



**TOWN OF SAINT ANDREWS
SPECIAL COUNCIL MEETING
MINUTES**

October 2, 2021, 9:00 a.m.
W. C. O'NEILL ARENA COMPLEX DINING ROOM

A. RECORDING OF ATTENDANCE

A Special Meeting of the Town of Saint Andrews Council was held on Saturday, October 2, 2021, at 9:00 a.m. with the following members present:

Mayor Brad Henderson, Deputy Mayor Kate Akagi, Councillor Marc Blanchard, Kurt Gumushel, Lee Heenan, Jamie Hirtle, Steve Neil.

Staff: Chris Spear, CAO/Treasurer, Paul Nopper, Clerk - Senior Administrator, Terry Acton, Operations/Asset Manager, Emily Noddin, Assistant Treasurer.

B. APPROVAL OF AGENDA

Motion: Motion: 326 - 10/21

Moved by Deputy Mayor Akagi
Seconded by Councillor Blanchard

That the Agenda be approved as presented.

**6 - 0
Carried**

C. DISCLOSURE OF CONFLICT OF INTEREST

D. PRESENTATIONS

E. INTRODUCTION, CONSIDERATION AND PASSING OF BY-LAWS AND MOTIONS

1. Budget Workshop Discussion #2 Background Documentation, FA211001

CAO Spear - Presentation on the budget.

General Capital Fund

- *Primarily invest in existing assets.*
- *Additional assets/services identified.*
- *Only need formal approval on 2022 purchases.*
- *Look at all components that make up an asset.*
 - *road surface, water mains, sanitary main.*

We will be reviewing the first two years of the capital plan from the 5-year plan. This will give you a review of future debt loads and asset management processes.

Capital Projects - Equipment

2022

- *Saint Andrews Fire Department - Jaws of Life - \$16,000.*
- *Public Works - Replacement Backhoe - \$155,000.*

- Need two units, one for working out on the roads and one for the works yard.
- Currently have a repair bill at \$70,000 for the Case Backhoe.
- Can look to sell the backhoe once a new one is purchased.

2023

- Saint Andrews Fire Department - Equipment - \$27,000
 - Thermal imaging camera.
 - Fix the motor on the emergency boat.
- Saint Andrews Fire Department - Aerial Truck - \$1,500,000
 - LSD's have limited input for funds at this point. Could change with Local Governance Reform. Worth wait to see what happens and put money away this year for a bigger down payment. This will also give Chief Theriault to look at used units and do further research. There is a company that we can use in New Brunswick that can help source vehicles.
 - Trucks at new last 30 years, used you will reduce this amount of service life.
 - Council discussed the fire department request for a new truck with a letter submitted to the last Council regarding concerns for safety and effective fire department responses. Currently, the department has difficulty fighting fires in buildings greater than 2 storeys. This is a safety and liability concern.
 - Mayor Henderson - business case makes sense but has a letter from the department from last Council asking for a new truck. Council discussed the upcoming Municipal Reform and if there would be contributing funds from the LSDs for support, but unknown at this time. Council discussed budgeting funds in 2022 with the outlook of a new aerial truck by 2023 if purchasing new and used could be in town by 2022 depending on where it is purchased from. Council asked if the budget could be changed in the future depending on purchase time, with CAO Spear noting Council can modify the budget throughout the year. It was noted that it is better to budget for the purchase now and modify as necessary. The discussion also highlighted the down payment or process of payment options for the Town. The direction was given to staff to budget the new aerial truck for the 2022 budget.
- Public Works - Sweeper Truck - \$95,000
 - CAO Spear - This is a great piece of equipment and this is a used cost.
 - Operations Acton - Having issues finding parts for the 1995 truck and we use it for two months and very handy to clean up the streets and saves on labour.
 - Mayor Henderson - Is there value in getting into 2025 and 2025? Municipal Reform can change everything?
 - CAO Spear - We will focus on the road map for the next two years then the focus will shift with the Municipal Reform.

Capital Projects - Transportation

2022

- Seal coat for 2021 projects - \$62,000.
- Base coat - 2022 infrastructure renewal - \$272,000.

- *Van Horne Trail Upgrades - \$1,500,000.*
 - *80% through grants.*
- *Stamp asphalt sidewalk (near Inn) - \$28,000.*
 - *CAO Spear - Painting only. If we were to rip out and replace it with concrete would cost \$80,000. Always asphalt through this area.*
 - *Council discussed the differences in life span between asphalt and concrete with concrete being the preferred as it lasts longer, approximately 40 years.*
 - *Council discussed what the average assessment increase was going to be for 2022. Staff noted that the increase is looking between 7.5 and 10%. The budget is based on a 5% increase so any additional funds would be deemed a surplus. We can use this surplus to reduce the borrowing rate.*
- *Council reviewed the staff asset management plan for 2022 - 2023 and discussed the biggest priorities of staff and Council. Trails and sidewalks were considered higher priority based on grant funding. Staff noted with the construction of additional sidewalks, this is a higher cost project and for winter maintenance, the Town is at its limits for staffing and equipment. If further sidewalks or trail maintenance are added, additional staffing and equipment need to be considered. Discussion of sidewalks was focused on Prince of Wales and the Subdivision. Council discussed the trail network and roadways such as Joe's Point Road and Brandy Cove Road for options to the trail network and what construction options could be considered.*

Capital Projects - Buildings

2022

- *Arena Compressor (1) - \$100,000.*
 - *The final component to repair.*
- *Arena other - \$67,000*
 - *Parking lot behind the arena.*
 - *Interior dressing room door.*
- *Fire Hall Heating Units - \$48,000.*
 - *big industrial units to be replaced with heat pumps. Bay must be kept warm to ensure fire trucks do not freeze. 4 units in the truck bay and office area will have 5 in-ceiling units. Spend \$1,600 a month on heating and hope to cut this in half. We get 20 years out of the new units. The current ones are original to the building.*
- *Install Steel Roof - \$22,000.*
 - *Youth Centre. Roof tiles keep flying off. Need to be completed and need to hire a company due to the slope of the roof.*
- *Work on Gaol - \$47,000.*
 - *CAO Spear - Council is aware that we picked up the courthouse and gaol. At the time, we were interested in the Courthouse, but the gaol is in mediocre shape. Within the lease, inherited by DTI, archives responsible for repairs, DTI responsible for a major replacement. Need to replace windows and roof. The hope is that a non-profit could manage the facility and work on acquiring funding including grants and fundraising for the additional upkeep of the facilities.*
- *Paint Court House - \$35,000*

2023

- *Arena - upgrade electrical panels - \$140,000.*
- *Arena Other - \$53,700.*
- *Fire Hall - Windows and Showers - \$30,000.*
- *Gaol - Electrical Upgrades - \$13,700.*

Capital Projects - Storm Mains

2022

- *Arena Roof - \$65,000.*
 - *2/3 of water off the roof has been removed from the sanitary system. Half the hockey surface roof comes down to the 3 front drains and they will be separated. There is a good argument about not putting extra water into our sanitary as it was causing backups on water street. The Algonquin and NBCC were putting into sanitary as well. All have changed systems to not drain into sanitary and it has made the difference.*
- *Ernest Street - \$35,000.*
 - *Intersection changes and some water work on Council list for 2022.*

2023

- *Augustus Street - \$123,000.*

Capital Projects - Wharf/Square

2022

- *\$3,510,500.*
 - *Funded 70% by other levels of government.*
- *2023*
 - *\$1,916,000.*
- *The project does not have to be completed until 2028 but needs to be completed in one motion. Would like a substantial start in the fall of 2022.*
- *Mayor Henderson - Costs are increasing and funding is locked so the faster we do it the cheaper it will be.*

Housing Development

2022

Only Champlain sub-division expansion worked in budget.

- *2022 - \$415,000.*
- *2023 - \$402,600.*

NBCC?

- *Hard to budget at this time as we have to run water, sanitary, and build road access. Looking at \$300,000 at minimum.*

Down by Trail?

- *The infrastructure there and could put costs onto the developer to link in.*

New Capital Requests

All in the budget at this point

- *Public Works - Front side bucket for backhoe - \$17,000 Level B.*
 - *Council Consensus - Remove from the budget.*
 - *Councillor Neil - Picturing not impeding traffic correct?*
 - *Operations Acton - We can manage based on what we have. Use for based on one month per year.*
- *Public Works - pulverized Joe's Point Road from corner of Joes Point/Brandy Cove to gravel section \$18,000 - Level A*
 - *188 meters that need to be pulverized. Council needs to decide what to do based on the number of homes and level of service.*
 - *Council discussed if the road would be left gravel or paved. Staff recommended being left gravel due to the limited housing and the cost of services. Council asked if trail funds can be used to pave the road. Staff noted that funds are not to be used to repave roads but to only create new trails.*
 - *Council consensus - Keep in budget.*
- *Public Works - Pave walking paths at Centennial Park - \$17,500 Level B.*
 - *This would make the park more accessible.*
 - *Council discussed the options between Centennial Park and Langmaid Park for the 2022 budget and which was a priority by staff. Staff noted that the priority would be Centennial Park for the 2022 budget.*
 - *Council consensus - leave in budget.*
- *Public Works - Pave walking paths at Langmaid Park - \$15,000 Level B.*
 - *Would make it more accessible but Centennial Park was chosen as the priority.*
 - *Council consensus - remove from the budget for 2022.*
- *Public Works - Flair Mower for sidewalk machine - \$42,000 Level C.*
 - *Operations Acton - Would have to buy extra tires, counterweights, and this will help clear ditches and shoulders. Used to bring in a guy to do this but was costly. Additionally, this would be good for future use on trails. The alternative is to whipper snip and does not have the staff.*
 - *Council noted this would save staff time and help with maintaining the trail and beautification of the community. Council asked about the lifespan of the equipment. Staff noted this would be a 10 - 15 year lifespan on equipment with good maintenance. It would also reduce the staff needed for the work from 3 to 1 and equipment. It was noted this equipment would be good for ditches, stormwater management, etc.*
 - *Council consensus - leave in the budget.*
- *Public Works - Paint machine - \$7,000.*
 - *To speed up the process and takes over a month to do what we do now. This would help to get staff onto other processes quickly.*
 - *Council consensus - remove from 2022 budget.*
- *Public Works - Catholic Church request for paved shoulder/parking - \$13,550 - Level C.*

- Council discussed the parking option for the church but decided further discussion and review of the Transportation Master Plan was needed before any decision on parking could be made.
- Council consensus - remove from the 2022 budget.
- Town Hall - new truck for Operations/Asset Manager - good to have a truck to save on personal vehicle use and could be used for out of town travel or other pick-ups in the city. We are reviewing different options including vans for dry storage. - \$35,000 - Level A.
 - Council asked staff to review the best options for vehicles and to select an electric option as a priority.
 - Council consensus - keep in budget and look for electric vehicles.
- Fire Department - Asking for hose tester - \$5,800 - Level B.
 - Council consensus - keep in budget.
- Fire Department - Rapid Intervention Team Bag - \$5,700 - Level B.
 - Backup emergency kit for rapid intervention for firefighters inside the building.
 - Council consensus - keep in budget.
- Fire Department - Positive pressure ventilation fan - \$5,600 - Level B.
 - Council consensus - remove from 2022 budget.
- Courthouse
 - Install new parking lot behind Courthouse create 8 stalls and prep work by Public Works - \$26,500 - Level A
 - Help with accessibility and through accessible entry along with the side door.
 - Council discusses options for the parking lot, stalls, and accessibility options as there are limited options currently and with continued use as a Council Chambers, this will have to be addressed. Discussion on drainage and tree removal was brought forward with no trees needing to be removed but options for stormwater management were discussed. Additional ramps would have to be constructed and the doorway modified for entry into the Courthouse. This funding only covers the parking lot construction.
 - Council consensus - keep in budget for 2022.
- Town Hall - Install brick flower beds and brick pad for an accessible picnic table and bike rack - \$9,500 - Level B.
 - Council noted that the Town Hall needs a bit of a facelift and to make the space more accessible to visitors and residents. Council asked if deer proofing options can be considered.
 - Council consensus - keep in budget for 2022.
- Library - Engineering for Elevator - \$20,000 - Level B
 - Staff noted that this has been on the radar for a few years with several minor attempts at trying to design and attain funding for an elevator system. To be prepared for the grant funding, we need to have an engineer/design study completed to determine feasibility and to be shovel-ready for the project and funding. Council noted the importance of the library and making the facility fully accessible. Council noted their goals of working towards a more inclusive and accessible community for all.

- Council consensus - keep in budget for 2022.
- Arena - Upgrade to office for Rec Director - \$16,000 - Level A.
 - Staff noted that there is limited to no room to place new staff members and an option would be to use part of the canteen to make an office space. Council debated the conversion of the canteen but noted that this could be used in the future and that all arenas have canteen space. Council noted that staff could work a hybrid of home staffing and in-office until another alternative could be arranged.
 - Council consensus - remove from the budget 2022.

Mayor Henderson - The Tourism Accommodation Levy Board is interested in budgeting funds on supporting upgrades to the dorms. My question is, what are the town's thoughts on this?

CAO Spear - The challenge we are going to have is cooking facilities and the Fire Marshal said flat no. We will have to look at the conditions and engineering for this. If everyone gets serious about this, we will have to look at design options. Currently, staff from the Algonquin are fed at their facility.

Mayor Henderson - These are flex dollars and look at options for dollars.

Capital Project Funding - 000's omitted

- From tax revenue \$684.
- Government Grants - \$3,759.
- Reserve Funds \$460.
- Borrowing - 1,245.
- Lot Sale - \$208.
- Developer Fees \$207.

Funds have been added for development and we can look at recouping funds. \$400,000 in borrowing is tied to this process. If we want to recover funds, say 50%, there is a built-in cost to ensure coverages.

Mayor Henderson - We are balancing the subdivision and strategy for priorities. If we can have something in the Town Plat should be the focus. If those projects does not happen, we can keep going with the subdivision. Council should go through a plan A, B, C and not to do everything. We need to rank them on what our priority is. We do not have all the factors right now. NBCC is going through a process and staff will come back with this we just do not know what this is now.

CAO Spear - There are assumptions in the budget but try to find \$500,000 is difficult and want to make sure you are aware of it. A policy does not need to be decided today but you need to be aware of it for in-kind services and how to accommodate.

Mayor Henderson - How specific do we have to be, can we just label for housing development versus Champlain, Diana, etc.?

CAO Spear - Absolutely we can mark it as housing development and not for a specific project. Several opportunities for review.

Mayor Henderson - I am comfortable leaving the funds in just labeling housing development.

CAO Spear - We have over \$2 million in funds built into the budget and look to recoup. Developers will ask for everything free. At this cost, NBCC will not be the same cost as Diana. What throws us in a loop, what about the Lodge and along Champlain. This will run \$200,000 +. This could pop up in 6 months.

Mayor Henderson - The Lodge is having difficulty making headway and asked us for support to get to the Premier. We may need future conversations on the land.

CAO Spear - This shows how the budget is fluid and how we may have to change the budget due to changes.

Mayor Henderson - What is Council's consensus to leave in the budget as a placeholder?

Councillor Heenan - Great to leave in and supports our priorities to the public and developers.

Council Consensus - Keep the fund as Housing Development.

Debt Servicing General Capital

2020 - 8.47%

2023 - 7.31%

CAO Spear - Debt servicing is in good shape and questioning over 10% from the province. Interest rates are low. Instead of increasing services we are reinvesting which strengthens borrowing.

Utility Operating

- *Budgeted 4% increase revenue.*
 - *2% increase every year.*
 - *2% growth factor.*
 - *Total budget \$1,000,1 million.*
 - *All operating expenses held steady.*
 - *Calculation error in dues and fees water treatment plant page 29 of the budget.*
- *Have to look at the best way to manage costs. Staff could spend \$20 million just upgrading current infrastructure.*

Another addition to the budget, within the audit we had a surplus of \$200,000 and gets added to the revenue for 2022. This will help reduce borrowing for 2022.

Councillor Hirtle - With the utility billings, 4%, 2% inflation, and 2% growth factor how do we explain?

CAO Spear - 2% for inflation, 2% for new growth. This is manageable. The 4% increase is not enough to increase capital costs. We must look at other options to find funds for infrastructure in-ground. Therefore we are looking at options for Gas Tax Fund changes.

Council discussed the Unity System and the status of the capital projects versus borrowing costs. Staff noted that we are continually searching for alternative funds to help alleviate some of the borrowings but there are limited funds to apply to. Council will have to look at alternative costing options for the Utility as we cannot exceed 50% borrowing on capital. This is an unsustainable model for Utility management and will need to be heavily reviewed by Council for the next steps. Council discussed new builds and having the developer pay for some if not all the costs to connect to the system and if higher density housing would help. Staff noted higher density is preferred as it has more people on the system but there is an installation cost and might be difficult for some developers. Some services may have to be provided by the Town. Staff noted that Saint Andrews is not

the only community in New Brunswick facing these situations. Council discussed commercial versus residential water users and the impacts of rising costs. Staff indicated that the last time costs were raised, the commercial users had the largest increases, some near 300%. The next round will have to be the residents to take additional costs as commercial users will continue to find alternatives and water reduction options to keep bills lower. Staff noted that an analysis of water costs from other communities would be brought forward for discussion at the next budget meeting. Council had some concerns of dramatic increases in water rates if we see high assessment rates but noted that something needs to be done to protect the Utility from hitting a 50% borrowing mark for capital projects.

Utility Capital

These are necessities and determining debt load.

- *Lift station gates - \$11,000.*
 - *These are safety gates to go over the holes without falling into the holes. We need to add these when pulling up pumps.*
- *Water Treatment Plant Upgrades - \$126,000 - new quote \$80,000.*
 - *Includes faulty UV boards, pump replacements, replacement of PLC panel (controls SCATA).*
- *Wastewater Treatment Plant Upgrades - \$20,000.*
- *Water and Sanitary Main replacements - \$1,165,000.*
 - *Ernest street - upgrade water and sewer near the ocean side and between Water and Queen Street.*
 - *Carleton and Prince of Wales water and sanitary mains.*
 - *Sophia Street finishing one more block - by Lodge.*
 - *Princess Royal - between Montague and Carleton 2 blocks.*
- *New Development \$492,750.*
 - *Champlain subdivision for new build.*
- *Reviewing costs to return to meters - \$30,000 - \$40,000.*

Funding Model - 000's omitted.

- *From operating revenue - \$199.*
- *Government grants - \$250.*
- *Recovery from developers \$246.*
- *Borrowing \$1,300.*

2020 - 22% borrowing.

2023 - 37% borrowing.

2026 - 50% borrowing.

Council and Staff noted that the status quo cannot keep going and that the Utility capital cannot hit a 50% borrowing capacity. Staff note that cost estimates are developed based on previous quotes from engineers and our in-house estimates. Most are close to the actual Request for Proposals received so we have a good representation of cost. Staff is putting a focus on grants for helping to cover the infrastructure costs associated with the Utility. Council discussed the new opportunity with adjusting the Gas Tax Fund strategy document to include water and wastewater services so funding from this can be put to this infrastructure system. Council discussed

upping the transfer rate from the fire department budget to the water system and maxing this out as an option to transfer general operating funds to the Utility. In New Brunswick, Property Tax cannot be used to sustain a Utility but transfers from select departments can occur based on usage, i.e., the fire department and fire protection services. Staff will provide Council with an analysis prior to the next budget discussion on this.

- F. NEW BUSINESS
- G. QUESTION PERIOD
- H. COUNCILLORS' AND DEPUTY MAYOR'S COMMENTS
- I. MAYOR'S COMMENTS
- J. CLOSED SESSION
- K. ADJOURNMENT

Motion: Motion: 363 - 10/21

**Moved by Deputy Mayor Akagi
Seconded by Councillor Gumushel**

At 1:08 p.m. that the meeting be adjourned.

6 - 0

Carried



Brad Henderson, Mayor



Paul Nopper, Clerk – Senior
Administrator

