



**TOWN OF SAINT ANDREWS  
SPECIAL MEETING OF COUNCIL  
W.C. O'NEILL ARENA DINING ROOM**

**Electronic Meeting**

**Wednesday, October 21, 2020, at 6:00 PM**

**MINUTES**

**RECORD OF ATTENDANCE**

A Special Meeting of the Town of Saint Andrews Council was held on Wednesday, October 21, 2020, at 6:00 p.m. with the following members present Mayor Doug Naish, Deputy Mayor Henderson, Councillors Guy Groulx, Andrew Harrison, Edie Bishop, and Kate Akagi. Also, present: Chris Spear, CAO/Treasurer, Paul Nopper Clerk – Senior Administrator, Terry Acton, Asset/Operations Manager, Emily Noddin, Assistant Treasurer.

Late - Councillor Kurt Gumushel 6:04 p.m.

Facebook – 14

Zoom - 1

**APPROVAL OF AGENDA**

**Motion: 371 - 10/20**

*It was moved by Deputy Mayor Henderson, seconded by Councillor Groulx, and carried that the Agenda be approved as presented.*

**Carried 5 - 0**

**PRESENTATIONS**

**NONE**

**DISCLOSURE OF CONFLICT OF INTEREST**

**NONE**

**INTRODUCTION, CONSIDERATION, AND PASSING OF BY-LAW AND MOTIONS**

**FA200704**

**Council Workshop 4 2021 Budget Discussions**

*CAO Spear – Budget Presentation 2021 – 2025*

- *Changes since Draft 2*
  - *1.1% assessment growth versus 3%*
    - *Residential assessments went up by 3% and down by 2% for commercial assessments.*
    - *Adjustments to other businesses include restaurants, hotels, etc. which is rare.*
  - *Wharf revenue adjusted from \$40,000 to \$80,000.*
  - *General Capital*
    - *Indian Point Washrooms differed \$46,000.*
    - *Storm Sewer Arena Project differed until 2022.*
    - *Wellness Centre equipment moved to 2020 budget.*
- *Outcome*
  - *General Fund*
    - *Tax rate \$1.2600/\$100 assessment.*
    - *New borrowing of \$300,000.*
      - *Debt service increase to 6.25% in 2022*
    - *\$4.8 million in projects.*
      - *\$3.45 million from external funding*

- Utility Fund
  - Increase in revenue by 2%.
  - \$1.2 million in projects
    - \$730,000 in new debt.
  - 5-year projection shows debt service at 48% in 2025
  - New investigations need to be addressed by next Council.
- New Request
  - Chamber of Commerce - \$45,000
    - Take over the Visitor Information Centre
    - Chamber hoped Tourism Accommodation Levy funding would be higher, but pandemic caused low intake.
    - Want the Chamber to become the economic arm of the Town.
  - \$1.5 million for Active Transportation
    - 80% Federal Funded.
    - 20% Town or Town sourced.
    - Project to be completed in 2 stages until 2022.
    - \$150,000 borrowing each year.
  - Arena
    - \$10,000 for recapitalization
      - Upgrades to the ice plant with a total cost of \$15,000.
  - Wellness Centre
    - Janitorial costs to go up by \$10,000 to \$15,000.
  - Economic Development COVID-19
    - Increase program for Water or through General Fund for businesses.
    - Does Council wish to discuss this plan?
    - Would need a significant amount, \$50,000, to provide a fund.
- Funding
  - Recent retirement will lead to some wage savings.
    - Will keep wage in budget until we refill the position.
  - Able to take \$50,000 from general operating revenue.
  - Slight increase in general capital reserve by \$10,000.
  - Staff can look for more savings in operations.

*Deputy Mayor Henderson – 1.1% increase was a shock, anticipated properties based on revenue to be lower, but was there a thought of increase? We assumed the community would be slower. Will we get an adjustment next year or is this just an estimate?*

- CAO Spear – *This information on why is protected by the Provincial Government. We hope they will revisit in early spring for a reassessment. It is hard to find out the process from the government.*
- Deputy Mayor Henderson – *I think we need to press the Provincial Government for this information. We are trying to hold the Mill Rate steady, without transparency to adjust the base. Residents are offsetting commercial without accountability. Residents must pay the shortfall and need accountability.*

*Deputy Mayor Henderson – The Visitor Information Centre. Everyone of the New Brunswick run VIC's were open except for St. Stephen. Saint Andrews was a hot spot for tourism. I think the Province should reallocate funding to Saint Andrews if they can help fund our VIC. We were the spot in the region that was open. I think we need to pursue funding from the Province if St. Stephen will not be open.*

*Deputy Mayor Henderson – Grants for businesses, costs are higher but with the commercial rate down, I think we have a balance on this. I think we can remove this item from the budget and hold the tax rate steady.*

*Councillor Groulx – When looking at Wharf revenue oversight, when changed revenue stream to \$80,000 in 2021, but not in the outer years. Please adjust the future numbers.*

*Councillor Groulx – The Town has been impacted by COVID-19. Different revenues, incurred costs, and substantial job of helping people. The Town is limited for what we can do and need to be mindful about subsidization. We need to see what we can afford.*

Mayor Naish – I agree with Deputy Mayor Henderson and annoyed on how the taxation and its current ability to adjust assessments. The Deputy Mayor is correct, 3% down to 1.1% based on commercial adjustments. Residents saw mass increases to help offset the reduction. Residents are now subsidizing business with no benefit to them or the Town. Flatlining the Mill Rate, further subsidization of businesses, I have a concern with this. We should draft a letter to the Province on these issues.

Mayor Naish – The Chamber of Commerce, I am a big supporter of them being the economic driver for the community. At this point in time, I like the idea of money from the Province from the St. Stephen VIC. We can do the job for the whole region. The VIC expenses should not be solely on the taxpayers of Saint Andrews.

Mayor Naish – To move forward, does any Councillor have issues with the Capital Projects? We are hoping to pass the budget on November 2, 2020.

Councillor Groulx – Mr. Spear had it in his presentation. We need to tweak the Active Transportation budget as grant funding is coming in and the impact on the Capital Budget. We need to address this. I think we have some work regarding the Utilities Budget with 48% debt load ratio in 2025. This needs to be addressed.

Deputy Mayor Henderson – I agree with Councillor Groulx. We do need to scrub expenses for that year. We do not want to add extra debt. We should make some decisions and maximize opportunities. Good value for Saint Andrews and need to get it done.

Deputy Mayor Henderson – We need to talk about the Chamber and come to consensus.

Deputy Mayor Henderson – I would also like to discuss the letter regarding plowing and if there are questions affected by the budget.

CAO Spear – Some items could be talked about tonight and I missed the one from the Deputy Mayor. 4 items that have come up.

#### Council Discussion on 4 Items

CAO Spear – Item 1: \$45,000 for the Chamber of Commerce. I would suggest that we do not put hope into Provincial funding. If we meet the request, it will be funding from the Town. We will look at offsetting funding.

- Deputy Mayor Henderson – Funds from the Tourism Accommodation Levy, \$60,000 is that year end or what is the pot of money?
- CAO Spear – This is an estimate for the entire year. We have seen the major numbers so far and about \$60,000 for the levy. Remember that the Tourism Accommodation Levy only gets 2/3 of the funding so about \$40,000. In addition to this, they have promotions, projects, etc. For the Tourism Accommodation Levy, we have asked that they prepare the budget and still working on it for presentation to Council.
- Deputy Mayor Henderson – Can we consider 100% of the Tourism Accommodation Levy fund for year 1? This would be a good will gesture. In addition, the vacant space at the arena could be provided in partnership. Suggest not adding budget line if we give 100% of TALB funding.
- Mayor Naish – Suggestion that the Town's 1/3 of the Tourism Accommodation Levy in addition to the 2/3 they are already receiving in lieu of the \$45,000 request.
- Councillor Groulx – In addition they would receive \$20,000 in kind support at the arena. This is close to the \$45,000 ask.
- Deputy Mayor Henderson – It is imperative that the Town's 1/3 funding go to the Tourism Accommodation Levy Board. The Chamber will need to be self-sufficient on their own. The Town is investing th the Tourism Accommodation Levy Board.
- Councillor Harrison – The Visitor Information Centre is now formally in their hands. We can get into a forma lease of space with them.
- Council – Consensus.
- CAO Spear – To play devil's advocate, the Chamber request is above the Tourism Accommodation Levy ask. I do not think they will be happy with this decision. \$45,000 was on top of this. We are offering \$60,000 to their \$85,000 ask.

- Councillor Groulx – This is more funding that has been provided from the Town then ever before.
- Deputy Mayor Henderson – Hope for Council, the Tourism Accommodation Levy is not there to subsidize the Chamber of Commerce. This funding is for the development and promotion of tourism. The Levy was never meant to subsidize the Chamber of Commerce work. The Chamber is looking for the Town to float them and give money to the Tourism Accommodation Levy Board. We are not subsidizing the Chamber, now supporting the Tourism Accommodation Levy Board.
- CAO Spear – So no grant for the Chamber except for the Tourism Accommodation Levy funds.
- Council – Consensus.

CAO Spear: Item 2: The Wellness Centre Operations. Due to the increased space of the Wellness Centre, the cost of janitorial services has increased. With the old medical centre, janitorial costs were \$5,000. With the larger size of space and extra cleaning necessary, the cost has gone up by \$10,000 to \$15,000 total for the year. Is Council ok with this? We can review after year 1 of operation.

- Deputy Mayor Henderson – This is the reality of the service. I think we are stuck putting it into the budget.
- Councillor Groulx – A larger size facility will take longer to clean.
- Council – Consensus.

CAO Spear: Item 3: Updates to the Arena

- Council – Consensus

CAO Spear: Item 4: Active Transportation Project. More details are to come but the Town will have full control of the project and priority of Council. We will figure out the plan through the winter.

- Mayor Naish – I concur with that. 80% funding from other sources, we should strive to ensure this funding comes to our community. We can come up with the money without compromising the budget. Other items to emphasis, that we are fortunate the Coastal Link Network will be coming through Saint Andrews. Council supporting the Active Transportation Project will help to ensure Saint Andrews is a key link in the trail system. The Province is already widening the roads along the 127 from Bayside and Chamcook.
- CAO Spear – For clarity, the funding and project is currently in review with the funding partner and awaiting final approvals. Council needs to put money in the budget to show interest.
- Council – Consensus.

CAO Spear – Item 5: The Quoddy Shores Homeowner's Association

- Councillor Harrison – Have a conflict and will need to leave for discussion.
- Deputy Mayor Henderson – Discussion on this topic will be moved to the Committee Meeting October 26<sup>th</sup>.
- Council – Consensus.

CAO Spear – Staff are needing direction. Last budget meeting Council discussed equipment for this year and next year's budget for the fitness centre. Do you want staff to add \$15,000 - \$30,000 into the budget for the fitness centre or rely on grant funding from the New Horizon for Seniors Grant?

- Deputy Mayor Henderson – For clarification, we are discussing equipment for next year?
- CAO Spear – Correct, furnishings for this year, the motion before you, but right now nothing is budgeted under the Wellness Centre for next year. Council kind of discussed the addition of funds to purchase base equipment for the fitness centre and to apply for grants.
- Deputy Mayor Henderson – I would support equipment for the 2021 budget but finishing the facility in 2020.
- CAO Spear – To be clear, \$40,000 motion for furniture on tonight's agenda, but wondering if you want more money in the fitness centre for 2021.

- Councillor Gumushel – The fitness facility would probably need \$65,000 to \$70,000 for funding. It is more than I had originally thought but over the next while we can develop a budget for the facility.
- Councillor Groulx - \$40,000 for this year yes, we need new furniture for the new facility. A \$25,000 grant was applied to by the Town to the New Horizon Grant for funding for fitness equipment. I think we can put \$25,000 in to match.
- Councillor Gumushel – We have the potential to do a membership drive and could possibly get 50 members to sign up without much difficulty.
- Deputy Mayor Henderson – What about cost of staff to operate. This is a bigger discussion or filling the facility with equipment would help to incentivise for someone to run it versus the Town.
- Mayor Naish – I agree to put some money in the budget but not huge amount to say we are running the gym. This was not our original thought to run the facility. Maybe we try to solicit again with equipment in the facility.
- Councillor Harrison – Could a non-profit run the facility with a business model?
- Deputy Mayor Henderson – Money in the budget and we can discuss the opportunities in the future. We need to help incentivize this project.
- Councillor Gumushel – Confident this will come together and with COVID-19 restrictions, there would be limited use at this point.
- Council - Consensus.

Councillor Harrison – With the Active Transportation, are we happy with pure debt or looking at ways to save further?

- Mayor Naish – Mr. Spear can you give us options next week?
- CAO Spear – Staff can come up a list, but right now we are bare bones on capital. Two projects are getting \$6.5 million in grants with only \$2 million in debt. This is substantial give for a substantial ask.

Deputy Mayor Henderson – Is Council willing to hold the Mill Rate now. Can we switch utilities from 2% to 4% revenue We need to fix this utility budget as it is not sustainable?

- Mayor Naish – What would it take to look at this? Even with a 5-year projection plan, it looks pretty bade with a 48% debt load in 5 years.
- Councillor Groulx – The projected surplus was \$237,000 in 2020 the trend line by 2025 shows a surplus of \$39,000. This is a significant drop and increased debt costs. We must make up \$300,000 per year and doing 2% is not going to be enough. Not a 2 or 3% increase or cut back on the costs. Something has to give for sustainability.
- CAO Spear – We can do an analysis for you to show you how much we have to increase to maintain surpluses. We Will bring this back to Council and decide how we go. Increase rates or cut back on capital.
- Deputy Mayor Henderson – I think we take our increase that I am proposing and send to the next Council for them to review and figure out a plan. Let's do 4% and Municipal Plan and finish off.
- Mayor Naish – I think having something show up and address this in the 5-year plan. 4% for next year might be enough but we are not going to fix this issue in the next 6 months.
- Councillor Groulx – This Council does not need to fix the issue, let next Council figure it out and how to achieve it. Showing growth of 2% and going downhill fast. Increasing to 4% will slow the process down but not fix it. Increases needed over 5 years up to 20%. Substantial increases need to be made to make the trend go in the right direction. We do not have to figure it out, identify the problem and let next Council find a solution.
- Mayor Naish – We would like to see an analysis and how it plugs into the budget. Are we still solid on freezing the Mill Rate? We can discuss this at the next meeting.

**PS201002**

**Motion: 372 - 10/20**

**Wellness Centre Furniture**

It was move by Councillor Groulx seconded by Deputy Mayor Henderson and carried that Council authorizes a budget of \$40,000 towards the furnishment of the physicians' suite of the Wellness Centre.

**Carried 6 - 0**

- *Councillor Groulx – Not sure the condition of the old furniture from the medical centre but can we look at donating to a non-profit?*
- *CAO Spear – We can look at this as an option. We will try to repurpose the equipment.*

## **NEW BUSINESS**

### **FA201001**

### **108 & 115 Sophia Street Health Centre Sale Options**

- *CAO Spear – These properties are currently zoned residential. Potential that these properties could be turned into apartments.*
- *Councillor Harrison – We could have both properties under general terms and conditions, especially for the façade. Council this could be a potential space for the Council Chambers and Town Hall. Is it a bigger space then the downtown location?*
- *Operations Manager Acton – There is a load barring wall in the centre of the building and would cut up the room size to make a larger space for a Council Chambers.*
- *CAO Spear – Owning another building for occasional use probably is not in the best interests of the Town.*
- *Councillor Harrison – What is the square foot space of the health centre?*
- *Operations Manager Acton – Town Hall is 3000 sq. ft the health centre is 4000 sq. ft.*
- *Councillor Groulx – The building is in a residential neighbourhood. We should put it on the market and let it go. It is surplus to the Town of Saint Andrews.*
- *Mayor Naish – I have a concern over putting up for real estate with an agent. How do we not get a customer that will rezone the properties?*
- *Councillor Harrison – put terms and conditions of the sale of the properties. This will help control what happens to them. This is a standard practice. What is the cost to install water and sewer to the vacant lot?*
- *CAO Spear – 5 to 6 years ago it was \$5,000 for water and sewer but will review again and provide an update next meeting. Initial thoughts are to sell both, but we will come back with a report. Water and sewer would need to be brought up the street to the property.*
- *Councillor Harrison – This will add to the tax base when something is built.*
- *Councillor Groulx – Sell both lots separately and let the new owners pay for the water and sewer installation.*
- *CAO Spear – We experienced this with another property sold in the past and we had to swap property lots.*
- *Councillor Akagi – perhaps we keep the vacant lot as extra parking space for the Town.*
- *Mayor Naish – That is a possibility. We are in a real estate boom. People are coming from all over Canada looking at properties and spending more money. There are few building lots left in town and it is worth selling the properties separately with terms and conditions.*
- *Councillor Groulx – Unfortunate that the vacant lot is zoned residential and have to put terms and conditions to ensure it remains residential.*
- *Councillor Harrison – To be clear, this is to help keep the heritage value of the properties as this is a Maxwell designed property. We are in a great market for real estate and getting people in here that like it for the heritage value. I think if we lock it in then great. For the vacant lot, put terms and conditions that water, and sewer must be installed within 1 year of sale. I expect the vacant lot to get less than \$100,000.*
- *Council – Consensus to sell the two properties separately with terms and conditions.*



RCS200801

## Halloween 2020

- CAO Spear – Staff have developed a mailout with processes for how to celebrate Halloween safely with COVID-19. Staff are asking for feedback about sending out the document.
- Council - Consensus to send out the document to the public.
- Councillor Akagi – Most people are only going to their bubble homes and facilities. Thank you, staff, for the hard work.
- Deputy Mayor Henderson – Christmas plans are in the works with COVID-19 safe practices. Please stay tuned.

## QUESTION PERIOD

1. Discussion on the fitness centre and the budget. The Wellness Centre is on track to be completed. Can Council look at 2022 when COVID-19 may be subsided? It would be great to get funding and plan for funding.
2. The Visitor Information Centre and Chamber of Commerce funding, if they get 2/3 and the 1/3 can the 1/3 be designated to the Chamber versus the Levy?
  - A. The Tourism Accommodation Levy Board is a subcommittee of the Chamber of Commerce. We are waiting to see the proposal back to Council for what they can manage. We need to see a plan first and we will give them all the funds to help support.
3. Janitorial services, is it \$15,000 per month and do you have competitive bids?
  - A. The \$15,000 is for the entire year. We have a contracted janitorial service and went through a bid process a few years ago. In the short-term they will be given the contract and in the long-term we may look at our other facilities and bundling them in a new bid.
4. Is the motion for furniture at the Wellness Centre only for physician suites?
  - A. The furniture will be for the doctor's offices, waiting rooms, filing rooms, physiotherapy area, kitchen supplies, conference rooms, etc.

## COUNCILLORS' AND DEPUTY MAYOR'S COMMENTS

Councillor Groulx – Moving forward, perhaps Council, we need to focus on questions versus comments. We should get back to what question period was for. Just a general comment.

Councillor Akagi – Thanks to staff for their hard work on the budget and ideas. I hope everyone has a safe and happy Halloween.

## MAYOR'S COMMENTS

Mayor Naish – Deputy Mayor Henderson and I saw this at the Union of Municipalities meeting two to three weeks ago. They have developed a video for what to expect when you are a Councillor. I have referred this to CHCO TV and have connected the Union with them. Perhaps we can even look at creating our own local version of the video before the election to encourage residents to run for Council. Please stand for elections.

## CLOSED SESSION


## ADJOURNMENT

Motion: 373 - 10/20

At 7:23 p.m., it was move by Deputy Mayor Henderson, seconded by Councillor Akagi that the meeting be adjourned.

Carried 6 - 0

  
 \_\_\_\_\_  
 Doug Naish, Mayor

  
 \_\_\_\_\_  
 Paul Nopper, Clerk – Senior  
 Administrator

