



Bluewater Community Action Group (BCAG)

A coalition of concerned Bluewater Residents

- 1) BDRA - representing 180 homes behind Bluewater Dunes
- 2) BGW - representing 480 homes in Bluewater, Georgina, and Wendake beaches
- 3) BDPA - representing 700+ citizens concerned with protection of Bluewater Dunes

Open Letter: September 16, 2024

To: Tiny taxpayers and Tiny Township Council
Subject: New Tiny Township Administration Centre (TTAC)

Dear Council and Tiny Taxpayers,

Our group is quite concerned about the animosity and division over this proposed new building. There has been a lot of misinformation in the media and online. Our group has met several times with Mayor Evans and Councillor Walma to discuss the TTAC. We have also engaged those opposing the new build. www.stopthebuildtiny.ca Councillor Walma has asked to reference his email at the bottom of this document.

This document is an attempt to...

- 1) Present true facts and numbers, confirmed by Township representatives
- 2) Present arguments in favour of the build, vetted by Township representatives
- 3) Present arguments against the build, vetted by opposition groups.

The Pros and Cons were presented to both parties. Their changes/corrections are noted in green font below.

We have worked hard to present both sides of issue. It was difficult to keep all emotion out of this briefing. But if we can at least agree upon the costs, risks, and tax effects, then we can have a constructive discussion.

This document should allow taxpayers to formulate their own decision to support or oppose the largest asset purchase in Tiny Township history.

Yours truly,

Bluewater Community Action Group (BCAG)

NOTE: The BCAG Vision Statement can be found at the end of this document. It shows who we represent and what we stand for.



Summary of Tiny Town Hall Issues

Our group has met with Mayor Evans once, and with Councillor Walma twice. We have also met with opposition groups.

This document is an effort to dispel misinformation on this vital issue so that residents can make informed decisions. Both parties had an opportunity to confirm numbers & their positions before publication.

Is there even a need for a new building?

Council says the current building...

- is too old
- is inefficient and we can meld some existing buildings into one
- is moldy
- is not large enough now nor for future growth
- not environmentally friendly
- they are not considering remote work policies due to lack of accountability
- some staff work in field but still need an office location
- population projections do not include people turning cottages into permanent residences

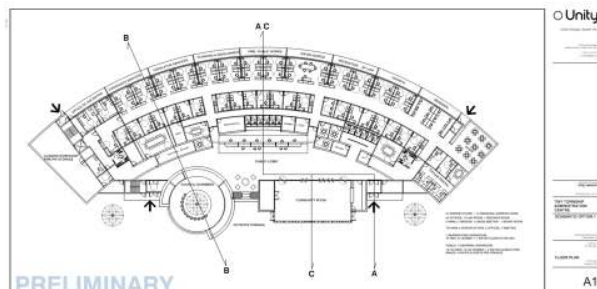
Opposition says the current building...

- is a reasonable size given that office space is becoming less necessary everywhere
- could be upgraded or added to for a fraction of the cost
- if moldy, would not be in use now
- with a modest upgrade, would be fine for our limited 3000 person population growth to 2051
- would be fine with remote work policies suggested by independent consultants
- The new build will fill in some wetlands, threaten endangered species, and just add to environmental degradation
- We are going to pay close to \$50 million (interest included) for a building we don't really need that only adds about 3000 to 4000 sq ft of additional work/office space for staff.

Was the process acceptable?

Council says...

- Previous councils started the process
- Renovation costed at \$21.9 million vs new building costed at \$25.6 million
- There was a newspaper article identifying the new build as a priority
- There were many New Building Committee meetings with minutes posted on Tiny.ca
- The needs of the Township and wants of staff were carefully considered and this was the result

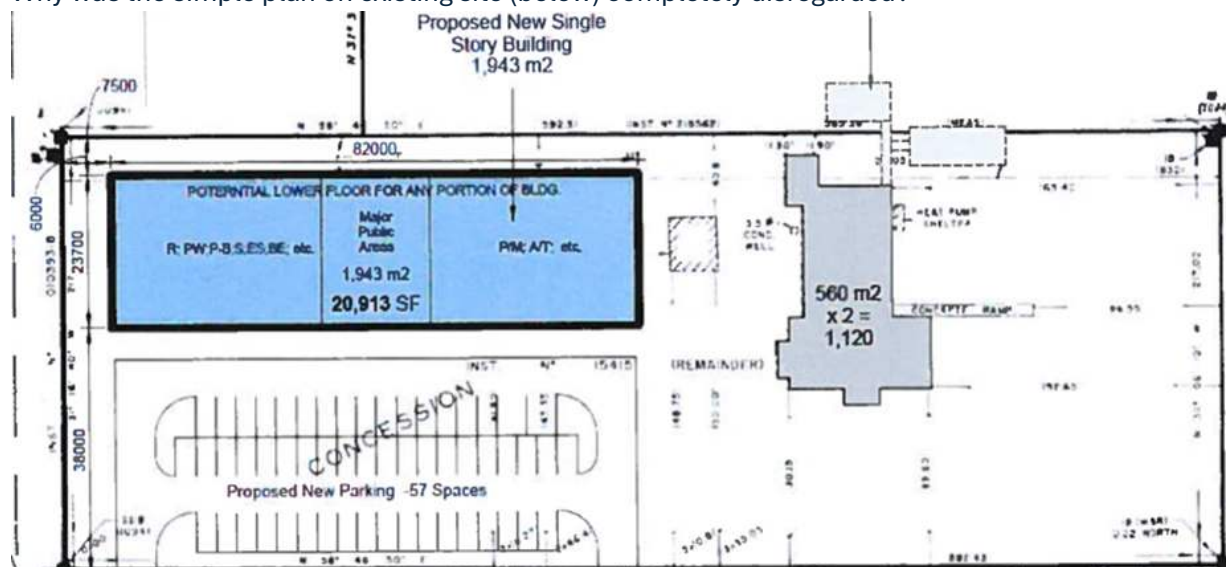


Opposition says...

- Previous councils started the process but abandoned it because it was unaffordable
- Previous councils considered a practical \$5.4 million rectangular building on the existing site. This would be under \$10 million in 2024 dollars. Not an inappropriately ornate building on a whole new site as proposed now. Where is the quote for this original design?
- How could a renovation possibly be \$21.9 million? This shows lack of options considered and a narrow RFQ process.
- The Building Committee had 11 meetings with no mention of a budget. How is this possible? The building was decided upon before any budget was established
- Finally in December 2023 they asked for a cost estimate.
- In April 2024, Council surprised taxpayers with a \$26 million cost estimate. **Public Works**

Report PWR-013-24

- Why was the simple plan on existing site (below) completely disregarded?



Were the taxpayers consulted in the process?

Council says...

- They were elected to make decisions and taxpayers should trust that they are working in the best interests of the community
- Building Committee minutes are posted on tiny.ca
- Residents have had a number of engagement sessions with Council and the building designer
- A silent majority wants the new Town Hall

Opposition says...

- Residents were asked for input only AFTER the decision to proceed was made. And only allowed to discuss the public portion of the building. Residents could not comment on staff work spaces.
- The committee committed to proceed with the build before they had a budget or public engagement. Who can decide on a project when there are no estimates?

- The 2023 Township tax survey clearly showed that residents considered a new building VERY LOW priority. Only 5 of 295 respondents said a new building was priority. 17th out of 18 priorities.
- Statistically implausible that there is a silent majority in favour of the build. **There are 2000 lawn signs and 1500 emails against the build.**
- 2024 survey had similar results. Doing a survey and then disregarding the results shows disdain for the taxpayer. There is zero evidence of so called “silent majority support”.

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2023 Public Budget Survey			
ANSWER CHOICES		RESPONSES	
Access to Services for older population		12.85%	37
Transportation and Active Transportation improvements		6.25%	18
Accessibility improvements to Township services, beaches and parks		8.68%	25
Road improvements		37.85%	109
Short-term Rental Management and enforcement		42.01%	121
Beach access, delineation and public beach spaces		40.63%	117
Connectivity, Cell phone and Internet (broadband) improvements		37.85%	109
Management of Gypsy moths and other invasive species		15.63%	45
Improving Customer service levels and Township communications		6.25%	18
Increasing electronic and virtual services		3.82%	11
Roads/Ditch maintenance		24.31%	70
Enhancing Beaches, Parks and Trails facilities (washrooms, amenities)		18.06%	52
Community events and initiatives		8.33%	24
Economic initiatives for local businesses		6.25%	18
Free Wi-fi at all Municipal parks and facilities		1.39%	4
Water bottle re-fill stations throughout all Parks, Beaches, Trails and recreational facilities		5.90%	17
Improved/Enhanced By-Law enforcement		22.22%	64
New and/or substantially renovated Town Hall		1.74%	5
Total Respondents: 288			

How sure are we of the costs?

Council says...

- We are confident that the roughly \$26 million cost (plus financing) will not run over budget. There is a 25% contingency built into the pricing.
- Financing costs may go down a bit shortly as Bank of Canada rates fall
- **HST for municipalities is roughly 1%**

Opposition says...

- The Class D estimate is very incomplete. It says right in the estimate that the estimated costs should be considered “high risk”
- Many exclusions have not been accounted for or are unclear if included or not in the estimate
- **Large public buildings are notorious for cost overruns**
- Staff has not projected the increase in maintenance costs for the new building over the old (landscaping, window cleaning, janitorial, utilities, insurance, Geothermal and solar panel maintenance, etc.)
- See exclusions below...

k) EXCLUSIONS TO CONSTRUCTION COST

- | | |
|------------------------------------|--|
| - Phasing | - Contaminated Soil |
| - Price Escalation | - Project Management |
| - Soft Costs | - Harmonized Sales Tax (H.S.T.) |
| - Professional and Design Fees | - Inspection and Testing |
| - Furniture and Loose Equipment | - Post Contract Contingencies |
| - Development Charges and Levies | - Window Drapes/Curtains, and Art Work |
| - Financing Costs | - Premium Labour |
| - Relocation Costs | - LEED Costs |
| - Asbestos Abatement | - Project Scope Contingency |
| - Abnormal Soil Conditions | - Winter heat to shell construction |
| - COVID-19 / Pandemic Impact Costs | |

l) STATEMENT OF PROBABLE COSTS

This estimate represents a professional opinion of the probable costs for this project. Marshall & Murray Incorporated cannot guarantee that the actual project cost will not vary from this opinion.

m) ONGOING COST CONTROL

The project is still within the early stages of design and thus the full scope and design specifications have not been clearly determined. The estimate makes assumptions for all elements not clearly defined on the drawings. These assumptions are listed within the detailed estimate.

To alleviate a portion of the risk, a design and pricing contingency allowance has been included to accommodate for future design tweaks. However if there is a significant amount of design changes as the project progresses, they could result in an increase in cost that cannot be covered by the design and pricing contingency allowance. At this stage we consider the risk high, and would request that the design team review and provide comment with regards to the design detail included within the estimate.

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What are the numbers for the building and other expected costs and how will they effect taxation?

Council says...

- Tiny has one of the lowest tax rates in Simcoe.
- Financing of the \$26 million building will have an annual mortgage cost of \$1,369,681. They say that in the last 2 years of tax increases they have accounted for \$400,000. The remaining \$969,681 will be financed by a 2.06% compounded increase in taxes in years 2025, 2026, and 2027.
- The AMP (Asset Management Plan) for Tiny calls for a compounded tax increase of 2.39% annually for the next 20 years.
- Councilor Walma indicated that all water improvements will be borne by those who use the water by way of fees
- Mayor Evans indicated in our meeting that Tiny may expect a \$1 to 2 million expense to handle our septage issue if a deal is done with Midland. Councilor Walma indicated that any septage change should be 100% borne by increased user fees to homes with holding tanks, since they are the only ones affected, and that for the remaining 95% of homes the field spreading will continue as it has been for many years.
- Annual inflation is around 2.7% but expected to drop to 2% by year end.
- Councilor Walma and Haley Leblond have confirmed the 7.5% estimated tax increase annually for the next three years.
- CAO Leblond confirmed there will be 3 more years of 7.5% municipal tax increase in 2025, 2026, 2027. The education and county portions of tax are not affected by the build so overall tax increase will be lower.

Opposition says...

- Tiny has a low tax rate because we have very little infrastructure. No arena, no library, no pool, no transit. We don't even have a traffic light. Our commercial tax base is less than 1% of taxes. We are a residential/cottage/farm community. We mostly just have roads and some parks to maintain. The fact that we have a well managed tax rate is no excuse to spend recklessly on a building that we don't need. Mayor Evans is on recorded tape justifying the spend by saying "we have an affluent community".
- Here is what our municipal tax increases will look like **IF** the project stays exactly on budget and best case scenario...

Projected Tax Revenue Increases for Tiny Township								
	2022	2023	2024	2025	2026	2027	2028	2029
Municipal Levy Rate	0.00328992	0.00364578	0.00394437	0.00423941	0.00455652	0.00489734	0.00516131	0.00543951
YoY % Chg		10.8%	8.2%	7.5%	7.5%	7.5%	5.4%	5.4%
5 Yr change				48.9%				
Total Tax Rev	14,014,361		17,001,251	18,272,945	19,639,761	21,108,815	22,687,754	24,384,798
% change								
Inflation (regular cost inc)				3.00%	3.00%	3.00%	3.00%	3.00%
TTAC Building				2.09%	2.09%	2.09%	0.00%	0.00%
Asset Management Plan				2.39%	2.39%	2.39%	2.39%	2.39%
Total				7.48%	7.48%	7.48%	5.39%	5.39%

- Naturally, the annual inflation rate of 3% will go up or down with the economy. But we can expect roughly 3 to 4 times the rate of inflation increase for the next three years and 2 X inflation thereafter. This represents close to 50% increase in municipal portion of taxes over 5 years. Young people and older people on fixed incomes will be truly hurt, if not driven from living in Tiny.

Unknown "wildcard" expenses

These unknowns could be extremely expensive additions to above noted costs

- TTAC cost overruns (Class D estimate considered high risk)
 - What happens to taxes if costs overrun by \$5 million? \$10 million?
- Cost exclusions that are unclear
 - These could be very expensive. Example roller blinds for all the windows
- Increased annual operating costs of new building
 - Council has not done any estimate on this
- Septage deal with Midland or other community
 - Can we really keep spreading septage on fields indefinitely?
- Water system improvements
 - Can this whole cost really be made up by water user fees only?

FOOTNOTES:

Councillor Walma says he can be contacted at councillorwalma@tiny.ca and more information can be found at <https://www.tiny.ca/township-hall/new-building>

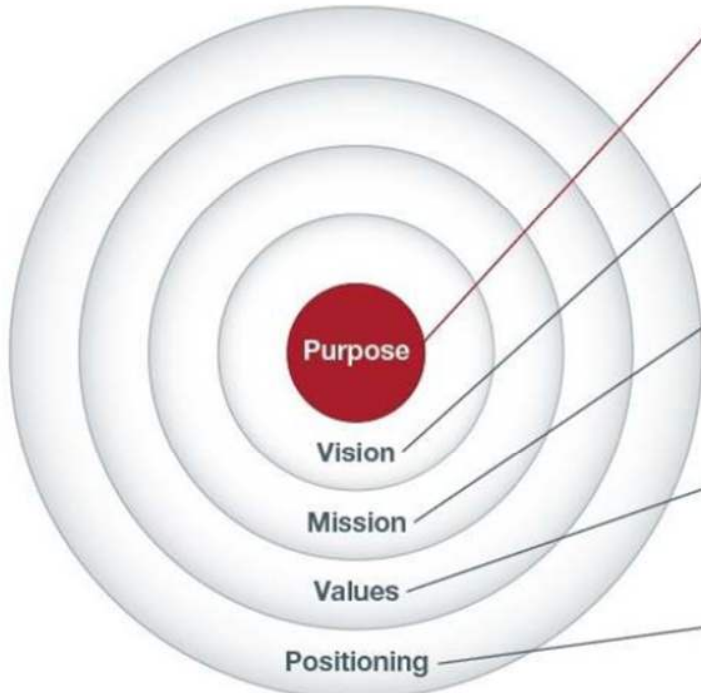
Opposition parties say you can get more information at www.stopthebuildtiny.com



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Why we exist

To protect, manage, and maintain our unique Bluewater Community.

What we aim to achieve

To protect our dunes, beaches, and fresh water from degradation due to poorly managed growth while balancing the rights of existing residents and the need for all Tiny residents to enjoy the Community.

How we plan to achieve our vision

To engage Town Councillors, Township staff, and concerned citizens to develop and implement Master Beach Plans, Recreation Plans, and Action Plans for environmental protection, septic/sewage issues, parking, public safety, capacities, and sustainability. All in a spirit of cooperation, transparency, and mutual respect.

What we stand for and how we behave

Environment first. Without our clean water, beaches, and dunes, there is no Community.

Tiny taxpayers second. We pay the bills, and salaries and expect mutual respect between our elected representatives, Town Staff, and Tiny residents.

How we differentiate

We are collaborative. We discuss. We are common sense. We recognize that growth is inevitable, but it must not destroy our environment nor our sense of community.