Agenda - Executive Policy Committee - June 16, 2004

Report - Standing Policy Committee on Property and Development - June 8, 2004

Item No. 27 Renewal of Service Agreement for Burial and Maintenance Operations with the Friends of Elmwood Cemetery Inc. File PC

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submits the following to Council:

1. That the renewal of the Service Agreement for burial and maintenance operations at the Elmwood Cemetery by the Municipal Cemeteries Division for the Friends of Elmwood Cemetery Inc. for the period May 26, 2002, to December 31, 2006, be approved.

2. That the Chief Administrative Officer be delegated the authority to approve future renewals of this Service Agreement under the same terms and conditions as contained within the report from the Director of Planning, Property and Development dated May 20, 2004.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - June 16, 2004

Report - Standing Policy Committee on Property and Development - June 8, 2004

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 8, 2004, the Standing Policy Committee on Property and Development concurred in the administrative recommendation and submitted the matter to the Executive Policy Committee and Council.

Re: RENEWAL OF SERVICE AGREEMENT FOR BURIAL AND MAINTENANCE OPERATIONS WITH THE FRIENDS OF ELMWOOD CEMETERY INC.

For submission to: **The Standing Policy Committee on Property & Development**

Original report signed by: **Director of Planning, Property and Development**

Report date: May 20, 2004

Recommendation(s):

1. That Council approve the renewal of the Service Agreement for burial and maintenance operations at the Elmwood Cemetery by the Municipal Cemeteries Division for The Friends Of Elmwood Cemetery Inc. for the period May 26, 2002 to December 31, 2006.

2. That the appropriate officials of the City do all things necessary to fulfill the foregoing.

3. That the Chief Administrative Officer be delegated the authority for future renewals of this Service Agreement under the same terms and conditions as contained here within.

REPORT SUMMARY

KEY ISSUES:

The renewal of this Service Agreement continues the on-going relationship developed between the Municipal Cemeteries Division and the Friends of Elmwood Cemetery Inc. and provides for the continued burial and maintenance operations at the Elmwood Cemetery while providing a positive revenue flow to the City.

IMPLICATIONS

General implications

- [ ] None
- [ ] For the organization overall and/or for other departments
- [ ] For the community and/or organizations external to the City of Winnipeg
- [X] Involves a multi-year contract

Comment:

Policy implications

- [X] No (There are no policy implications if the report is asking for a one-time decision.)
- [ ] Yes (There are policy implications if the recommendation(s) is/are asking for a decision that will be used to guide decisions over time.)

Comment:

Environmental implications:

- [X] No

	Yes

Comment(s):

Human resources implications:

X	No
	Yes

Comment(s):

Financial implications

X	Within approved current and/or capital budget
	Current and/or capital budget adjustment required
	No financial implications

Comment:

REPORT

REASON:

Council approval is required for all contracts involving City resources providing services with the private sector.

HISTORY:

On May 26, 1999, Council authorized the "City to enter into a one (1) year agreement with the Friends of Elmwood Cemetery Inc. to provide ongoing operation works at the Elmwood Cemetery, including burials, disinterments and maintenance, to authorize the use of City equipment and labour, priority of service to municipal cemetery, plus such other terms and conditions deemed appropriate and in the best interests of the City by the City Solicitor/Manager of Legal Services in order to fulfill the intent of Council". This Service Agreement covered the period May 26, 1999 to May 25, 2000.

On March 21, 2001, Council authorized that the Service Agreement be renewed for a two-year period of May 26, 2000 to May 25, 2002.

During the period of May 26, 2002 to the present, the Cemeteries Division has continued to provide service work at the Elmwood Cemetery under the previous terms and conditions of the Service Agreement even though Council has approved no formal request.

DISCUSSION:

Since May of 1999, the Cemeteries Division has provided burial and maintenance operations at the Elmwood Cemetery. The Friends of Elmwood Cemetery Inc. are extremely pleased with the efforts of the city staff and of the good working relationship between the Cemeteries Division, the assigned cemetery staff, and themselves.

Previous to 1999, the cemetery suffered from several years of neglect including: un-kept graves; over-grown shrubs and bushes surrounding many headstones; trees that required extensive pruning; graves that were sunken requiring levelling; headstones that were toppling over; extensive weeds and overgrowth; roadways containing numerous potholes; fences that were bent over and containing extensive growth; and debris scattered throughout the cemetery.

Since May 1, 1999, the Cemeteries Division has provided maintenance service, the Elmwood Cemetery has returned to a "park like setting", the roadways have been repaired, the trees have been pruned, the fences have been repaired and painted (along Henderson Hwy.), the sunken graves have been leveled, fallen and slanting headstones have been repaired, the extensive leaves and debris have been picked up, the irrigation system has been repaired, the grass has been restored with regular mowing practices and regular snow clearing operations.

With these improved maintenance practices, the over-all appearance of the cemetery has improved dramatically and as a result the public has renewed its confidence in the operation of the cemetery.

During the past 5 years, the Cemeteries Division has recovered a total of $658,032 from burial and maintenance operations at the Elmwood Cemetery. The Burial revenues amounted to $346,894 while maintenance cost recoveries amounted to $311,138 for all related costs for providing maintenance services (see Financial Impact section of this report).

During this period the Cemeteries Division performed 303 traditional earth burials, 574 cremation burials and 5 dis-interments at the Elmwood Cemetery. These statistics reveal that there has been a 30% drop in traditional burials and a 35% drop in cremation burials from the previous year. These reductions reflect the fact that there is a diminishing supply of available burial plots as the cemetery nears capacity. Estimated recoveries for the period 2004 to 2006 in the Financial Impact have been adjusted to this downward trend.

The renewal period has been extended until December 31, 2006 as this will cover the support offered to the Friends of Elmwood as outlined in the three year Current Estimates Budget for 2004 to 2006.

Appendix A is a copy of the Service Agreement duly signed and sealed by the officers of the "Friends of Elmwood Cemetery Inc." at their meeting held on May 5, 2004.

Schedule "A" outlines the Conditions and Procedures followed by the Cemeteries Division with respect to burial and maintenance operations at the Elmwood Cemetery. These conditions have recently been updated to reflect the current arrangements.

Financial Impact:

The City of Winnipeg derives a considerable return on the monies used in the funding provided to the Friends of Elmwood Cemetery. For the past five years, the Cemeteries Division has recovered all costs related to the provision of burial and maintenance services at the Elmwood Cemetery as follows:

Actual Recoveries & Burials:

Year	Burials	Maintenance	Total Recovery	No. of Burials
1999 (8 months)	$ 57,970	$ 73,902	$ 131,872	165
2000	$ 81,078	$ 64,243	$ 145,321	203
2001	$ 81,418	$ 54,567	$ 135,984	213
2002	$ 74,768	$ 55,396	$ 130,164	182
2003	$ 51,660	$ 63,030	$ 114,690	119
Totals	$346,894	$311,138	$ 658,032	882

Estimated Recoveries & Burials:

Year	Burials	Maintenance	Total Recovery	No. of Burials
2004	$ 51,000	$ 63,000	$ 114,000	110
2005	$ 45,000	$ 63,500	$ 108,500	100
2006	$ 40,000	$ 64,000	$ 104,000	95

Notes:

Burials – refers to the recovery of burial fees charged at current rates. The estimates for 2004 – 2006 recognizes that the cemetery is reaching capacity and there are less full burial plots available.

Maintenance – refers to the recovery of costs charged to Temporary Salaries and /or other accounts for vehicles, materials, parts and supplies provided to Elmwood Cemetery and charged to various MCD current operating accounts.

IN PREPARING THIS REPORT, THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Legal Services Division, Corporate Services
Friends of Elmwood Cemetery Inc.

This report submitted by:

Planning, Property and Development Department
Division: Cemeteries
Prepared by: R. Thain, 986-4392

PPD File #:

Document name: O: Reports Directive/Office of the Director/Cemeteries/Elmwood Service Agreement Renewal Report 2004-2006.doc

Financial Impact Statement

Date: April 28, 2004

Project Name:

RENEWAL OF SERVICE AGREEMENT FOR BURIAL AND MAINTENANCE OPERATIONS WITH THE FRIENDS OF ELMWOOD CEMETERY INC.

First Year of Program 2004

	2004	2005	2006	2007	2008
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 99,705	$ 96,138	$ 93,386	$ -	$ -
Less: Incremental Revenue/Recovery	114,000	108,500	104,000	-	-
Net Cost/(Benefit)	$ (14,295)	$ (12,362)	$ (10,614)	$ -	$ -
Less: Existing Budget Amounts	39,231	34,615	30,769	-	-
Net Budget Adjustment Required	$ (53,525)	$ (46,978)	$ (41,384)	$ -	$ -

Additional Comments:

Burial services performed at Elmwood Cemetery will generate an estimated $136,000 in revenue to offset costs (permanent staff salaries & benefits and equipment overhead) of $108,000 that would be incurred whether or not these services were performed. As such, the net benefit to the City is the full $136,000 in burial revenues. Also, services performed specifically for Elmwood Cemetery by temporary seasonal staff result in additional net benefit to the City of $6,000 ($190,500 in incremental revenues offset by $184,500 in incremental costs). The net benefit to the City of maintaining this arrangement for the 2004 to 2006 period will be approximately $142,000.

Mike McGinn, CA
Manager of Finance

APPENDIX A

THIS AGREEMENT made as of the day of May 2004
BETWEEN:

THE CITY OF WINNIPEG,
(hereinafter called the "City"),
OF THE FIRST PART,
- and -

FRIENDS OF ELMWOOD CEMETERY INC.,
(hereinafter called "Elmwood")**,**

OF THE SECOND PART.

WHEREAS Friends of Elmwood Cemetery Inc. have assumed the ownership and operation of Elmwood Cemetery located on Henderson Highway in the City of Winnipeg;

AND WHEREAS the City of Winnipeg through its Municipal Cemeteries Division operates a number of cemeteries in the City of Winnipeg;

AND WHEREAS Elmwood requested that the City provide assistance during the initial year(s) of operation;

AND WHEREAS at its meeting on Council authorized "the City to enter into a one (1) year agreement with Friends of Elmwood Cemetery Inc. to provide ongoing operation works at the Elmwood Cemetery, including burials, disinterments and maintenance, to authorize the use of City equipment and labour, priority of service to municipal cemetery, plus such other terms and conditions deemed appropriate and in the best interests of the City by the City Solicitor/Manager of Legal Services in order to fulfil the intent of Council";

AND WHEREAS Council delegated to the City's Cemeteries Administrator the authority to specify the rates and charges to be paid by Friends on the understanding that there be full cost recovery.

NOW THEREFORE the Parties to this Agreement agree as follows:

The City, through its Municipal Cemeteries Division (hereinafter called MCD) will provide ongoing operation works at the Elmwood Cemetery, including burials, disinterments, grounds maintenance, snow clearing and monument moving (hereinafter collectively called the "Services") for the period commencing May 26, 2002 and continuing until December 31, 2006.

2. The City shall provide the Services in a good and workmanlike manner, and in any event shall not be required to provide services to a standard higher than normally provided at the City of Winnipeg Municipal Cemeteries.

3. Attached as Schedule "A" and forming part of this agreement are the conditions and procedures for
   (a) burial operation;
   (b) disinterments;
   (c) grounds maintenance operation;
   (d) snow clearing operation; and
   (e) monument moving.

4. Elmwood understands and agrees that the MCD will use its forces and equipment to provide services to the City's Municipal Cemeteries in priority to providing Services to Elmwood.

5. As compensation for the Services to be performed by the City under this Agreement, Elmwood shall pay the City on a full cost recovery basis. Applicable GST and PST would be in addition to this cost. The City shall submit monthly invoices to Elmwood for the Service provided and Elmwood shall pay same within 30 days of receipt hereof.

6. The amounts to be paid by Elmwood to the City shall be the sum certified by the City's Cemeteries Administrator.

7. Elmwood hereby agrees with the City that the City shall be entitled to charge and the Elmwood does hereby undertake to pay unto the City, a penalty calculated at the rate of one and one-half (1.5%) per month, compounded and added on a monthly basis, on any and all monies not paid by Elmwood to the City when due and payable.

8. Elmwood shall save harmless and indemnify the City against all costs, damages or expenses, arising from actions, claims, demands and proceedings by whomsoever brought, made or taken as a result of acts or omissions of the City, its subcontractors, employees or agents in the performance or purported performance of the Services, except as may be caused by the negligence of the City, its subcontractors, employees or agents.

9. The City has the right acting reasonably and upon notice to Elmwood, to settle any such action, proceeding, claim or demand and charge Elmwood with the amount so paid or to be paid in effecting settlement.

10. Elmwood shall pay to the City the value of all legal fees and disbursements required to settle such claim or to defend the City against any such claim, action, proceeding, claim or demand notwithstanding that the settlement or defence of the said action, proceeding, claim or demand was undertaken on behalf of the City by a salaried employee of the City.

Elmwood shall not be liable to pay to the City legal fees and disbursements attributable to the negligence of the City, its subcontractors, employees or agents.

11. Neither party shall be responsible for or liable to the other party for any failure to comply with, or any delay in the performance of, the terms of this agreement, or such failure or delay (directly or indirectly or in whole or in part) is caused or in any manner arise as a result from strikes, lockouts (including lockouts decreed for its members by a recognized contractor's association of which the contractor is a member), an act of God, or any other cause which the parties satisfies the other party to be totally beyond its control.

12. **NOTICES** - All notices, demands, approvals, consents and requests which may be or are required to be given to any party pursuant to the provisions of this agreement shall be personally served upon such party, or if such party is a corporation, upon an officer or director of such party, and in the case of the City, upon the Director of Planning, Property & Development Department, the address of such parties as set forth hereunder or such other addresses that such party may from time to time designate by written notice to the other parties by prepaid registered mail:

    To:
    The City of Winnipeg
    Planning, Property & Development Department
    65 Garry Street
    Winnipeg MB. R3C 4K4
    Attention: Harry Finnigan, Director
    Fax Number: 947-2284

    And to:
    Friends of Elmwood Cemetery Inc.
    88 Hespler Avenue
    Winnipeg, Manitoba, R2L OL3
    Attention: Charles Birt, Executive Director
    Fax Number: 668-2232

13. Elmwood shall not assign this agreement without the prior written consent of the City, which consent may be withheld by the City for any reason.

14. The duties and obligations imposed upon Elmwood by this agreement and the rights and remedies available to the City hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed upon Elmwood is available to the City at law.

    This agreement has been entered into in the Province of Manitoba and shall be governed by and construed and enforced in accordance with the laws of the Province of Manitoba and of Canada as applicable therein.

16. This agreement shall inure to the benefit of and be binding on the respective heirs, executors, administrators, successors and permitted assigns of the City and Elmwood.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first above written.

THE CITY OF WINNIPEG

_____
Mayor

_____
City Clerk

SIGNED, SEALED AND DELIVERED in the presence of:) **FRIENDS OF ELMWOOD CEMETERY INC.,**

_____) _____
Witness (if no corporate seal) *(signature of authorized officer)*

) _____
) *(Print name and Title)*

_____) _____
Witness (if no corporate seal)) (*signature of authorized officer)*

) _____
) *(Print name and Title)*

Executed On: Date: _____

Approved:

_____
Director of Planning, Property & Development

Certified as to Contract Details: Certified as to Form:

_____ _____
Administrator, Cemeteries Division for City Solicitor/
Planning, Property & Development Manager of Legal Services

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SCHEDULE “A”

Page 1

Conditions and Procedures:

Burial Operation:

Burial orders received by the ELMWOOD Cemetery office from various Funeral Homes. The Municipal Cemeteries Division (MCD) prepares a preliminary burial schedule subject to confirmation.

ELMWOOD office contacts MCD regarding a burial request. A minimum of 48 hours notice is required burials on a year round basis.

MCD confirms the scheduled date and time of burial. The MCD office staff places the request on a Master Schedule and prepares a Burial Order Form (BOF).

MCD Foreman and/or designate travel to ELMWOOD Cemetery, to locate and mark the grave to be opened. Foreman will be using cemetery maps to mark the location of any particular grave using all available information as to the accuracy of said grave. The Foreman will sign off and give the BOF to the MCD burial crew.

MCD burial crew would travel to ELMWOOD Cemetery, locate the grave to be opened, perform all work necessary to prepare the grave for a casket or ash burial. For a casket burial, the burial crew would consist of: a Backhoe Operator; a 3-tonTruck driver; and two Utility employees for shovelling and dressing the grave. For a cremated remains burial, the burial crew would consist of two Utility employees. The burial crew would sign off the BOF.

In accordance with the Master Schedule, a MCD Foreman or designate would greet the Funeral Home representative(s) and family at the Cemetery gates and would lead the funeral Procession through the cemetery to the burial gravesite.

At the appropriate time the casket/urn would be lowered in the gravesite and once the graveside ceremonies have been completed, the MCD Foreman would remain at the gravesite until such time that the Burial Crew would return to perform the closing of grave procedures. The burial crew would sign off the BOF and return to cemetery office. At a convenient time the MCD Foreman will return to inspect the grave and give final approval to the closing procedures.

With a casket burial, the grave is normally mounded with excess soil materials in anticipation of later settlement. The burial crew will return at a later time to complete the levelling procedures. For a winter burial, the mound is left until the late spring or early summer, for a spring or summer burial, the mound is left until the fall. When the mound is removed the grave is levelled with topsoil to match the surrounding ground and seeded with grass seed.

For a cremated remains burial, the burial crew will attempt to compact the soils above the urn as much as possible, however a small mound is generally left for later settlement. At an appropriate time, the burial crew will return to level and seed the cremated remains burial plot.

After step 7 and normally before step 8, the MCD will invoice the Elmwood Cemetery office for the appropriate fee for the work performed. The fees charged are identical to the current rates that the MCD charges for its burials.

Disinterments:

When a casket or cremated remains urn is to be disinterred, the procedures would be similar to those of the above for burial operations. The Elmwood staff would contact the MCD and would schedule the disinterment. The Elmwood Staff would be required to complete the necessary disinterment documents and approvals and/or notification to or from the Department of Vital Statistics. Once approval has been received, the MCD will be notified and the disinterment procedures will follow.

Disinterments normally take two to three times the normal time required for a casket burial. This is due to the sensitivity and care that must be taken in regards to the removal of the remains from a grave. The burial crew can only use a backhoe to the extent necessary to locate a casket. Therefore, there is a lot of spade and shovel work required to get the soil material removed from around the casket and then to place straps around the casket for lifting purposes. If the casket has been in the ground for some time a new casket and/or burial vault may be necessary to place the disinterred remains in. The grave closing procedures follow once the casket and/or remains have been removed.

The fee for a disinterment is normally three times the rate charged for a regular casket burial due to the complexity of the operation. The Fee for a Disinterment is identical to the current rate that the MCD charge for the same process.

Grounds Maintenance:

Included in the business plan is an estimate for the provision of grounds maintenance of the Elmwood Cemetery. MCD Foreman would be responsible for the overall maintenance program and would assign the work to the maintenance employees on an ongoing basis. The estimate includes the hiring of 4 grounds maintenance employees during the period of May to October. It is presumed that the Utility III employee would be an experienced staff person familiar with all aspects of cemetery maintenance and

would be the lead hand when the MCD Foreman would not be available. The maintenance employees would be required to:

Mow the entire cemetery on a regular basis, keeping the grass at an acceptable standard of approximately 2 to 3 inches in height.

Trim/mow around all monuments and along all fences on a regular basis.

Remove all litter from the refuse containers throughout the cemetery on an as required basis.

Remove all deadfall of trees, twigs, and leaves to the extent possible.

Level and seed sunken graves as required. Entire sections of the cemetery need the surface levelled so as to avoid the dips in various graves, which make mowing the grass very difficult. Considerable time should be taken to raise all low areas to the extent possible.

The maintenance crews are to be available and/or assist in the burial or disinterment procedures wherever possible in an effort to reduce burial fees.

Keep the cemetery in a neat and tidy condition and up to an acceptable standard of maintenance.

All equipment should be properly maintained and regularly serviced at all time.

Perform minor tree/shrub pruning to enhance the aesthetics of the cemetery.

Perform and/or assist in repairs to irrigation systems.

Report to the MCD Foreman all incidents and occurrences.

Keep accurate records of all maintenance operations for future reference.

Snow Clearing Operation:

The MCD will be responsible for the clearing of snow from all roadways. The roadways will be inspected on a regular basis and a snow clearing crew or equipment operator would be assigned to clear the snow on an as required basis. The snow clearing is based on actual costs incurred by MCD for travel time, (to and from), employee wages and equipment costs. On a normal snowfall the cemetery can be cleared in about 3 hours. The Elmwood Corporation will be billed on an as required basis. The office staff will be instrumental in contacting the MCD regarding the need to have the cemetery roadways cleared of snow when a burial is required.
Schedule A Page 4

Snow clearing will also be required from a roadway to a grave when a burial is necessary. Such a necessity is a charge incurred by ELMWOOD Cemetery for the actual costs for the work by the MCD staff.

Monument Moving:

The Elmwood Cemetery contains very large and heavy granite or marble monuments, row upon row. On occasion, when a grave has to be opened, either the monument of the grave or monuments on adjacent graves may have to be moved so that the digging equipment can access the appropriate grave. Due to the size and weight of some of the memorial headstones, the MCD staff is not equipped to move the monument nor the responsibility if any damage occurs. Therefore, the services of a Memorial Dealer may be required. These companies have the necessary equipment and expertise to perform such procedures.

The MCD Foreman will make the determination of what monuments or the number of monuments required to be moved at any given time.

D. WORKPLACE, HEALTH & SAFETY:

With reference to all of the above, MCD staff are to abide by and follow all City of Winnipeg workplace, health and safety rules and regulations in the provision of burial and maintenance services at the Elmwood Cemetery.

Updated – 2004 04 27