



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

**September 27, 2023, 6:30 p.m.  
W.C. O'Neill Arena Complex Council Chambers**

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**A. RECORDING OF ATTENDANCE**

*A Special Meeting of the Town of Saint Andrews Council was held on Wednesday, September 27, 2023, at 6:30 p.m. with the following members present:*

*Mayor Brad Henderson, Deputy Mayor Kate Akagi, Councillors Mark Bennett, Marc Blanchard, Annette Harland, Lee Heenan, Jamie Hirtle, Steve Neil, and Darrell Weare.*

*Chris Spear, CAO/Treasurer, Paul Nopper, Clerk - Senior Administrator.*

*Absent: Councillor Kurt Gumushel.*

**B. LAND RECOGNITION OF THE PESKOTOMUHKATI NATION**

**C. APPROVAL OF AGENDA**

**Motion: 305 - 09/23**

**Moved by Councillor Bennett**

**Seconded by Councillor Heenan**

*That the Council of the Town of Saint Andrews approves the Agenda for the 230927 Special Council Meeting as presented.*

**Amended**

**Motion: 306 - 09/23**

**Moved by Councillor Harland**

**Seconded by Deputy Mayor Akagi**

*That the Council of the Town of Saint Andrews adds under Closed Session as per the Local Governance Act Section 68(1)(c) information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract, and (j) labour and employment matters, including the negotiation of collective agreements.*

**8 - 0**

**Carried**

**Motion: 307 - 09/23**

**Moved by Councillor Bennett**

**Seconded by Councillor Heenan**

*That the Council of the Town of Saint Andrews approves the Amended Agenda for the 230927 Special Council Meeting as presented.*

**8 - 0**

**Carried**

**D. DISCLOSURE OF CONFLICT OF INTEREST**

*Mayor Henderson Compass Housing Inc.*

**E. PRESENTATIONS**

- 1. Tressa Bevington, Compass Housing Inc. Regarding Request for Amendment to 302 Mowat Drive Development Agreement and Economic Development Agreement**

*Mayor Henderson left the meeting at 6:33 p.m.*

*Tressa Bevington of Compass Housing Inc. provided a presentation to Council on the request for a change to the rental rates stipulated in the Development Agreement and Economic Development Agreement. The ask is to change from \$800 - \$1,200 to \$800 - \$1500. Compass Housing has received Canadian Mortgage and Housing Corporation approval and financing under the terms of the new requested rental rates which were established by CMHC. Since the original design, we have been able to add 5 3-bedroom units, 11 1 and 2-bedroom units at rents of \$950 and 26 2-bedroom units at market rates between \$1,000 and \$1,400. When we started this project prime interest rates were at 2.7% and now at 7.2%. CMHC feels that the new rental rates are viable for construction at the 7.2% rate. Rental rates will only be increased by the Consumer Price Index and locked in for 15 years with the Town. All plans, environmental assessments, and the foundation permit are completed and have been submitted. We expect to have shovels in the ground this October as per the Development Agreement with a 12-month buildout window. 85% of all materials and contracts have been set in stone with pricing and we are ready to advance to the building stage. In order for us to proceed, we are requesting the rate change by Council for the Development Agreement and Economic Development Agreement. CMHC is very excited about this partnership and feels this is a truly affordable housing build that should be replicated.*

*Council thanked Mrs. Bevington for her presentation on the request to increase the rental ranges. Council asked for reassurance that the rental range will not change after the building is complete. Mrs. Bevington noted that rents are locked in for 10 years with CMHC and 15 years with the Town. Rents can only be adjusted by the Consumer Price Index as noted in the Economic Development Agreement and Development Agreement. Council asked how the minimum rental rate had changed when it was initially \$800.00 but none of the units as indicated were at the \$800.00 range. Mrs. Bevington noted that they had originally tried to get some rentals to \$800.00 but CMHC presented the rental rates for the affordability market and thus followed their lead. Council noted that 26 two-bedroom rentals and now five three-bedroom rentals will increase with the new rental range. Mrs. Bevington indicated this was correct and the addition of the five three-bedrooms was a bonus to provide more living space for families. Council noted that 85% of building materials and contractors had been set. With the current interest rates at 7.2% what happens when that rises? Mrs. Bevington noted that the rates have been locked in through contracts, so if the prime rate increases again, the figures have been locked in and cannot be changed. Council asked about the Federal Government GST rebate to new builds that was announced and how that will affect the project moving forward. Mrs. Bevington noted that it has been tabled for discussion by the Federal Government and that our accountants noted that it is too early to know how it will affect the project but it would be on the back end, more than likely tax credits. I have provided a document from my accountants to Council for review. Council inquired about the timeline of construction for the project and the application to CMHC. Mrs. Bevington stated that the approval for rezoning occurred in the winter. From there, her team worked on all the plans for the building and the application to CMHC. The application was submitted in May 2023. CMCH normally picks up and reviews applications within four to six weeks of submission. Normally the process takes under three months, however, with the increase in applications and a change to their application dates and costs, there was an influx of applications. The application was not reviewed until August and we received approval in September. If I were to reapply now, it would be an eight-month wait. We are prepared not to have shovels in the ground in October as per our Development Agreement and looking at a twelve-month buildout. Council further asked how rents would be protected from arbitrary increases in rental costs. Clerk Nopper provided clarification on this through Section 4C of the Economic Development Agreement. Council noted that the rental rates should be representative of the new rates with a range of \$950.00 - \$1,500.00. Council asked what would happen if the new rental*

rates were not approved. Mrs. Bevington stated that the project would not be viable without the new rents and thus would not move forward. CMHC approved the rents and noted the great partnership between the Town and Compass Housing. They noted they are very excited about this as it really makes rents affordable in a community. Council noted that the timeline for construction is very important in this decision-making process and with shovels in the ground in October, Council is still supportive of the project. Council noted that they are still holding \$225,000.00 as a contingency security for the project and funds will only be provided upon substantial completion. Mrs. Bevington noted that all the funds the Town has provided have gone directly into the project and will continue to do so. Compass Housing has not taken a dollar for the project that the Town has invested. The invested funds are directly into purchasing the land and used as equity for the loan from CMHC. Council noted that the rents presented are reasonable within the affordability scale and thanked Mrs. Bevington for providing comments back to the questions provided.

**F. INTRODUCTION, CONSIDERATION AND PASSING OF BY-LAWS AND MOTIONS**

**1. Compass Housing Inc. Request for Amendment to 302 Mowat Drive Development Agreement and Economic Development Agreement, PED230907**

*Council asked if the date proposed for the Public Hearing of Objections is the earliest that it can be hosted. Clerk Nopper noted that under the Community Planning Act, it must be advertised for 21 days and thus the date of Thursday, October 19, 2023, is the soonest it can occur. Council was supportive of hosting a Special Meeting of Council after the Public Hearing of Objections to discuss the Development Agreement and Economic Development Agreement amendments.*

**Motion: 308 - 09/23**

**Moved by Councillor Heenan**

**Seconded by Councillor Neil**

*That the Council of the Town of Saint Andrews sets the date of Thursday, October 19, 2023, at 6:30 p.m. in the W.C. O'Neill Arena Complex Council Chambers located at 24 Reed Avenue, Saint Andrews, to host a Public Hearing of Objections, under the Community Planning Act Section 59(3) and Section 111, for the purposes of amending the Compass Housing Inc. Development Agreement and Economic Development Agreement for 302 Mowat Drive to change the stated rental rates from \$800.00 - \$1,200.00 to \$800.00 - \$1,500.00.*

**Amended**

**Motion: 309 - 09/23**

**Moved by Councillor Blanchard**

**Seconded by Councillor Weare**

*That the Council of the Town of Saint Andrews sets the rental rates for Compass Housing Inc. in the Development Agreement and Economic Development Agreement from \$950.00 - \$1,500.00.*

**7 - 0**

**Carried**

**Motion: 310 - 09/23**

**Moved by Councillor Heenan**

**Seconded by Councillor Neil**

*That the Council of the Town of Saint Andrews sets the date of Thursday, October 19, 2023, at 6:30 p.m. in the W.C. O'Neill Arena Complex Council Chambers located at 24 Reed Avenue, Saint Andrews, to host a Public Hearing of Objections, under the Community Planning Act Section 59(3) and Section 111, for the purposes of amending the Compass Housing Inc. Development Agreement and Economic Development Agreement for 302*

Mowat Drive to change the stated rental rates from \$800.00 - \$1,200.00 to \$950.00 - \$1,500.00.

7 – 0

Carried

## 2. 2024 Budget Draft 1 - FA230925

Mayor Henderson returned to the meeting at 7:20 p.m.

CAO Spear provided a presentation to Council on the 2023 Operating Budget. In 2023 the Council did not have a say in the budget due to Local Governance Reform and a facilitator was assigned to set the budget. Staff worked with them and tried to keep Council informed. This is the first budget of this Council. There are two tax zones, Bayside and Chamcook, and Saint Andrews. In 2023 the Mill Rate for Bayside and Chamcook was \$0.9667 and Saint Andrews was \$1.1428. Note Bayside and Chamcook pay a Provincial levy for roads at \$0.4115 which is included in their 2023 Mill Rate. The Consumer Price Index was reviewed for New Brunswick from 2020 - 2023. The rates have moved up over time from 2020 at 0.20, 2021 at 3.80, 2022 at 7.30, and 2023 4.02 year to date. Fuel cost challenges have been seen by the Town. Gas has gone up 17% and diesel up 7.6% year over year. Insurance costs have increased from \$100,000.00 in 2020 to \$176,000.00 in 2023. Some of the cost increases are from Local Governance Reform and new acquisitions. Potential to see 10% increase in 2024. Municipalities are rated as high risk and not many underwriters will cover Municipalities. Shopping the rate around is not practical and our brokers are looking for the best deal. The Town has changed over underwriters a couple of times.

Basic Assumptions of the draft Budget include a tax revenue growth of 5% and an inflation factor of 3%. We have had \$13 million in new building permits which is 2% of our assessment rate. For General Operations, despite 5% growth in tax revenue, other revenues are projected to be flat or falling. To have a balanced budget, a surplus is forward two years and deficits are forwarded the same. In 2021 there was a construction project that was overestimated and had a \$100,000 surplus. It is income this year and a drop in 2024. Important to know tax revenue to capital is usually \$600,000 to \$700,000. This helps us to reduce borrowing and find grants.

### Department by Department Review

#### General Government

Increase of 10% overall. This includes an Executive Assistant to the HR Pool at approximately \$55,000. Advertisement is up 20% in anticipation of the Municipal Plan costs. Local Planning and Inspection service is up 11%. Mayor Henderson noted that with our growing community and increasing assessment comes increased costs of services. Equipment rental is reflective of additional copying and will be over budget in 2023. It is up from all the meetings and photocopying, this is the cost of doing business. Janitorial is up by 20%. This is reflective of increased cleaning and supplies required for washrooms. Telephone is up 45% as there was an error in 2023. \$8,000 is reflective of the history. Fiscal services will be adjusted for capital projects in 2023 and 2024. Interest in 2023 will likely be lower than budget.

#### Economic Development

We are still carrying the cost of an Economic Development Officer. However, there are three large community organizations requesting funds totaling \$38,000 in this draft. They will be presented to Council on October 10. In addition, we have \$18,000 in funding for Assistance Grants. So, we have \$56,000 currently budgeted for this.

#### Protective Services

*With policing, we are still waiting for actual costs from the service providers. We are estimating that the MPSA will be at 5% increase for Saint Andrews with PPSA at 12% for Bayside and Chamcook. This was understated by policing and is being adjusted. Fire department increase of 6% with the increase of a half position for a new employee.*

#### *Public Works*

*The overall increase of 7%. Insurance is up 46%, fuel is up \$18%, and asphalt 17%. As the costs of diesel increase, costs of asphalt increase. In addition, there is no asphalt plant in St. Stephen and have to draw from Saint John adding to the cost. Salaries and wages are up by 7% and adjustments from last year that did not make the budget in 2023. Year between year it is 7% but this year it is 3%. No increase in staffing just making the wage adjustments. In addition, there are a few sections of Highway 127 that do not have streetlights and we have asked DTI and NB Power about them and it is up to the Town to add them, i.e., Glebe Road would be a good location and have had complaints about not having them at the busy intersections. Council noted transportation costs and how this would be covered. CAO Spear noted that it could be in the Mill Rate to cover but Council will need to determine local costs versus shared costs. Council debated the streetlights and noted that perhaps specific intersections should be reviewed and that there might be limited space for lights in Bayside as there are not a lot of places for streetlights.*

#### *Cultural Services*

*Mostly status quo with inflationary increases. The Ross Museum will be celebrating its 200th anniversary. There is a 17% increase to the overall budget to help with programming for next year. In addition, we are also looking to extend the seasons of the museums to 12 weeks which we can use to extend our shoulder seasons and attract more cruise ship visitors that are coming in by bus. Staff will be working with the providers to find a better way to attract them to the museums.*

#### *Recreation*

*Costs are up by 25% due to repairs and maintenance. For example, the soccer nets and posts at the Harry Mallory Sports Field are in need of repair. We are also seeing an increase in maintenance on our mowing equipment as it is now 3 to 4 years old and runs 5 to 7 days a week through the summer season. The more age and use, the more maintenance needed. We are also requesting that the seasonal staff have an additional 4 weeks of employment. With more events and programs taking place in Recreation, staff are being spread thin and the additional time would allow us to complete all projects on schedule.*

#### *W.C. O'Neill Arena Complex*

*Prior to the COVID-19 Pandemic, we were seeing many rentals from Saint John and elsewhere to use our arena. Since then, we have been having difficulties recovering those rentals, so those are down by 76%. Although we have lower ice rental costs, we anticipate some of the difficulties that come with the cost of fuel to travel. Our dormitory is rented year-round now which has also increased the cost of the facility. Overall expenses are up 7%. Some adjustments to wages have been made due to an error in the 2023 budget.*

#### *Recreation and Programming*

*This is a new department for us. Looking at additional funding for events at \$20,000. We are also looking to conduct a Recreation Master Plan at \$40,000. We are looking to start a fee-based summer day camps with enhanced experiences. This has been built in with revenues and expenses. There are opportunities for those who have barriers to accessing recreation that we can find ways for sponsors, etc. to help cover costs. We will be*

looking to offset funds with grant funding for many of these events and programs.

#### Wharf

No substantial increases in the 2024 budget. There was an error in Draft 1 of the budget for 2024 for insurance and wages and will be adjusted accordingly.

#### Youth Centre

There is a request to convert a three-quarters employee position to full-time, including benefits. This is to help both the Youth Centre and with Recreation in the community. This will be a shared position. More repairs are needed for the building as it ages.

#### Bayside Community Hall

Looking at inflationary increases for now. Will continue to review.

#### Utility

Inflationary increases only for now. Once capital projects are included, this will require a discussion on rate increases as we move to metered systems.

CAO Spear cautioned Council as they approach the Capital and Utility Projects due to the high cost of borrowing. This will be discussed on how Council wishes to proceed.

Council thanked CAO Spear for the presentation. Council asked, once we go through the capital projects, will we be able to go back through the Operations budgets? CAO Spear noted they will and then Council will have the whole picture before making changes. Council asked about the increase of janitorial services, it is all broken out, at what point would it be good to bring it internally? CAO Spear noted we would need a person and a half, the majority of work in the summer 7 days a week and part-time in the winter. Tough to make it full-time for staff, inconsistent hours. We spend around \$50,000 a year on it. Council noted that they will have to review the water rates and having the lowest rates was changed by the last Council and wanted to be middle of the pack. Would be good to know if we are still in that level. Costs for water and infrastructure are significant concerns. The flat rate billing will be changing to metering. What you use is what you pay. Council further discussed the janitorial services looking at areas cleaned. CAO Spear listed the facilities cleaned by contract. There is an increase in costs due to cleaning washrooms at the arena during the summertime. Council brought further comments forward about incorporating cleaning in-house versus contracted out. CAO Spear noted that the one contractor provides us flexibility for early mornings, and late nights, and is reactionary to our needs at a lower cost versus hiring two staff. Council noted caution on janitorial services at \$50,000 as it is hard to hire a staff member under that cost for these services. Council was thought that funding might be pulled from the Tourism Accommodation Levy to ensure washrooms are open all year round in Town. Council noted that washrooms are critical for tourism and that this should be reviewed as product development. Council discussed options for shopping around for a better rate on insurance and asked the CAO to explain it. CAO Spear noted that there are limited underwriters and competition is getting less. We have switched previously but all offer similar rates. Our broker tries to find us the best rates but costs are escalating and Municipalities are a high-risk entity to insure. Council noted they are happy to see increases in the Recreation budget as we have staff in this department now and they need funding to provide activities for our community. New Brunswick Day was almost as busy as Canada Day in 2023. Would like to see the growth of these opportunities in the community.

#### G. NEW BUSINESS

#### H. QUESTION PERIOD

*Andrew Bates of the Telegraph Journal asked which community groups are asking for funding from the Town. Mayor Henderson noted the Charlotte County Archives, Sunbury Shores, and Katy's Cove Inc. Charlotte County Dial-A-Ride has asked for increased funds but not to the same extent as the three other community groups.*

**I. COUNCILLORS' AND DEPUTY MAYOR'S COMMENTS**

*Deputy Mayor Akagi - Reminded the public of the upcoming Truth and Reconciliation Day happening on Saturday, September 30, 2023, at 5:30 p.m. at Indian Point Park. There will be a small ceremony to start followed by a solemn walk around Indian Point. Donations are welcomed and will go back to helping support programming for the community on the education of the First Nations.*

**J. MAYOR'S COMMENTS**

**K. CLOSED SESSION**

**Motion: 311 - 09/23**

**Moved by Councillor Hirtle**

**Seconded by Councillor Harland**

*At 8:29 p.m. that Council enters Closed Session as per the Local Governance Act Section 68(1)(c) information that could cause financial loss or gain to a person or the local government or could jeopardize negotiations leading to an agreement or contract, and (j) labour and employment matters, including the negotiation of collective agreements.*

**8 – 0**

**Carried**

**Motion: 312 - 09/23**

**Moved by Councillor Heenan**

**Seconded by Councillor Hirtle**

*At 9:32 p.m. that Council returns to Open Session.*

**8 – 0**

**Carried**

**L. ADJOURNMENT**

**Motion: 313 - 09/23**

**Moved by Deputy Mayor Akagi**

**Seconded by Councillor Bennett**

*At 9:33 p.m. that the meeting be adjourned.*

**8 – 0**

**Carried**



Brad Henderson, Mayor



Paul Nopper, Clerk – Senior  
Administrator

