompanied the structural engineer on his tour and he has not talked to the CBO about him generating a report. He expects that within two weeks a report would be provided to Committee of the Whole. There is a list of repairs or maintenance items to go through and engage someone else who has that expertise. An electrician has been contacted and we need a general contractor as well. The CAO advised that he will keep Council informed.

Deputy Mayor Bifulchi further inquired if the costs of the repairs will be included in the report. The CAO responded that he will provide estimates if we can for the repairs. The CAO advised that the intent is to get direction on how to proceed in dealing with deficiencies.

Councillor Ego inquired of Mr. Stahr as to a leasing question to which he responded that is getting into an area that he may be required to give advice and could do so as part of the Closed Session. It was then;

MOVED BY B. STOCKWELL  
SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-02

RESOLVED THAT pursuant to Section 239 of *The Municipal Act, 2001*, as amended, the next portion of the May 11, 2015 Special Council meeting be closed to the public to consider matters regarding property acquisition, in regards to the Beachfront properties and advice that is solicitor client privilege.

CARRIED

Council went into Closed Session at 4:12 p.m.

Discussion ensued with respect to the lease rates giving the CAO authority to negotiate. The Town Solicitor provided advice regarding the lease rates and leases.

Following a lengthy discussion the CAO was provided direction in negotiating lease rates with tenants. It was then;

MOVED BY B. STOCKWELL

SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-03

RESOLVED THAT the closed session of the May 11, 2015 Council meeting adjourns and the open session resumes.

CARRIED

The open session resumed at 4:51 p.m.

MOVED BY B. SMITH

SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-04

RESOLVED THAT Council of May 11, 2015 does hereby confirm the direction given to the Chief Administrative Officer, in Closed Session, regarding the Beachfront properties.

CARRIED

Mayor Smith rose and reported that Council held discussion on leases and discussed direction to the CAO; who would sign leases and the authority to negotiate to what percentage.

Councillor Smith advised that she wished to withdraw her earlier request for a motion to separate out the items.

The Clerk advised that she has received a motion from Councillor Stockwell that requires a seconder to amend Council to approve, in principal, the rental rates and that the Mayor and Clerk be authorized to sign the leases, and further that “based on these lease rates and the standard Town lease, up to a variance of 20%” be deleted from the motion. Councillor Ego seconded the amendment; Council voted and carried the amendment. It was then;

MOVED BY B. SMITH

SECONDED BY R. EGO

RESOLUTION NO. 2015- 05-05

RESOLVED THAT Council approve, in principal, the following rental rates for the Beachfront Properties for the remaining vacant retail and food service units for 2015 season:

31 Beach Drive -	\$45,000
41 Beach Drive -	\$27,000
43 Beach Drive -	\$32,000
13 1 <sup>st</sup> Street	\$18,000
14 1 <sup>st</sup> Street	\$18,000
91-93 Beach Drive	\$20,000 – fast food, \$18,000 – retain space x 2 units
50 Mosley Street	\$32,000

115 Beach Drive \$8,000 to \$10,000 – units 1 to 4, \$15,000 – units 5 & 6 combined

AND FURTHER THAT Council authorize the Chief Administrative Officer to negotiate and the Mayor and Clerk to sign one season leases with prospective tenants for the vacant beachfront properties.

Councillor Anderson	Yea	
Deputy Mayor Bifulchi		Nay
Councillor Bray	Yea	
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

**b) Awarding of RFP for Dardenella, Bananas & Copa Cabana Bars**

**Bananas:**

Councillor Stockwell inquired what this meant. The Mayor advised that the top proponent was Mr. Grossi and Council is giving direction to the CAO to reach out to Mr. Grossi and negotiate a lease.

Councillor Bray inquired if Council is giving the CAO a range to negotiate or is it being left wide open. Mayor Smith responded that the CAO will speak to the proponents to improve the Town's position in a lease that is acceptable to both parties and will come back to the Mayor and Clerk for signature.

Councillor Anderson advised that he can't support it without an approved lease rate. They did an RFP and put their best rate forward and want to have Bananas open. The economic loss for the whole town is huge and this is more than an improved lease rate. He could not support the motion unless the last words "including an improved lease rate" are taken out.

Councillor Bray inquired if someone declared a conflict on the same motion at Committee of the Whole, should they declare on this motion and not speak to it. The Clerk advised that it is up to the Councillor to declare a conflict is he believes he has one. Councillor Anderson advised that he has received legal advice and he does not have to declare a pecuniary interest on these items.

It was then;

MOVED BY R. EGO  
 SECONDED BY B. SMITH

RESOLUTION NO. 2015-05-06

RESOLVED THAT subject to the purchase of the Beachfront properties being finalized on May 14, 2015, Council award the RFP for the Operation of the Bananas beachfront licensed establishments to Mr. Enzo Grossi for the 2015 season commencing May 15, 2015 and concluding September 30, 2015, subject to a lease being negotiated between the Town and Mr. Grossi that is suitable to both parties, including an improved lease rate.

Councillor Anderson		Nay
Deputy Mayor Bifulchi	Yea	
Councillor Bray	Yea	
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

Councillor Stockwell inquired as to what does this now mean. Mayor Smith advised that Council has given direction to the CAO to reach out to Mr. Grossi to look at the lease terms and negotiate the lease itself and the price and do his best to improve the Town's position.

**Dardenella:**

MOVED BY B. SMITH  
 SECONDED BY R. EGO

RESOLUTION NO. 2015-05-07

RESOLVED THAT subject to the purchase of the Beachfront properties being finalized on May 14, 2015, Council award the RFP for the Operation of the Dardenella beachfront licensed establishment to the Smardenka Group for the 2015 season commencing on a date no earlier than May 15th, 2015 and concluding September 30, 2015, subject to confirming that a liquor license is available for the property and subject to a lease being negotiated between the Town and the Smardenka Group that is suitable to both parties, including an improved lease rate.

Councillor Anderson		Nay
Deputy Mayor Bifulchi		Nay
Councillor Bray	Yea	
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

**Copa Cabana:**

MOVED BY R. EGO  
SECONDED BY B. SMITH

RESOLUTION NO. 2015-05-08

RESOLVED THAT subject to the purchase of the Beachfront properties being finalized on May 14, 2015, Council award the RFP for the Operation of the Copa Cabana beachfront licensed establishment to Mr. Enzo Grossi for the 2015 season commencing June 15, 2015 and concluding September 30, 2015, subject to a lease being negotiated between the Town and Mr. Grossi that is suitable to both parties, including an improved lease rate.

Councillor Anderson	Nay
Deputy Mayor Bifulchi	Nay
Councillor Bray	Yea
Councillor Ego	Yea
Councillor Smith	Yea
Mayor Smith	Yea
Councillor Stockwell	Yea

CARRIED

Councillor Stockwell inquired when the CAO will set up meetings and report back to Council.

The CAO responded that Council has a Committee of the Whole meeting scheduled for Tuesday and that would give him time to initiate conversations.

Councillor Stockwell requested a Council meeting be held after this meeting adjourns to deal with the leases. The Clerk advised of procedure for timing and notice required for the calling of meetings. The Town Solicitor also advised that he could provide legal advice in Closed Session regarding the leases. It was then;

MOVED BY B. STOCKWELL  
SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-09

RESOLVED THAT pursuant to Section 239 of *The Municipal Act, 2001*, as amended, the next portion of the May 11, 2015 Special Council meeting be closed to the public to receive advice that is solicitor client privilege in regards to the Beachfront properties.

CARRIED

Council went back into Closed Session at 5:15 p.m.

The CAO left the meeting to discuss the leases with the proponent.

The Town Solicitor provided legal advice with respect to calling of meetings; approving of leases; authorization to enter into leases; direction to the CAO.

The CAO returned to the Closed Session at 5:22 p.m. and provided Council with the results of his discussions with Mr. Grossi.

The CAO was provided direction and left the Closed Session at 5:27 p.m. for further discussion with Mr. Grossi.

Council had a break waiting for the CAO. The CAO returned at 5:39 p.m. and the Closed session resumed.

The CAO provided an update on his discussion with Mr. Grossi and further discussion ensued. The Town solicitor provided advice on the lease agreement. It was then;

MOVED BY B. STOCKWELL  
SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-10

RESOLVED THAT the 2<sup>nd</sup> closed session of the May 11, 2015 Council meeting adjourns and the open session resumes.

CARRIED

MOVED BY B. SMITH  
SECONDED BY R. ANDERSON

RESOLUTION NO. 2015-05-11

RESOLVED THAT Council of May 11, 2015 does hereby confirm the direction given to the Chief Administrative Officer, in Closed Session, regarding the Beachfront properties.

CARRIED

The open session resumed at 5:55 p.m.

Mayor Smith called for a five minutes break.

The Clerk left the meeting at 6:00 p.m.

Council reconvened and Council desired to go back into Closed Session for a third time. It was verbally,

MOVED BY S. BRAY  
SECONDED BY N. BIFOLCHI

RESOLVED THAT pursuant to Section 239 of *The Municipal Act, 2001*, as amended, the next portion of the May 11, 2015 Special Council meeting be closed to the public to receive advice that is solicitor client privilege in regards to the Beachfront properties.

CARRIED

The CAO provided an update on further lease improvement discussions with Mr. Grossi and discussion ensued.

The CAO left the closed session at 6:34 p.m. for further discussion with Mr. Grossi.

The CAO returned, provided a further update and it was then verbally;

MOVED BY R. ANDERSON  
SECONDED BY R. EGO

RESOLVED THAT the 3rd closed session of the May 11, 2015 Council meeting adjourns and the open session resumes.

CARRIED

The open session of Council resumed at 6:37 p.m.

Mayor Smith called the Council meeting back to order and it was then verbally;

MOVED BY N. BIFOLCHI  
SECONDED BY B. SMITH

RESOLVED THAT Council of May 11, 2015 does hereby confirm the direction given to the Chief Administrative Officer, in Closed Session, regarding the Beachfront properties.

CARRIED

Mayor Smith advised that Council has been discussing the negotiations for the three bar establishments and the CAO has been in discussion with the proponents. They have an agreement, in principle, on two locations and information will follow publically once the lease is signed and there is one person to still speak with as the third bar remains under negotiations.

The Mayor then asked for permission of Council to table a motion that is not on the Agenda. Council agreed, recorded votes were requested and it was then;

MOVED BY R. ANDERSON  
SECONDED BY B. SMITH

RESOLUTION NO 2015-05-12

RESOLVED THAT Council add to the Agenda.

CARRIED

The Chief Administrative Officer advised that with 2/3 support of Council he will table the motions. Council agreed.



MOVED BY R. EGO  
SECONDED BY S. BRAY

RESOLUTION NO. 2015-05-13

RESOLVED THAT Council authorize the Mayor and Clerk to execute any lease agreement arising from the RFP in relation to Copa Cabana.

Councillor Anderson	Yea	
Deputy Mayor Bifulchi		Nay
Councillor Bray	Yea	
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

MOVED BY R. ANDERSON  
SECONDED BY B. STOCKWELL

RESOLUTION NO. 2015-05-14

RESOLVED THAT Council authorize the Mayor and Clerk to execute any lease agreements arising from the RFP in relation to Bananas.

Councillor Anderson	Yea	
Deputy Mayor Bifulchi	Yea	
Councillor Bray	Yea	
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

**c) Dardenella Truss Repairs**

MOVED BY R. EGO  
SECONDED BY B. STOCKWELL

RESOLUTION NO. 2015-05-15

RESOLVED THAT Council does hereby approve the offer from Wasaga Beach Waterfront Developments Inc., to transfer funds provided by the Insurance Company for the Dardenella Truss repairs directly to the Town in lieu of conducting the repairs prior to the closing of the purchase on May 14, 2015, subject to receiving written confirmation from the Insurance Company that they are paying 100% of the approved estimated cost of the repairs.

Councillor Anderson	Yea	
Deputy Mayor Bifulchi		Nay
Councillor Bray		Nay
Councillor Ego	Yea	
Councillor Smith	Yea	
Mayor Smith	Yea	
Councillor Stockwell	Yea	

CARRIED

Councillor Anderson inquired if there is a requirement for the Committee of the Whole scheduled for Tuesday and was advised Committee will discuss further plans for the beachfront properties.

#### **4. CONFIRMATORY BY-LAW**

MOVED BY R. EGO  
SECONDED BY B. SMITH

RESOLUTION NO. 2015-05-16

RESOLVED THAT a By-Law to Confirm the Proceedings of the Council of the Town of Wasaga Beach at its Special Meeting held Monday, May 11, 2015, be received and be deemed to have been read a first, second and third time, passed and numbered No. 2015-37.

CARRIED

#### **5. ADJOURNMENT**

Mayor Smith adjourned the meeting at 6:50 p.m.

The Minutes of this Meeting were adopted 26<sup>th</sup> day of May, 2015.

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Brian Smith, Mayor

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Twyla Nicholson, Clerk