

**WINDSOR TOWN COUNCIL**

**Town Council Meeting Minutes Amended Item #2**

**August 3, 2018 / 8:00 – 9:24 a.m.**

**Windsor Council Chambers, 100 King St, Windsor, NS**

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**Attendance:**

Anna Allen	Mayor, Chair
Laurie Murley	Deputy Mayor
John Bregante	Councillor
Shelley Bibby	Councillor (arrived at 8:02 a.m.)
Jim Ivey	Councillor
Louis Coutinho	CAO
Shelleena Thornton	Municipal Clerk
VanEssa Roberts	Director of Community Development, Tourism & Recreation
Todd Richard	Director of Public Works

**Regrets:** None

**Public:**

Carole Morris-Underhill	Reporter, Valley Journal Advertiser
21 members of the public	(five were members of West Hants Council: Warden Abe Zebian and Councillors Debbie Francis, Kathy Monroe, Randy Hussey, and Jennifer Daniels)

- 1. CALL TO ORDER** – Mayor Allen called the special council meeting to order at 8:00 a.m. and advised it was a one-matter agenda; an update on the Long Pond Heritage Arena project. (CAO Coutinho circulated a Fundraising Chart and a replacement p. 3 to council and noted it was to correct information on p.3 of the recommendation report).
- 2. APPROVAL OF AGENDA** - Councillor Ivey indicated a letter (e-mail) was received August 3<sup>rd</sup> from Mr. Tom Webb re. the proposed Long Pond Arena. Clerk Thornton indicated it pertained to the item currently on the agenda so could be included under those discussions. (Letter attached).

**MOVED BY BREGANTE/MURLEY THAT THE AGENDA BE APPROVED AS CIRCULATED. MOTION CARRIED**

- 3. LONG POND HERITAGE ARENA PROJECT UPDATE** – CAO Coutinho provided history in-relation to the proposed project and continued to provide an overview of the recommendation report, business case and Qsolv report. He added he was thankful to see representation of West Hants council present to help with their discussions at their Special council meeting scheduled for Tuesday, August 7<sup>th</sup>. CAO Coutinho explained what was meant of the Town backstopping \$6.5 million (\$1 million from West Hants; \$1 million from the Town of Windsor, and \$4.5 would be fundraising). Just over \$1 million in fundraising has been raised thus far, leaving an additional \$3.5 million to be fundraised. It is correct in that of the \$6.5 million to be guaranteed by the Town, it meant if money was short in any capacity (of the municipal units' shares or fundraising), the Town would have to pay for it.

CAO Coutinho spoke of considerations to either scaling the project back to \$9 million or keeping it at the \$12.5 million (the importance of community expectation, some heritage, the walking track, etc), noting the plan of \$12.5 million is best and the fundraising team is confident they could raise the additional \$3.5 million over two years.

The Town has been assured by the Province that there is no other hockey arena project in the books waiting and was also told that if this project is a no-go, the Province will designate funding allocated for Windsor's project, toward another municipality's eligible project.

Risks are outlined in both the recommendation report and the Business Case that would be going to the Provincial & Federal governments, and it is important council understand the risks.

CAO Coutinho provided an overview of the detailed Class D estimate from QSolv. He also referenced the Town's sewage treatment plant that came in high and was then revised to come within budget without reducing its functionality. The Town can stipulate parameters to the design and along the way request changes to ensure it comes within budget.

#### Funding notes:

- cost over-runs are typically borne by the partner receiving the funding; so this request is not unusual;
- Town would submit invoices, and the Prov/Feds reimburses. The turn-around is fairly quick;
- Cash flow – the Town may have to borrow money with respect to organizations/businesses that spread their donation(s) over a period of time; however, that is factored into the report/business case.
- Business Case - the worse-case scenario has been presented; however, the Town is confident this will not be the case;
- Fundraising – \$4.5 million is the overall goal. Just over \$1 million is already pledged, so \$3.5 million to go. Fundraising team is confident the overall goal is achievable.

#### Other points:

- West Hants is having a special meeting Aug. 7<sup>th</sup> re a Notice of Rescission pertaining to their \$1 million dollar funding commitment to the project. (This is a newly developed risk);
- Social Media is a risk. Misinformation on the project gets posted and the Town tries to keep up with it and correct it; however, it is a challenge, and risks public perception on the project;
- If fundraising does not go as planned, then the Town will have to address the shortfall (financing, etc). (1) increase user fees; (2) reserve fund transfers; (3) long-term borrowing (which would impact budget); (4) increase taxes; or (4) it could be a combination of all of these.

Financing Costs – CAO Coutinho reviewed p. 7 in the recommendation report as well as Annex E. He outlined and defined eligible and in-eligible costs and said the Town gets the HST back. The Town's contribution is \$6.9 million (including the ineligible costs).

#### Questions/Discussion

- (Murley) Support of the project was raised; however, concerned about the second recommendation as well as potential shortfall. Council advised the public that taxes would not be increased so that cannot happen. If West Hants withdraws their \$1 million, could the fundraising team raise that additional money, and Mr. Jeff Redden said no.
- (Murley) At what point would the Town not be able to turn back from the project? Could the Town pull out if the final design does not come within the \$12.5 million budget? CAO Coutinho said yes, but that would be a travesty if the Town pulled out then. The Prov/Fed said there are more projects than funding. If Town went to tender and it came in too high and council chose to stop the project, other projects would be hurt because we committed to accepting the funds that others were denied. Yes, council could

withdraw; however, it wouldn't be good to do at that time. This was why the Town asked for a much more detailed Class D estimate than is typically provided. At the design stage, based on what Town has done to date, there is no reason it should not come within the \$12.5 million.

- (Murley) If the design came in over \$12.5 million, does the Town have way to mitigate risks? CAO – yes.
- (Murley) Could the Town pull out if absolutely had to? CAO – It is possible but not probable.
- (Bregante) This is the third time councils have discussed a potential arena project and this is the closest this has come and it is disappointing that at this stage, West Hants will be discussing potentially withdrawing their \$1 million donation they committed to. There is a lot of faith in the fundraising committee. The Town may have to do bridge financing and it is hoped West Hants does not rescind their donation commitment.
- (Bregante) Tired of the misconception and rumours. If people want facts, they should raise them with those in the know.
- (Bregante) There is support for this project and it is for everyone to use in the entire area of West Hants and Windsor.
- (Bibby) Has supported this project from the beginning and has confidence in the vision and the fundraising team; however, will not risk consolidation with West Hants for this project, as consolidation is best for Windsor and West Hants residents and the community now and in the long-run.
- (Ivey) This has not really been discussed with tax payers. There has been no public consultation on this project (only information sessions).
- (Ivey) Opportunity exists to reach out to West Hants on better solutions.
- (Ivey) A facility needs to be built for the community, to bring the community together.
- (Ivey) Project is not actually the \$12.5 million (that is only eligible costs); it is more than that. The QSolV includes a 10% contingency but Class D estimates can fluctuate up to 30%.
- (Ivey) – QsolV quote dated June 14, 2018, of the 138 numbers, 25 of them went down, so he is concerned about that as figures typically increase.

*Member of the public arrived at 8:56 a.m.*

- (Ivey) Members of council would be willing to guarantee this on the backs of taxpayers and the taxpayers have never been consulted; nor has this really been discussed as a council.
- (Ivey) Been asking if there is any money in the bank for this project. CAO – couldn't collect money because the Town was ensuring compliance with CRA guidelines in consultation with the auditors. The Town is now structured to start collecting. The Town has its \$1 million put aside.
- (Ivey) – the money referenced being pledged over 1, 2 and/or 5 years has not been provided to council (including information on King-Edgehill School's donation).
- (Ivey) – has faith in the people fundraising and the volunteers; however, understands the challenges and not sure it could all be collected.
- (Rick Smith) Shares Councillor Ivey's concerns. The contingency is a concern. He asked that council consider the following when/before deciding: (1) how can council commit/backstop \$6.5 million to Windsor taxpayers in good conscience for this project; how can that be explained to Windsor residents? (2) How can council commit \$6.5 million to a project primarily used by others outside of Windsor (this should be community wide project with West Hants); and (3) How can council commit to this project without knowing operational costs (this is another commitment not discussed)?
- (WH Councillor Randy Hussey) What about operational costs? CAO Coutinho said staff have looked at several newer arenas of roughly the same size (including their proformas), as well as facilities (including Newport Arena), with energy efficiencies and some without. All of this information was taken into consideration with operational expenses including the current Exhibition Arena (both revenues and expenses), and made some further adjustments. Also, further reviewing other revenue streams not currently being used (i.e. as a lacrosse facility). When considering all of this, expenses should be around

the same as other arenas but staff have been conservative on the revenue side to err on the side of caution. All of these factors are why the Town is looking at building a smaller facility (i.e. 500 seats rather than 1,000). All this being said, these details will be more known when the detailed design is known.

- (WH Councillor Jennifer Daniels) Hasn't looked at the arena design but understood it would be a multi-use facility. Is this a multi-use facility (walking track, heritage component)? When it comes to components that may be removed to reduce costs, what would be eliminated (would the walking track be removed)? She supports a multi-use facility that would assist the greater community. Mayor Allen said there are components that would remain no matter what, and the walking track is one of them. Re. the heritage component, the design would include some and continue to contain those elements, it just will not be huge.
- (Ivey) Should discuss with West Hants before making decisions. He asked if Windsor and West Hants could meet (even if over the weekend), as they meet Tuesday, Aug. 7<sup>th</sup> re. their Notice of Rescission of their \$1 million toward the project. CAO Coutinho reiterated the Town received the letter from Minister Porter advising the Town had to resubmit a Business Case with the revised figures by Aug. 7, 2018. He could ask the Minister for an extension if council wished. Warden Zebian advised he has heard that the Aug 7<sup>th</sup> deadline is not set in stone. CAO Coutinho advised the letter the Town received gave that date. Warden Zebian said the Town and West Hants could possibly meet; however, he is not certain on the purpose of the meeting so wouldn't say for certain if it were possible and asked if the meeting would pertain to the current project proposed as-is, a different one, etc. CAO Coutinho said it would be to discuss the project, the current proposal on the table and the Business Case that has to be submitted to the Province prior to their August 7, 2018 deadline. Warden Zebian advised it was a Notice to rescind at this time and the outcome would not be determined until a week later, Aug. 14<sup>th</sup> when West Hants is scheduled to meet again.

**MOVED BY MURLEY/IVEY THAT THESE DISCUSSIONS AND THIS MEETING BE DEFERRED UNTIL TUESDAY, AUGUST 7, 2018 AT 5PM (AT ANOTHER SPECIAL MEETING OF WINDSOR TOWN COUNCIL). MOTION CARRIED**

(Jim White) – He didn't hear anything about a Plan B, about insight, foresight, vision. He said he heard people assuming problems bigger than they are and West Hants playing chicken and games with Windsor once again instead of representing its voters.

#### 4. ADJOURNMENT

**MOVED BY MURLEY/BIBBY THAT AT 9:24A.M., WITH NO FURTHER MATTERS TO DISCUSS, THE MEETING BE ADJOURNED. MOTION CARRIED**

  
Chair

  
Municipal Clerk

Mayor Allen and CAO Catinou.

My name is Tom Webb and you invited me into your office for a meeting in March of 2017 following an email I sent expressing concerns about the plan for the long pond arena.

I will try to get the points discussed in the order they occurred during our meeting. The first was your insistence that long pond was the only possible site that would work for getting funding. When I disputed that and you asked where I got my information from, indicating that you can't trust all sources, I pulled up the news item on my phone in which Chuck Porter indicated that another application could be made for another site. You were dismissive of that. I then expressed my concern that if Kings Edgehill were truly a community minded entity in Windsor, they would be willing to contribute to a facility anywhere in the town. Your response was a ringing endorsement of KES, indicating that they are the largest employer in the town and that they contribute six million to the town economy annually, with the dry cleaner and the clothing store in Fort Edward Mall being two of the greatest benefactors of that six million dollar injection into our local economy. I believe the dry cleaners are gone, and I would argue that in this town, the Annapolis Valley regional school board with two schools and a maintenance facility may very well be a larger employer. And my point that the one million they were offering at that time would quickly be eaten up by infrastructure and civil construction costs was dismissed by yourselves with the statement that the ground is good to build on and the services are right there already. Mayor Allen, you even said that ground is good to build on and you believed that all the feasibility studies had been done, asking for confirmation from your CAO with a "haven't they Louise?" question that was not answered by our CAO in that meeting. Louise, to my recollection you slightly shrugged at that suggestion and left it at that.

We discussed fund raising, Mayor Allen, to which you indicated that big money was coming and two hundred and fifty thousand had already been raised. I asked about the big money, and you said that once the announcement comes out and things are finalized there were plenty of big players ready to commit, but of course you couldn't say who. This doesn't look like the current reality.

Mayor Allen you proudly toted Windsor as the birthplace of Hockey and pointed out how wonderful Cooperstown is and that Windsor will be like that. I asked if she had any figures of how much tourism our claim of being the Birthplace of Hockey brings, and you had no numbers to offer other than, "Oh, it's a lot."

I put to you now, as I did in that meeting, that 'Oh, it's a lot' is a weak argument for justifying millions of dollars of spend on a recreational facility and heritage facility.

Now let's move to the most disturbing part of that meeting. I mentioned that the Agriculture society had indicated that they could put forth a plan for a recreational facility on their land and that they would be willing to work with the town to get a good recreational facility in this town. Here again, you asked me where I heard this, and I again pointed to the news Item I had referenced earlier. You indicated that you were not aware of this. Mayor Allen, you then dismissed any possibility of working with the Agricultural Society on this. You even said that the Agricultural Society can't be trusted. You asked me if I had worked with them and asked if I knew the man who ran that society. My answer to both was no, and when I said that their land seemed like a better location to me, you stated to me that, and this was you saying to me, 'You don't know them.' (meaning the agricultural society) 'They will offer to build a

building and then come back to the town for something else later. We just can't work with them.. Besides, Chuck Porter says, their application could get lost on his desk for three months.'

I found this surprising to say the least. Not only for the corrupt implications presented to me, but for you to indicate that you did not know of any "offer" by the Agricultural Society, but you seemed to know whose desk an application could get lost on.

Then to read in the news that the councilors had not seen the original submission by the Agricultural Society, well, certainly seems like more than a coincidence.

And frankly, Mayor Allen, that recent tax break you gave us? After my meeting with you, I honestly felt that this was likely a tool to make it "easier" to hike the taxes when needed, to fulfill YOUR dream of a Birthplace of Hockey legacy. Maybe it's time you check with the people footing the bill if the majority of them share your dream.

Tom Webb  
Windsor, NS.