1. Call to Order
2. Call of Roll
3. Announcements
4. Approval of Agenda, including additions or deletions
5. Presentation(s)
6. Public Hearings
7. Approval of the Council Minutes of December 12, 2017
8. Business Arising from Minutes and any Related Correspondence
   a. Notice of Rescission (Councillor Monroe)
   b. Supply of Organics Carts (December 12, 2017 Council)
   c. Provision of Organic Waste Collection Service (December 12, 2017 Council)
10. Reconsideration or Rescission of Resolutions of Which Notice has Been Given on a Previous Day
11. Report(s) of the Committee(s) and Officer(s)
    a. Committee of the Whole
    b. Planning Advisory Committee
    c. Report of the Chief Administrative Officer
    d. REMO Advisory Committee
    e. Police Advisory Committee
    f. MCCAP Committee
       i. National Disaster Mitigation Program (NDMP) Application (Recommendation Report)
    g. Other Committee Reports or Recommendations
       i. Joint Council Excerpts – December 18, 2017
12. Correspondence
13. Miscellaneous / New Business
    a. Happy Communities Project – Funding Request
    b. Hantsport Aboiteau (Deputy Warden Morton)
    c. Warming Centres (Deputy Warden Morton)
14. In-Camera MGA Section 22 (2)(c) Personnel Matters
15. Date of Next Meeting – February 13, 2018
16. Adjournment
THE MUNICIPALITY OF THE DISTRICT OF WEST HANTS

RECOMMENDATION REPORT

To: Members of West Hants Council

Submitted by: __________________________

Cathie Osborne, Chief Administrative Officer

Date: November 29, 2017

Subject: Supply of Organics Carts

Origin:

Department of Public Works has conducted the evaluation of Tender # WHPW17-08 issued for Supply of Organics Carts.

Legislative Authority:

Municipal Government Act, Section 65 (q) collecting, removing, managing and disposing of solid waste; authorizes Council to expend funds for municipal purposes.

Recommendation:

It is recommended that:

Council award a Contract for supply of organics carts to Speed Eco in the amount of $337,000 plus applicable taxes, to be expended through the Diversion Credit Reserve in the amount of $200,000 and the remaining cost from the Operating Reserve.
And:

Council award a Contract for assembly and distribution of organics carts to Speed Eco in the amount of $33,600 plus applicable taxes, to be expended through the Operating Reserve.

Background:

On December 1, 2016, the Public Works Department issued a Request for Proposal for the provision of services for the collection and transportation of waste for the period of April 1, 2018 to March 31, 2023, including pricing for 3 additional option years to March 31, 2026. The existing contract for waste collection services throughout the Municipality of West Hants with GFL Environmental Inc. is due to expire as of March 31, 2018.

On March 15, 2017 Council awarded a contract to Royal Environmental Inc. (REgroup) for provision of Services for Collection and Transportation of Waste for the period of April 1, 2018 to March 31, 2023. The new contract would include collection and transportation services of garbage, recycling and organics streams for the community of Hantsport, and would include collection and transportation services of garbage and recycling streams for the remainder of the Municipality. The organics stream would continue to be handled through residential backyard composting as it is currently managed throughout the remaining communities within West Hants.

On September 12, 2017 Council approved the motion to provide green cart service to the entire Municipality. Staff was directed to provide a detailed cost breakdown to Council for green cart service, which includes cost to procure the organics carts for the customers.

Discussion:

A public opening was held on November 16, 2017 at 2:01 pm, with four (4) tenders received. The 2-part tender defined the bid scoring process to be used; that combined both a weighted technical criteria component as well as weighted financial component. All four bids were received with unit pricing based on the quantities specified in the scope of work. Tenders were reviewed independently and scored by members of Public Works and Finance staff.

<table>
<thead>
<tr>
<th>Supplier</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speed Eco</td>
<td>92.4%</td>
</tr>
<tr>
<td>Rehrig Pacific Company</td>
<td>80.0%</td>
</tr>
<tr>
<td>Saunders Equipment Ltd.</td>
<td>70.9%</td>
</tr>
<tr>
<td>ReGroup</td>
<td>62.4%</td>
</tr>
</tbody>
</table>

Technical Criteria Evaluation included:

- Product & Resources
- Additional Product Benefits
Financial Criteria Evaluation:
  • (Lowest Bid / Bidder’s Price) x Price Weighting

Although not the lowest cost bidder (Rehrig $306,100 for the supply of carts; and $32,200+ for delivery, quoted at a price of $5.75 per cart for the initial roll-out, plus $10 per cart for additional carts or for any carts missed); Speed Eco had the best overall combined technical and commercial score of 92.4% and has been recommended to supply the organics carts. Cost for the supply of the equipment exceeds the maximum expenditure limit of the CAO, as per the Municipal procurement policy; and, therefore requires approval by Council.

Financial Implications:

Cost to supply 5600 organics carts to the residents of the Municipality would be $337,000, plus applicable taxes. It is proposed to expend $200,000 of this amount through the existing Diversion Credit Reserve, with the remainder being covered by Operating Reserve.

Cost to assemble and distribute 5600 organics carts to the residents of the Municipality would be $33,600 (quoted at a fixed price of $6 per cart), plus applicable taxes. It is proposed to expend this amount through the Operating Reserve.

Alternatives:
Council may choose to award this contract to another tenderer. This is not the recommendation course of action.

Attachments:
Tender Evaluation Summary

Report Prepared by: Brad Carrigan, P.Eng., Director of Public Works

Report Reviewed by: Martin Laycock, Director of Finance
WHPW17-08: Supply of Organic Carts

Tender Evaluation Summary

<table>
<thead>
<tr>
<th>Technical Components</th>
<th>Speed Eco</th>
<th>Rehrig Pacific</th>
<th>Saunders</th>
<th>REGroup</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Product &amp; Resources</td>
<td>30</td>
<td>20</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>2. Additional Product Benefits</td>
<td>10</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>3. Warranty</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>4. Maintenance &amp; Service</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>5. Delivery</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td><strong>Sub Technical Component out of 70</strong></td>
<td><strong>65 / 70</strong></td>
<td><strong>50 / 70</strong></td>
<td><strong>45 / 70</strong></td>
<td><strong>45 / 70</strong></td>
</tr>
</tbody>
</table>

Cost/Price Evaluation (Max 30 points)

<table>
<thead>
<tr>
<th></th>
<th>27.2</th>
<th>30</th>
<th>25.9</th>
<th>17.4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTALS:</strong></td>
<td><strong>92.4%</strong></td>
<td><strong>80.0%</strong></td>
<td><strong>70.9%</strong></td>
<td><strong>62.4%</strong></td>
</tr>
</tbody>
</table>

This was a highest rating evaluation (technical plus financial) tender award, not lowest cost tender, due to the variation in product and additional product benefits.

Listed below is a summary of the technical benefits of using organic carts supplied, distributed and serviced by Speed Eco:

- Zero corners in new design carts; other cart designs have many corners and grate structures that hold materials and require professional pressure washers or manual cleaning
- Round design performs better; empty completely when dumping in summer and winter
- Round design can be cleaned with a garden hose, soap and water; reducing odors and potential for rodents
- Round design eliminates edges that are primary chewing/access points for rats/rodents
- Zero holes for drainage; material/liquids stay inside cart; reducing yard mess, odors and potential for rodents
- Tipping weight evenly distributed; 20% easier to tip and balance weight of both empty and full carts; easier to move carts
- Lower breakage rate due to freezing, as materials do not stay in cart when tipped
- Carts would be supplied, distributed and serviced by a local NS company (Wolfville, NS)
- All positive reference checks have been received from other municipal units for round-bottom design carts, making active changes to round-bottom design as carts are being replaced (Valley Waste, Chester, Windsor, Lunenburg and Pictou County)
MUNICIPALITY OF THE DISTRICT OF WEST HANTS
INFORMATION REPORT

To: Members West Hants Council

Submitted by: Cathie Osborne, Chief Administrative Officer

Date: January 3, 2018

Subject: Provision of Organic Waste Collection Services

Supplemental Report

Origin:
Follow up from December 12, 2017 Council discussion on funding sources for the provision of organic waste collection services.

Legislative Authority:

Municipal Government Act, Section 65(q) collecting, removing, managing and disposing of solid waste; authorizes Council to expend funds for municipal purposes.

Background:

During discussion at the December 12, 2017 Council meeting around the provision of organic waste collection services, comments were made with respect to information previously provided by staff on the estimated cost of supply and collection of green cart service. These comments suggested staff had not provided full or accurate information resulting in an increased cost from the $55 estimated provided by staff on May 27, 2017 and that the $55 per unit cost did not include the cost to purchase the carts.

This supplemental report will provide clarity to Council and the public around any differences with the initial estimate and the updated information provided in December which compares the two estimates using the same funding methodology, which is Option 4 as presented in the December 12, 2017 report.
Discussion:

Table 1, below breaks down the May 17, 2017 estimate into the variance components and shows how the $55 per unit estimate was arrived at. Inventory costs of $60.65 were included in the cost estimate but rather than include the full cost of the inventory in the first year of implementation, the annual inventory costs were amortized over a 10-year period at a per unit cost of $6.06 which forms part of the total $55 per unit cost.

Table 1:

<table>
<thead>
<tr>
<th>Estimated Cost of New Organic Collection Service to West Hants Residents</th>
<th>May 17 (Original)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inventory Costs</strong></td>
<td><strong>Units</strong></td>
</tr>
<tr>
<td>Inventory West Hants</td>
<td>6892</td>
</tr>
<tr>
<td>Inventory Hantsport</td>
<td>608</td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>7500</strong></td>
</tr>
<tr>
<td>Distribution of Carts</td>
<td></td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
<td><strong>7500</strong></td>
</tr>
<tr>
<td><strong>Annual Cost (WH Only)</strong></td>
<td></td>
</tr>
<tr>
<td>Amortization of Inventory</td>
<td>7500</td>
</tr>
<tr>
<td>Collection West Hants</td>
<td>7500</td>
</tr>
<tr>
<td><strong>Add Net HST for above</strong></td>
<td></td>
</tr>
<tr>
<td>Collection Hantsport</td>
<td></td>
</tr>
<tr>
<td>Special Collection West Hants</td>
<td>7500</td>
</tr>
<tr>
<td><strong>Add Net HST for above</strong></td>
<td></td>
</tr>
<tr>
<td>Special Collection Hantsport</td>
<td></td>
</tr>
<tr>
<td>Tipping West Hants</td>
<td>7500</td>
</tr>
<tr>
<td><strong>Tipping Hantsport</strong></td>
<td></td>
</tr>
<tr>
<td>Tipping Fees Offset</td>
<td>incl</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
</tr>
<tr>
<td>Depreciation of Inventory</td>
<td></td>
</tr>
<tr>
<td><strong>Total West Hants Operation</strong></td>
<td></td>
</tr>
<tr>
<td>Hantsport Operational Cost</td>
<td></td>
</tr>
<tr>
<td><strong>Total Municipality Operation</strong></td>
<td></td>
</tr>
</tbody>
</table>

During the review of the May 17th estimates and Council discussion, staff identified and/or corrected certain financial components which resulted in a revised estimate to the May 17th figures. Table 2 compares the original May 17th version to the revised version. Again, this is
based on amortizing the cost of the inventory (carts) over a ten-year period. The revised per unit cost has risen to $57.78 ($3.13 per unit per year) which can be attributed to corrections for net HST, number of new pick up points and savings on tipping costs for the current service provide to Hantsport which should not have been included as “new” costs.

Table 2:

<table>
<thead>
<tr>
<th>Estimated Cost of New Organic Collection Service to West Hants Residents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inventory Costs</strong></td>
</tr>
<tr>
<td>----------------------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Inventory West Hants</td>
</tr>
<tr>
<td>Inventory Hantsport</td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>Distribution of Carts</td>
</tr>
<tr>
<td>Contingency</td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Annual Cost (WH Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization of Inventory</td>
</tr>
<tr>
<td>Collection West Hants</td>
</tr>
<tr>
<td>Add Net HST for above</td>
</tr>
<tr>
<td>Collection Hantsport</td>
</tr>
<tr>
<td>Special Collection West Hants</td>
</tr>
<tr>
<td>Add Net HST for above</td>
</tr>
<tr>
<td>Special Collection Hantsport</td>
</tr>
<tr>
<td>Tipping West Hants</td>
</tr>
<tr>
<td>Tipping Hantsport</td>
</tr>
<tr>
<td><strong>Tipping Fees Offset</strong></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
</tr>
<tr>
<td>Depreciation of Inventory</td>
</tr>
<tr>
<td><strong>Total West Hants Operation</strong></td>
</tr>
</tbody>
</table>

| Hantsport Operational Cost | $ | - | - | $ | - | - |
| **Total Municipality Operation** | $409,845 | $54.65 | $401,889 | $57.78 |

The costs provided on December 12, 2017 were an updated version of the May 17th figures which accounted for Net HST, tipping fees for Hantsport, updated loan costs, depreciation of inventory and contingency costs for the rollout of the organic carts. The per unit costs for the original December 12th figures increased to $61.51 which is $3.73 per unit more per year than the adjusted May 17th figure. This can be seen in Table 3, Total West Hants Operation: December 12(Original).

Subsequently to the December 12th meeting, staff has reviewed and revised the December 12th figures for Option 4 by adjusting the number of units and removing costs already incurred to provide service to Hantsport. Again, inventory is amortized over a ten-year period. As can be seen in the chart, the difference between the $55 per unit cost presented on May 17th to the adjusted December 12, 2017 estimated increase of $1.58 per unit per year. If
all costs for the full service, including Hantsport, under Option 4, the cost to each unit would be $59.94 per year ($4.94 per unit per year).

Table 3:
Estimated Cost of New Organic Collection Service to West Hants Residents

<table>
<thead>
<tr>
<th>Inventory Costs</th>
<th>December 12 (Original)</th>
<th>December 12 (Adjusted)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Units</td>
<td>Total</td>
</tr>
<tr>
<td>Inventory West Hants</td>
<td>5600</td>
<td>$351,457</td>
</tr>
<tr>
<td>Inventory Hantsport</td>
<td>495</td>
<td>$2,391</td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>$353,848</strong></td>
</tr>
<tr>
<td>Distribution of Carts</td>
<td>-</td>
<td>$35,041</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
<td>$20,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total Inventory</strong></td>
<td><strong>$408,889</strong></td>
</tr>
</tbody>
</table>

Annual Cost (WH Only)

<table>
<thead>
<tr>
<th></th>
<th>(10-yr @ 3.5%)</th>
<th>(10-yr @ 3.5%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization of Inventory</td>
<td>6998 $49,165 $7.03</td>
<td>6892 $49,165 $7.13</td>
</tr>
<tr>
<td>Collection West Hants</td>
<td>6998 $253,092 $36.17</td>
<td>6892 $253,092 $36.72</td>
</tr>
<tr>
<td>Add Net HST for above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection Hantsport</td>
<td>$- $- $-</td>
<td>6892 $23,454 $3.40</td>
</tr>
<tr>
<td>Special Collection West Hants</td>
<td>6998 $5,417 $0.77</td>
<td>6892 $5,417 $0.79</td>
</tr>
<tr>
<td>Add Net HST for above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Collection Hantsport</td>
<td>$- $- $-</td>
<td>6892 $(602) $(0.09)</td>
</tr>
<tr>
<td>Tipping West Hants</td>
<td>6998 $154,763 $22.12</td>
<td>6892 $154,763 $22.46</td>
</tr>
<tr>
<td>Tipping Hantsport</td>
<td>$- $- $-</td>
<td>6892 $(15,062) $(2.19)</td>
</tr>
<tr>
<td>Tipping Fees Offset</td>
<td>6998 $(49,543) $(7.08)</td>
<td>6892 $(49,543) $(7.19)</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal</strong></td>
<td><strong>$412,894</strong> $59.00</td>
</tr>
<tr>
<td>Depreciation of Inventory</td>
<td>6998 $17,573 $2.51</td>
<td>7500 $17,573 $2.34</td>
</tr>
<tr>
<td></td>
<td><strong>Total West Hants Operation</strong></td>
<td><strong>$430,467</strong> $61.51</td>
</tr>
</tbody>
</table>

Hantsport Operational Cost

| 6998 | $23,454 | $3.35 |

Total Municipality Operation

| 7500 | $25,200 | $3.36 |

Financial Implications:
For illustrative purposes, the foregoing analysis compares costs for Option 4 presented in the December 12 report. However, this was not the funding option recommended by staff in the December 12, 2017 report. Staff still recommends funding of the service as a general-rated service (Option 1) which is based on the same principles for waste collection services across West Hants and other generic services.

1 (Page 7, Figure 6, Recommendation Report to Council: Provision of Organic Waste Collection Service)
The costing for Option 1 also assumes the use of reserves to fund the purchase of inventory, rather than a loan, amortized over ten years but includes the current cost of service to Hantsport.

Should Council accept staff’s funding recommendations, the estimated increase in the general tax rate would be $.03. Table 4, below, is reproduced from the December 12th report. The table shows a range of annual costs per assessment for the new organic collection services. For the average homeowner ($140,000) the annual cost is $42.36 which is less than the estimated per unit cost presented in any of the foregoing tables.

Table 4:
Estimated Annual Cost for New Organic Services

<table>
<thead>
<tr>
<th>Assessment *</th>
<th>Current General Rate Taxes</th>
<th>$0.03 Increase</th>
<th>Total Annual Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000.00</td>
<td>$1,016.30</td>
<td>$30.25</td>
<td>$1,046.55</td>
</tr>
<tr>
<td>$140,000.00</td>
<td>$1,422.82</td>
<td>$42.36</td>
<td>$1,465.18</td>
</tr>
<tr>
<td>$200,000.00</td>
<td>$2,032.60</td>
<td>$60.51</td>
<td>$2,093.11</td>
</tr>
<tr>
<td>$300,000.00</td>
<td>$3,048.90</td>
<td>$90.76</td>
<td>$3,139.66</td>
</tr>
</tbody>
</table>

*$140K average home value

Attachments:

Report Prepared by: _______________________________________________________________________
                    Cathie Osborne, CAO

Report Approved by: _______________________________________________________________________
                    Martin Laycock, Director of Finance
MUNICIPALITY OF THE DISTRICT OF WEST HANTS

RECOMMENDATION REPORT

To: Members West Hants Council

Submitted by: Cathie Osborne, Chief Administrative Officer

Date: December 6, 2017

Subject: Provision of Organic Waste Collection Service

Origin:

On September 12, 2017 Council approved the motion to provide organics collection (green cart) service to the entire Municipality. Staff were directed to provide a detailed cost breakdown to Council for this service and funding options.

Legislative Authority:

Municipal Government Act, Section 65 (q) collecting, removing, managing and disposing of solid waste; authorizes Council to expend funds for municipal purposes.

Recommendation:

It is recommended that:

Council approve the outright purchase of green carts used in the community of Hantsport from the current service provider, Valley Waste, in the amount of $2,391 with funds for the purchase to come from the Operating Reserve.
Council approve a $20,000 contingency fund for the purchase and distribution of green carts in West Hants with funds to come from the Operating Reserve.

Council treat the costs associated with the collection of organics throughout all West Hants as a general rated service and that these costs be included in the calculation of the general tax rate, beginning in fiscal year 2018/19.

Background:

On December 1, 2016, the Public Works Department issued a Request for Proposal (RFP) for the provision of services for the collection and transportation of waste for the period of April 1, 2018 to March 31, 2023, including pricing for 3 additional option years to March 31, 2026. The existing contract for waste collection services throughout the Municipality of West Hants with GFL Environmental Inc. is due to expire as of March 31, 2018.

On March 15, 2017 Council awarded a contract to Royal Environmental Inc. (REgroup) for provision of Services for Collection and Transportation of Waste for the period of April 1, 2018 to March 31, 2023. The new contract would include collection and transportation services of garbage, recycling and organics streams for the community of Hantsport, and would include collection and transportation services of garbage and recycling streams for the remainder of the Municipality. At the time of the award, no decision had been made by Council to extend organics collection beyond the community of Hantsport, therefore the organics stream would continue to be handled through residential backyard composting to the remaining communities within West Hants.

On September 12, 2017 Council approved the motion to provide green cart organics service to the entire Municipality. Staff was directed to provide a detailed cost breakdown to Council for green cart service and propose options for funding the new service.

Discussion:

There are two components which make up the cost of this new service. The first component is the inventory (supply) and distribution of the carts. The second is the on-going operational cost of providing the service. There are several options available to Council to pay for the inventory/distribution and the annual operational service costs.

INVENTORY COSTS

Supply & Distribution COSTS ($408,890)
The additional service of green carts will have an impact on annual Municipal expenses, moving forward. Initial setup costs include the supply, assembly and distribution costs for the green carts.
Staff released a Request for Tender to supply 5600 green carts which represents the estimated number required to provide the new service to the remainder of West Hants. After consulting other municipal units using carts, typically the total number needed is roughly 80% of the number of households once shared locations are considered (cottage country, private roads, apartment buildings, duplexes etc. where more than one household will share a cart). For example, in Hantsport there are roughly 485 carts distributed to 608 dwellings, which is roughly 80%. This distribution method was applied to order a total of 5600 (6892*80% = 5513; rounded up to 5600). Cost to supply the new organics carts is anticipated to be $351,457 (net HST incl.). A separate report before Council includes a recommendation to award the tender.

The assembly and distribution of the carts, along with recording the serial number and associated civic number throughout the municipality, was also solicited through the above noted Tender. Cost to the Municipality for assembly and distribution is anticipated to be $35,041 (net HST incl.).

Staff were able to negotiate a nominal cost from Valley Waste to purchase the carts currently in use in the community of Hantsport. The cost to purchase the existing Hantsport carts amounts to $4.93 per cart for the 485 carts presently deployed for a cost of $2,391 (net HST incl.). This is a savings of $28,009 ($55.07 per cart x 608 carts).

As this is a new service, staff believes a contingency is prudent and has proposed $20,000 for the launch. This money will allow for the purchase and distribution of additional carts that may be needed should the total exceed the anticipated 5600. It will also address any IT costs that may arise, such as inventory creation, assigning green carts to AAN’s, etc., resulting from the implementation.

Figure 1: Total Cost of Supply and Distribution:

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase</td>
<td>$351,457</td>
</tr>
<tr>
<td>Distribution</td>
<td>$35,041</td>
</tr>
<tr>
<td>Hantsport carts</td>
<td>$2,391</td>
</tr>
<tr>
<td>Contingency</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$408,890</strong></td>
</tr>
</tbody>
</table>

A full financial analysis is provided later in the report which addresses funding options to pay for the inventory and distribution costs.

**OPERATIONAL COSTS**

Total yearly operational costs for green cart service for West Hants is estimated to be an average of $454,300. There are five components that comprise the anticipated operational costs for the West Hants wide organics collection service for year 1.
Figure 2: Estimated Annual Operating Costs Year 1

<table>
<thead>
<tr>
<th>Service</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection &amp; Transportation</td>
<td>$253,092</td>
</tr>
<tr>
<td>Special Collection</td>
<td>$5,417</td>
</tr>
<tr>
<td>Tipping fee (estimated)</td>
<td>$154,763</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$17,573</td>
</tr>
<tr>
<td>Hantsport Green Cart Operational costs</td>
<td>$23,454</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$454,300</strong></td>
</tr>
</tbody>
</table>

**Collection & Transportation Services ($253,092 inc. net HST)**

As part of the original request for proposals, the successful bidder supplied pricing for organics collection and transportation services throughout the entire Municipality of West Hants. The contract prices listed for Area 1, Area 2 and Area 3 (Hantsport) is an average annual cost over the 5-year contract.

**Special Collection Services ($5,417 inc. net HST)**

Special collection services for organics would normally be provided for seasonal pick up of leaf and yard waste, and/or Christmas trees. Staff have made the provision for one special collection per year. The contract price for all 3 areas, is a flat rate for the term of the contract.

**Tipping Fees ($154,763 – Estimated inc. net HST)**

Tipping fee costs involves estimating the annual weight of organics multiplied by the facility tipping rate. The projected total weight of organics to be sent for processing is estimated to average 1562 metric tonnes per year, at program maturity. This estimate is based on data from other municipal units (Hantsport, Region 6 and Provincial reports) that have organics collection. (See appendix)

The original RFP issued for Collection and Transportation required pricing to deliver organics to the East Hants Waste Management Centre (EHWMC) in Georgefield. Total tipping fees were estimated based on the facility tipping fee, transportation from EHWMC and an administration fee for a total cost of $110 per tonne plus net HST ($114.72). To date, EHWMC has still not confirmed their proposed contract cost for 2018.

Staff have since received an offer to receive our organic material by Northridge Farms in Aylesford. Northridge has offered West Hants a tipping fee of $95 per tonne plus net HST ($99.08) for anticipated savings of $15 per tonne. Our collection and transportation contractor, REgroup, has confirmed they will deliver to this location with no additional charge for transportation.

**Annual Depreciation Reserve Contribution ($17,573)**

To ensure funds are available to replace carts as needed, annual depreciation contributions of $17,573/year (5% of purchase price) is included. This will ensure the Municipality will be able to replace carts as needed without having to borrow or draw down funds from other reserves.
Hantsport Green Cart Costs ($23,454)
Green cart service for Hantsport is an Area Rated service because it is unique to the community. With the addition of green cart service to all West Hants, the cost no longer qualifies as an area rate. Hantsport green cart costs are the associated administrative and maintenance costs that will now need to be shared among all residents.

FUNDING OPTIONS:

The total anticipated costs to provide this new service in year one is $863,190 which is made up of inventory and distribution costs of $408,890 and collection and operating costs of $454,300. Average two to five-year costs need only include collection and operating costs of $454,300.

There are four possible ways in which to fund the costs of the green carts and new service. Pros and Cons for each approach have been provided as an appendix.

1. General Tax Rate – As is the current practice with garbage and recyclables pickup, the costs associated with waste related services are spread out among all West Hants property owners through the General tax rate.

2. Distribute costs by Assessment Account Number (AAN) – The total estimated cost for green cart service would be divided by all AANs.

3. Distribute cost by Assessment Account Number (AAN) using only those which have Residential and Commercial Tax codes (TX01 & TX02) – The total estimated cost for green cart service would be divided by the number of AAN's that fall under Residential and Commercial tax codes.

4. Distribute cost by number of dwelling units – The total estimated cost for green cart service would be divided by the number of dwelling units that are associated with an AAN.

The estimated cost for each of these options is provided in the following figure.
All Costs (Inventory and Operational Combined)

Figure 3: Year 1

<table>
<thead>
<tr>
<th>Method of payment</th>
<th>Total Net Cost</th>
<th># of users</th>
<th>Cost/user</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - General Rate</td>
<td>$863,190</td>
<td>N/A</td>
<td>$0.079</td>
</tr>
<tr>
<td>2 - AAN</td>
<td>$863,190</td>
<td>11651</td>
<td>$74.09</td>
</tr>
<tr>
<td>3 - AAN TX01 &amp; TX02</td>
<td>$863,190</td>
<td>8888</td>
<td>$97.12</td>
</tr>
<tr>
<td>4 - # of Dwellings</td>
<td>$863,190</td>
<td>6998</td>
<td>$123.35</td>
</tr>
</tbody>
</table>

Not included in the above analysis is the cost of buying out the former Town of Hantsport’s share of the capital investment in Valley Waste. This is estimated to be $18,895 and proposed to be covered as an area rate to the community of Hantsport.

Inventory Costs Only

An increase to the tax rate to provide the program can be avoided by using existing funds set aside in reserves. A report will be coming forward recommending Council consider using a combination of diversion credits and operating reserves to pay for the initial cost of inventory. There are sufficient funds in both reserves to support this method of funding.

Should Council not wish to use the reserves and choose to pay for the purchase and distribution in year one, the results under the various methods are shown above in Figure 3.

Alternatively, Council may choose to finance the purchase and distribution of the inventory through a loan. This would add an estimated $49,165 to the annual operating costs for a 10-year period and result in an additional 0.5 cents to the General Rated costs or $4-$7 per user to the total cost.

The use of existing reserves does not directly affect the tax rate. It is a cost absorbed by past operating results and diversion credits received by the general population and would benefit the general population.

Operational Costs Only

Figure 4: Funding for Operational Costs – Average year 1 to 5

<table>
<thead>
<tr>
<th>Method of payment</th>
<th>Total Net Cost</th>
<th># of users</th>
<th>Cost/user</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - General Rate</td>
<td>$454,300</td>
<td>N/A</td>
<td>$0.042</td>
</tr>
<tr>
<td>2 - AAN</td>
<td>$454,300</td>
<td>11651</td>
<td>$38.99</td>
</tr>
<tr>
<td>3 - AAN TX01 &amp; TX02</td>
<td>$454,300</td>
<td>8888</td>
<td>$51.11</td>
</tr>
<tr>
<td>4 - # of Dwellings</td>
<td>$454,300</td>
<td>6998</td>
<td>$64.92</td>
</tr>
</tbody>
</table>
Annual payments based on # of users ranges from $38.99 to $64.92 per affected property (Options 2 to 4). Option 1, calculated on the general rate provides a greater or lesser range of impact, depending on the assessed value of a property. Should Council choose to apply the cost of green carts to the General Tax Rate, a cost savings of an estimated $124,543 in Waste Collection and Disposal costs could be applied to green cart operational costs (see Finance Appendix). This would result in a smaller net increase to the overall Waste Collection budget for a total estimate of $329,756.

If Council chooses either options 2-4, the Waste Collection budget would still be reduced by an estimated $124,543, which amounts to a little over a 1 cent drop on the current tax rate. However, these savings would not impact the cost per user methods, but residents could, if nothing were to change financially for the Municipality, benefit from a 1 cent lower tax rate in 2018-19. The chances of nothing changing financially for the Municipality is highly unlikely, therefore a 1 cent reduction in the tax rate should not be anticipated.

The results of the above changes would be as follows:

**Figure 5:**

<table>
<thead>
<tr>
<th>Method of payment</th>
<th>Total Net Cost</th>
<th># of users</th>
<th>Cost/ user</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - General Rate</td>
<td>$329,756</td>
<td>N/A</td>
<td>$0.030</td>
</tr>
<tr>
<td>2 - AAN</td>
<td>$454,300</td>
<td>11651</td>
<td>$38.99</td>
</tr>
<tr>
<td>3 - AAN TX01 &amp; TX02</td>
<td>$454,300</td>
<td>8888</td>
<td>$51.11</td>
</tr>
<tr>
<td>4 - # of Dwellings</td>
<td>$454,300</td>
<td>6998</td>
<td>$64.92</td>
</tr>
</tbody>
</table>

For option 1, the impact on a rate payer, based on the examples below, would be as follows:

**Figure 6:**

<table>
<thead>
<tr>
<th>Assessment*</th>
<th>Current General Rate taxes</th>
<th>$0.03 increase</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$100,000.00</td>
<td>$1,016.30</td>
<td>$30.25</td>
<td>$1,046.55</td>
</tr>
<tr>
<td>$140,000.00</td>
<td>$1,422.82</td>
<td>$42.36</td>
<td>$1,465.18</td>
</tr>
<tr>
<td>$200,000.00</td>
<td>$2,032.60</td>
<td>$60.51</td>
<td>$2,093.11</td>
</tr>
<tr>
<td>$300,000.00</td>
<td>$3,048.90</td>
<td>$90.76</td>
<td>$3,139.66</td>
</tr>
</tbody>
</table>

*$140K as the average home value

Staff are recommending Council apply the general rate principle as the funding methodology to pay for the new annual green cart organic collections services as the service can be accessed by all ratepayers. Acquiring and distributing the green carts using existing funds, partially set aside from the diversion of organic and recyclable material, reflects the prior efforts of rate payers to be environmentally sustainable.
Alternatives:

- Council may choose to move forward with one of the alternative funding approaches listed in the report.

Attachments:

- Additional Information Appendix
- Additional Financial Data Appendix

Report Prepared by: Brad Carrigan, P.Eng., Director of Public Works

Report Reviewed by: (Martin Laycock, Director of Finance)
Additional Information Appendices

1. **Organics Tipping Fee Estimates**

The projected total weight of organics to be sent for processing, is estimated to average 1562 metric tonnes per year, at program maturity. We expect many residents will no longer compost at home once there is organics collection service. This amount also takes into consideration, non-backyard compostable items such as meat, bones fish etc.

Other municipal units that have organics collection currently report the following annual household amounts; Hantsport (213 kg), Region 6 (222 kg) and provincial average (186 kg). West Hants anticipates an average of 208.3 kg per household.

To determine household counts for the analysis, a combination of numbers from the West Hants Planning Department and household counts by Waste Management in 2010 were used. Total estimated households are 7500 (Hantsport 608 and the rest of West Hants as 6892).

\[
\text{7500 households} \times \text{208.3 kg per household} = 1562 \text{ tonnes}
\]
\[
1562 \text{ tonnes} \times \$99.09 \text{ Northridge Farms tipping fee} = \$154,763
\]
2. Financial Appendix

Pros and Cons of payment options

Option 1 – General Rated Services: Pros and Cons

• Pros
  i. Consistent with the current practice for waste services of spreading costs out as a general rated service.
  ii. As the cost estimates for green cart services must be estimated at the beginning of the year, the general rate can easily absorb surplus/deficits of the service leading to more consistency for taxpayers.
  iii. Allows cost sharing of the service based on property value.
  iv. Would allow cost savings from new garbage contract to be directly applied against the cost of implementing green carts
  v. No additional IT costs
  vi. Could lower overall cost impact of green carts by finding savings in other areas to lower the general rate.
  vii. Distributes the cost so that those who live in lower valued homes (such as low-income earners and seniors) will be impacted less than in the other options listed.

• Cons
  i. Assuming all things remain the same, it will add an estimated 3.5 cents to the general tax rate. It would be difficult to find 3.5 cents in savings to reduce this impact without significant growth to the tax base or cuts to services.
  ii. Tax payers with higher assessments will pay more of the service.

Option 2 – Assessment Account Number: Pros and Cons

• Pros
  i. Distributes cost evenly among all property owners across the Municipality.
  ii. Provides the largest denominator (11651 – 2017 roll), leading to a larger spread of the green cart cost, meaning it is a lower cost on a per person basis.
  iii. Does not directly impact the tax rate.

• Cons
  i. AAN’s include all properties in West Hants, including tree lots, vacant land, etc. Residents would be paying for a service on a property where they may not be able to use it.
  ii. Includes ‘Non-taxable’ properties. This could lead to difficulty in collection of fees, but can be addressed through policy.
iii. Residents may pay more for green cart service than what they pay for in property taxes.
iv. Cost savings from redistribution of tipping fees is not included.
v. Sets a precedent on how a normally general rated service is paid for
vi. There may be up to $3,000 in IT costs to setup a method to include the new charge on the tax bills.

Option 3 – Assessment Account numbers, Residential/Commercial Tax Codes: Pros and Cons

• Pros
  i. This method would eliminate the Cons in Option 2 as only lots assessed as taxable Residential and taxable Commercial would be included.
  ii. Provides a larger denominator (8888 – 2017 roll) than just using number of dwellings units (6998 – 2017 DatazOne) meaning a reduced per unit cost
  iii. This option distributes cost among residents who are likely to use the service now and in the future.
  iv. Does not directly impact the tax rate.

• Cons
  i. Prone to error as the data on Residential and Commercial assessments are based on January data provided by PVSC and may change during the year.
  ii. Cost savings from redistribution of tipping fees is not included.
  iii. Sets a precedent on how a normally general rated service is paid for
  iv. There may be up to $3,000 in IT costs to setup a method to include the new charge on the tax bills.

Option 4 – Number of Dwelling Units: Pros and Cons

• Pros
  i. Best reflection of properties that have actual dwelling units on the AAN
  ii. Can easily identify and provide multiple green cart for AAN’s with multiple dwelling units.
  iii. Does not directly impact the tax rate.

• Cons
  i. Most prone to error. Data on number of dwelling units is gathered by PVSC and is taken from DatazOne. It is not clear how often the data is updated or how accurate it is. As shown above with the use of the total number of dwellings at 7500, there are clear differences between what the total numbers are depending on where you go and the criteria you use.
  ii. Leads to the highest per unit cost as there are only 6998 dwelling units.
  iii. Cost savings from redistribution of tipping fees is not included
  iv. Sets a precedent on how a normally general rated service is paid for.
v. There may be up to $3,000 in IT costs to setup a method to include the new charge on the tax bills.

Financing calculation:

$408,890 over 10 years @ 3.5% interest = $49,165/year.

Green Cart Operation & Inventory cost breakdown:

<table>
<thead>
<tr>
<th>Total Green Cart costs Year 1</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase</td>
<td>$351,457</td>
</tr>
<tr>
<td>Distribution</td>
<td>$35,041</td>
</tr>
<tr>
<td>Hantzport carts</td>
<td>$2,391</td>
</tr>
<tr>
<td>Contingency</td>
<td>$20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$408,890</td>
</tr>
</tbody>
</table>

Ongoing operational costs

| Collection & Transportation           | $253,092 |
| Special Collection                   | $5,417   |
| Tipping fee (estimated)              | $154,763 |
| Deprecation                          | $17,573  |
| Hantzport Green Cart Operational costs | $23,454 |
| **Total**                             | $454,300 |

Total cost year 1: $863,190

Less savings year 1

| Use of reserves                      | $(408,890) |
| Waste collection contract savings*   | $(75,000)  |
| Lower tipping fees*                  | $(49,543)  |
| **Total**                             | $(533,433) |

*Applies only to General Rate

Net total cost year 1 (General Rate): $329,758
Net total cost year 1 (per user): $454,300
3. **Lower tipping fees breakdown:**

The January to March 2017 waste audits have shown (37% of garbage disposed is organic). Once these amounts are removed from the garbage, there will be a savings in garbage collection fees (1,133 metric tonnes x $45.92 per tonne (includes net HST) = $52,026). This amount can be used to offset the estimated total for organic tipping fees.

There would be a slight loss in revenue collected (Host Community Fees) by sending organic waste to compost rather than bury it in our local landfill. However, once the “new” garbage amount coming to the West Hants Landfill from the community of Hantsport (152 tonnes) is added, the net loss is estimated to be $2,483.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Projected Annual Organics</td>
<td></td>
</tr>
<tr>
<td>Stream Tipping Fee (1562)</td>
<td>$154,763</td>
</tr>
<tr>
<td>Less: Organics diverted from Solid Waste Stream (1133 tonnes x $44.03 plus net HST)</td>
<td>$(52,026)</td>
</tr>
<tr>
<td>Add: Host Community fees lost</td>
<td>$2,483</td>
</tr>
<tr>
<td><strong>Annual Tipping Fees (Estimated):</strong></td>
<td><strong>$105,220</strong></td>
</tr>
<tr>
<td>Net difference</td>
<td>$49,543</td>
</tr>
</tbody>
</table>
Organics Collection
Green Cart Costs Supplemental Report
Options to Fund the New Service

1. Option 1 – General Rate
2. Option 2 – Assessment Account Number (AAN)
3. Option 3 – AAN residential & commercial tax codes
4. Option 4 – Dwelling Units
<table>
<thead>
<tr>
<th>Estimated Cost of New Organic Collection Service to West Hants Residents</th>
<th>May 17 (Original)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inventory Costs</strong></td>
<td><strong>Units</strong></td>
</tr>
<tr>
<td>Inventory West Hants</td>
<td>6892</td>
</tr>
<tr>
<td>Inventory Hantsport</td>
<td>608</td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
<td>$4,870</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>7500</td>
</tr>
<tr>
<td>Distribution of Carts</td>
<td>-</td>
</tr>
<tr>
<td>Contingency</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
<td>7500</td>
</tr>
<tr>
<td><strong>Annual Cost (WH Only)</strong></td>
<td></td>
</tr>
<tr>
<td>Amortization of Inventory</td>
<td>7500</td>
</tr>
<tr>
<td>Collection West Hants</td>
<td>7500</td>
</tr>
<tr>
<td><strong>Add Net HST for above</strong></td>
<td>$502</td>
</tr>
<tr>
<td>Collection Hantsport</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>7500</td>
</tr>
<tr>
<td>Special Collection West Hants</td>
<td>7500</td>
</tr>
<tr>
<td><strong>Add Net HST for above</strong></td>
<td>$149</td>
</tr>
<tr>
<td>Special Collection Hantsport</td>
<td>-</td>
</tr>
<tr>
<td><strong>Tipping West Hants</strong></td>
<td>7500</td>
</tr>
<tr>
<td><strong>Tipping Hantsport</strong></td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$409,845</td>
</tr>
<tr>
<td>Tipping Fees Offset</td>
<td>incl</td>
</tr>
<tr>
<td><strong>Depreciation of Inventory</strong></td>
<td>$</td>
</tr>
<tr>
<td><strong>Total West Hants Operation</strong></td>
<td>$409,845</td>
</tr>
<tr>
<td>Hantsport Operational Cost</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Municipality Operation</strong></td>
<td>$409,845</td>
</tr>
</tbody>
</table>
Table 2: May 17th Adjusted

<table>
<thead>
<tr>
<th>Estimated Cost of New Organic Collection Service to West Hants Residents</th>
<th>May 17 (Original)</th>
<th>May 17 (Adjusted)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inventory Costs</strong></td>
<td><strong>Units</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td>Inventory West Hants</td>
<td>6892</td>
<td>$413,520</td>
</tr>
<tr>
<td>Inventory Hantsport</td>
<td>608</td>
<td>$36,480</td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
<td></td>
<td>$4,870</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>7500</td>
<td>$454,870</td>
</tr>
<tr>
<td>Distribution of Carts</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Inventory</strong></td>
<td>7500</td>
<td>$454,870</td>
</tr>
<tr>
<td><strong>Annual Cost (WH Only)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of Inventory</td>
<td>7500</td>
<td>$45,487</td>
</tr>
<tr>
<td>Collection West Hants</td>
<td>7500</td>
<td>$220,192</td>
</tr>
<tr>
<td>Collection Hantsport</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Add Net HST for above</td>
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<td></td>
</tr>
<tr>
<td>Special Collection West Hants</td>
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<td>$4,617</td>
</tr>
<tr>
<td>Add Net HST for above</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tipping West Hants</td>
<td>7500</td>
<td>$139,549</td>
</tr>
<tr>
<td>Tipping Hantsport</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td>Tipping Fees Offset</td>
<td></td>
<td>incl</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td>$409,845</td>
</tr>
<tr>
<td>Depreciation of inventory</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total West Hants Operation</strong></td>
<td></td>
<td>$409,845</td>
</tr>
<tr>
<td>Hantsport Operational Cost</td>
<td></td>
<td>$-</td>
</tr>
<tr>
<td><strong>Total Municipality Operation</strong></td>
<td></td>
<td>$409,845</td>
</tr>
</tbody>
</table>
## Estimated Cost of New Organic Collection Service to West Hants Residents

<table>
<thead>
<tr>
<th>Inventory Costs</th>
<th>December 12 (Original)</th>
<th>Units</th>
<th>Total</th>
<th>Unit Cost</th>
<th>December 12 (Adjusted)</th>
<th>Units</th>
<th>Total</th>
<th>Unit Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory West Hants</td>
<td>5600</td>
<td>$351,457</td>
<td>$62.76</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventory Hantsport</td>
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<td>$2,391</td>
<td>$4.83</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Replacement Inventory (1%)</td>
<td>-</td>
<td>$ -</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td><strong>$353,848</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$353,848</strong></td>
<td><strong>6095</strong></td>
<td><strong>$58.06</strong></td>
<td><strong>$58.06</strong></td>
</tr>
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<td>Distribution of Carts</td>
<td>-</td>
<td>$35,041</td>
<td></td>
<td></td>
<td><strong>$35,041</strong></td>
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<td><strong>$416,549</strong></td>
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### December 12 (Original)
- **Inventory Costs**
- **Annual Cost (WH Only)**
- **Total West Hants Operation**
- **Hantsport Operational Cost**
- **Total Municipality Operation**

### December 12 (Adjusted)
- **Inventory Costs**
- **Annual Cost (WH Only)**
- **Total West Hants Operation**
- **Hantsport Operational Cost**
- **Total Municipality Operation**

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**Table 3: December 12th Original and Adjusted**
Funding Options

As Recommended by Staff

1. Draw from Reserves (Year 1) for Inventory
   • $200,000 from Diversion Credit Reserve
   • Remaining from Operating Reserves
   AND
2. General Rate the new services (Funding Option 1)
## Tax Impact – Option 1: General Rate

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<th>$0.03 increase</th>
<th>Total</th>
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<td>3,048.90</td>
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<td>$ 3,139.66</td>
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*$140K as the average home value
MUNICIPALITY OF THE DISTRICT OF WEST HANTS
RECOMMENDATION REPORT FROM MCAAP

To: Members of West Hants Council

Submitted by: Councillor Jennifer Daniels, Planning Advisory Committee Chair

Date: 01-09-2018

Subject: National Disaster Mitigation Program (NDMP) Application

Origin:
Application for National Disaster Mitigation Program funding.

Legislative Authority:
MGA - Power to expend money 65; (p) preventing or decreasing flooding

Recommendation From MCCAP:
It is recommended:
That the Municipality of West Hants fully supports the funding application made under
the National Disaster Mitigation Program completed October 26, 2017 for the total
project cost of $86,000.00.

Background:
Background and discussion regarding this matter can be found in the 12-05-2017 report to
the Municipal Climate Change Action Plan (MCCAP) Committee (attached), and the 12-05-
2017 minutes of the MCCAP Committee.

Discussion:
N/A

Financial Implications:
The funding available through the NDMP is on a 50-50 cost sharing basis. The Municipality
would be responsible for providing $20,000.00 in cash and $3,000.00 in in-kind services in
each of the two (2) fiscal years proposed for the project (2018-2019 and 2019-2020). The $20,000.00 could be included within the MCCAP for each fiscal year.

The additional costs to the Municipality can be part of the 2018-19 budget discussions.

**Alternatives:**
In response to this request Council may:

Not support the funding application made under the National Disaster Mitigation Program completed November 26, 2017 for the total project costs of $86,000.00. This is not the staff recommendation.

**Attachment A**
12-05-2017 Report: NDMP Program

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Report Prepared by: ______________________________________________________
Madelyn LeMay, Director of Planning and Development

Report Reviewed by: ______________________________________________________
Martin Laycock, Director of Finance

Report Approved by: _____________________________________________________
Cathie Osborne, Chief Administrative Officer
MUNICIPALITY OF THE DISTRICT OF WEST HANTS
RECOMMENDATION REPORT

To: Members of West Hants Municipal Climate Change Adaptation Committee

Submitted by: Madelyn LeMay, Director of Planning and Development

Date: December 5, 2017

Subject: Recommendation to MCAAP Regarding National Disaster Mitigation Program

1.0 Origin

Application for National Disaster Mitigation Program funding

2.0 Legislative Authority

MGA - Power to expend money 65; (p) preventing or decreasing flooding

3.0 Recommendation

Should the NDMP approve funding for West Hants, a motion of Council supporting the project is required:

That the Municipality of West Hants fully supports the funding application made under the National Disaster Mitigation Program completed October 26, 2017 for the total project cost of $86,000.00.

4.0 Background

On October 26, 2017, a completed application was submitted on behalf of the Municipality for funding under the National Disaster Mitigation Program (NDMP). The requested funding would provide a risk assessment to supplement the anecdotal information regarding flooding for the areas of the Cheverie Crossway and the Avondale Wharf.
5.0 Discussion
The proposed risk assessment would:

- ensure the impact of climate change does not negatively affect the continued timely access from Windsor to a number of communities, including Cheverie, Bramber, and Cambridge, particularly for emergency services such as ambulance;
- ensure neither West Hants nor the Province of Nova Scotia are creating or supporting services which will be negatively affected by sea-level rise, such as establishing parking areas on land which will be inundated;
- ensure existing municipal and provincial infrastructure and private property is protected and public safety is assured;
- provide information for the long-term regarding risks in and to the area, including the risks to existing public infrastructure and to public property;
- determine the potential risk of an event occurring in the areas of Cheverie Crossway and the Avondale Wharf;
- allow emergency management planners to make proactive, risk-based decisions regarding potential events that might impact coastal communities in these areas, and determine what priority measures can be taken to improve the safety and resilience of their communities;
- help identify and establish priorities for risks that are likely to create the most disruption;
- identify and describe hazards and assess impacts and consequences based upon the vulnerability or exposure of these areas;
- enable collaborative risk treatment plans and emergency management measures;
- introduce an action plan; and
- become informed about hazards and the associated risks that may affect the area.

6.0 Financial Implications
The funding available through the NDMP is on a 50-50 cost sharing basis. The Municipality would be responsible for providing $20,000.00 in cash and $3,000.00 in in-kind services in each of the two (2) fiscal years proposed for the project (2018-2019 and 2019-2020). The $20,000.00 could be included within the Municipal Climate Change Adaptation Program (MCAAP) for each fiscal year.

7.0 Conclusion
As noted above, requested funding would provide a risk assessment to supplement the existing anecdotal information regarding flooding for the areas of the Cheverie Crossway and the Avondale Wharf. Following the completed risk assessment, the Municipality could then move forward with mitigation planning.

8.0 Alternatives
In response to this request, MCAAP may:
8.1 Recommend that Council not support the funding application made under the National Disaster Mitigation Program completed November 26, 2017 for the total project costs of $86,000.00. This is not the staff recommendation.

Report Approved by: 

Cathie Osborne, Chief Administrative Officer

Report Reviewed by: 

Martin Laycock, Director of Finance
Hockey Heritage Inter-Municipal Service Agreement Amendment
... that Council amend the Hockey Heritage Inter-Municipal Service Agreement to include the follow:

under Whereas
  • D. Therefore, the Councils of Windsor and of West Hants have agreed that they wish to support the construction of a recreational and cultural facility.
  • H. remove

under Management Board
  • 6. The management and administration of the Municipal Corporation shall be carried out under the jurisdiction of a Management Board, which shall consist of 6 members comprised as follows:
    • 6.(c) remove
    • 6.(d) remove
    • 7. remove third bullet

under Administration and Management of the Facility
  • 12. On behalf of Windsor and West Hants, and once the components, schematic design, and budget for the construction of the Hockey Heritage Centre and the Property have been approved by the Municipal Units in accordance with section 25 of this Agreement, the Management Board shall manage the construction, design and implementation phase of the Hockey Heritage Centre.

... that Council further amends the Hockey Heritage Inter-Municipal Service Agreement to rename the municipal body corporate and make any other necessary changes as required by the solicitor.

Terms of Reference Hockey Heritage Sub-Committee
... that staff draft a Terms of Reference for a Hockey Heritage Sub-Committee with the intent of calling for Expressions of Interests for the Hockey Heritage Project.
THIS INTER-MUNICIPAL SERVICE AGREEMENT to create a municipal body corporate known as the Hockey Heritage Municipal Corporation made this ___ day of ____________, 2018

BETWEEN

TOWN OF WINDSOR, a municipal body corporate, pursuant to the Municipal Government Act, S.N.S., 1998 chapter 18;

(hereinafter called “Windsor”)

and


(hereinafter called “West Hants”)

WHEREAS

A. The Councils of Windsor and of West Hants have recognized the benefits to their citizens of providing a variety of recreational opportunities;

B. The importance of hockey and other arena based activities have long been valued in the Windsor and West Hants region;

C. The Councils of Windsor and of West Hants wish to work cooperatively to help advance both the economic and health of the region as well as the health of their citizens;

D. Therefore, the Councils of Windsor and of West Hants have agreed that they wish to support the construction of an recreational and cultural facility.

E. Windsor and West Hants (referred to collectively as “the Municipal Units”) will enter into an inter-municipal services agreement pursuant to section 60 the Municipal Government Act of Nova Scotia;

F. the Municipal Units wish to create a body corporate to provide for the design and construction of a Hockey Heritage Centre which may also house other recreational and cultural facilities;

G. The Municipal units wish the corporation being created by this Agreement to own and oversee the Hockey Heritage Centre;

NOW THEREFORE in consideration of the mutual covenants and promises contained in this Agreement, the parties hereto agree as follows:

1. By this agreement the Municipal Units agree to create a municipal body corporate pursuant to section 60 of the Municipal Government Act, to be known as the Hockey Heritage Municipal Corporation (the “Municipal Corporation”), with constitutional documents consistent with the terms of this Agreement and with such other terms as may be mutually agreed
2. The effective date of section 1 of this agreement shall be upon its execution by both parties and the effective date of the remaining provisions shall be the incorporation date of the Municipal Corporation.

3. The Municipal Corporation shall be vested with the following powers:

(a) the power to sue and be sued, to contract and be contracted with by its corporate name, to have a common seal and to alter or change it at pleasure, to have perpetual succession, to acquire and hold personal property or movables for the purposes for which the corporation is constituted and to alienate the same at pleasure;

(b) the power to acquire, own, transfer, sell, lease, borrow and/or mortgage against real property;

(c) the power to engage employees, agent or servants to conduct the objectives of the corporation;

(d) the power to lease or sublease all or a portion of the Hockey Heritage Centre.

4. a) Any borrowings of the Municipal Corporation shall be guaranteed by the respective Municipal Units, proportionate to their vested interest in the corporation, which is a 50% undivided jointly held interest unless otherwise determined by agreement of the Municipal Units.

b) Any borrowings and/or entering into debt obligations (including, but not limited to, mortgages and line of credit facilities) of the Municipal Corporation must be approved by each of the Municipal Units.

5. The Municipal Corporation shall operate on a not for profit basis.

Management Board

6. The management and administration of the Municipal Corporation shall be carried out under the jurisdiction of a Management Board, which shall consist of 6 members comprised as follows:

(a) 3 representatives appointed by Windsor which shall consist of:
   a. 2 non-elected representatives
   b. 1 elected representative of Windsor council;

(b) 3 representatives appointed by West Hants which shall consist of:
   a. 2 non-elected representatives
   b. 1 elected representative of West Hants council;

7. The term of office for the Management Board shall be as follows:
   • Non-elected representatives will be appointed for a three year term, on a rotational basis.
   • The initial appointments for non-elected representatives shall be as follows: each Municipal Unit shall appoint one non-elected representative for a two year term
and one non-elected representative for a three year term or as determined by the Municipal Corporation to ensure a staggered approach to appointments.

- Non-elected representatives may be reappointed for a second consecutive three year term.
- Elected representatives shall be initially appointed for a two year term and may be reappointed for a second three year term. Successive terms for elected appointees will be for three years.
- Representatives who have served two terms will be permitted to serve again on the Management Board after a three year absence from the Board.

8. Appointments shall be effective for the beginning of a new fiscal period for the Municipal Corporation.

9. The Chief Administrative Officers and Recreation Directors for each Municipal Unit shall attend the Board Meetings as non-voting representatives. It is also acknowledged that the Management Board may require other parties, whether employees of the Municipal Units or otherwise, to attend Board Meetings for resource purposes, as deemed necessary by the Management Board.

**Board Responsibilities**

10. The Management Board shall establish its meeting procedures, Officers of the Board, voting procedures, and policies, which shall at the minimum be consistent with the Municipal Government Act and the constitutional documents of the Municipal Corporation.

11. Until such time as the Management Board is able to establish the above-noted procedures and policies, the Mayor and Warden and Chief Administrative Officer (CAO) of both Municipal Units shall conduct the day to day business affairs of the municipal body corporate, including but not limited to, jointly signing and executing all documents of a contractual nature, as reasonably required in the interim.

**Administration and Management of the Facility**

12. On behalf of Windsor and West Hants, and once the components, schematic design, and budget for the construction of the Hockey Heritage Centre and the Property have been approved by the Municipal Units in accordance with section 25 of this Agreement, the Management Board shall manage the construction, design and implementation phase of the Hockey Heritage Centre.

13. The Management Board shall engage the services of a professional Project Manager to oversee the construction of the Hockey Heritage Centre on behalf of the Municipal Corporation.

14. On behalf of Windsor and West Hants, the Management Board shall have the exclusive right to manage the Hockey Heritage Centre and Property each year in the manner it deems best, provided it operates within the annual budget and the management plan as set out below. The Municipal Units, acting jointly may overrule the Management Board only with respect to bookings for the Hockey Heritage Centre which may offend the prevailing moral standards of the Community at the time.
15. Without limited the generality of the foregoing, and subject to the express terms of this Agreement, the administration and management by the Management Board shall include exclusive authority to make decision on all matters respecting implementation of the management plan, repair, facility upgrades, maintenance, use and activities.

**Employer**

16. The Municipal Corporation shall be considered the employer for the purpose of the administration and management of the Property and the Hockey Heritage Centre.

17. The Board, in conjunction with the Facility Manager, shall establish a Personnel Policy which shall establish the obligations and rights of both the employer and the employee and shall be consistent with the *Labour Standards Code* of Nova Scotia at a minimum.

**Development and Recommendation of Budgets**

18. The Management Board shall develop an Operating Budget and a Capital Budget and a Management Plan for the same fiscal year. After the first 5 years of operation, the annual Capital Budget shall be accompanied by a revolving three year Capital Expenditure Plan projecting future capital expenditures. The Management Plan shall identify the targeted outcomes and service adjustments.

19. Both the Operating and Capital Budgets and the associated Management Plan and, where applicable, the three year Capital Expenditure Plan shall be recommended to the two Municipal units for approval. Both Municipal Units shall be required to approve the Operating and Capital Budgets in order for the Operating and Capital Budget to take effect. The decision to approve the operating and Capital Budgets by both units shall be binding on both parties.

20. Until such time as the annual Operating Budget and the Management Plant are approved by both the Windsor and West Hants, it is agreed that the Operating Budget for the Management Board, and each party’s financial contribution thereto, will be limited to the previous year’s annual budget adjusted for any annual increases in the Nova Scotia Consumer Price Index and January 1 of each year, as published by Statistics Canada. During the 5 year period when federal funding is contingent on municipal ownership of the Property and Facility, the above provisions shall continue to be applicable until and unless an Operating Budget is approved by both Municipal Units.

21. Until such time as the annual Capital Budget is approved by both the Windsor and West Hants, there will be no Capital Budget from which to use funds for capital items. Pre-approval by both Municipal Units of capital items prior to budget approval will be required. During the 5 year period when federal funding is contingent on municipal ownership of the Property and Facility, and notwithstanding the preceding sentences of this section, each Municipal Unit shall be bound to approve capital items which are reasonably required to keep the facility operational. Thereafter, in the event of failure of both Municipal Units to approve an annual Capital Budget, each Municipal Unit shall be obligated to fund capital expenditures which have been included in a three year Capital Expenditure Plan which they have approved.

22. In the event that the Management Board finds that the Board will exceed or will likely exceed its approved budget as noted above, an additional budget appropriation must be submitted to the two Municipal Units for approval. For clarity, the Management Board
shall not exceed either its Operating or Capital Budget without the express approval of the two Municipal Units.

23. The Management Board shall present the Municipal Units with an Operating Budget and Management Plan prior to February 28th, and a Capital Budget and, where applicable, a three year Capital Expenditure Plan prior to January 1st in the fiscal year preceding the fiscal year for which the Operating and Capital Budgets are proposed. A fiscal year shall commence on April 1 and end on March 31 of the following calendar year.

24. The Management Board shall provide quarterly written reports to the Municipal Units detailing the operational and capital position of the Arena facility.

Components, Design and Construction

25. Notwithstanding the above, the Management Board may make recommendations regarding the components, schematic design, and budget for the construction of the Hockey Heritage Centre and the Property, but such recommendations must be expressly approved by the two Municipal Units.

Policies and Procedures

26. The Management Board shall, from time to time, make such policies and rules of procedure for its efficient operation and management as it shall determine and shall provide copies of all such policies and rules to the Municipal Units once adopted by the Management Board.

Best Efforts for Economic Self-Sufficiency

27. The Management Board shall make best efforts to consider the interest of the citizens of both Municipal Units, as well as making best efforts to direct the Municipal Corporation toward economic self-sufficiency having regard to the role of the Hockey Heritage Centre as both a recreational facility and a means to support increased economic activity in the Windsor and West Hants region.

Insurance

28. The Municipal Corporation shall all times during the term of this Lease, and at its own cost, maintain insurance on the Property and the Hockey Heritage Centre, including all equipment used in connection therewith, and shall ensure that Windsor and West Hants and its employees are identified as named insureds under all policies of insurance.

29. The policies of insurance for the Property and the Hockey Heritage Centre shall include:

(A) all risks property insurance for the full replacement value of the Hockey Heritage Centre;

(B) liability insurance with a minimum coverage of two million dollars per occurrence;

(C) a business interruption endorsement;

(D) a contractual liability endorsement;
(E) all risks property insurance for the Municipal Corporation’s fixtures and equipment;

30. All proceeds of insurance received by the Municipal Corporation as compensation for the total or partial destruction of the Facility shall be used solely for the repair or rebuilding of the Hockey Heritage Centre and said proceeds shall be held by the Municipal Corporation in trust for the Municipal Units and disbursed only upon their written consent.

**Termination**

31. Neither Municipal Unit shall terminate this agreement during the initial 5 year period when federal funding is contingent on municipal ownership of the Property and Facility. The Municipal Units acknowledge and agree that, should either unit terminate this agreement thereafter, that the departing unit or units must assume, among other items, its share of existing liabilities and operating deficits;

32. The Municipal Units further acknowledge and agree that, should either or both units terminate this agreement, that the departing unit or units will also be liable to repay all federal, provincial, and municipal capital contributions which become repayable as a direct consequence of their departure and shall forfeit all future such contributions;

33. The Municipal Units further acknowledge and agree that should either (but not both) units terminate this agreement, that the departing unit will not receive any assets upon termination;

34. The Municipal Units further acknowledge and agree that should either (but not both) units wish to terminate this agreement, that the departing unit may be liable for future contributions towards the Facility pursuant to sections 20 and 21 consistent with any agreed to operational or capital funding commitments which exist at the time that notice of termination is given. The status of any such funding commitments or other dispute regarding amounts owed arising from termination shall be ultimately determined by agreement of the Municipal Units, failing which it shall be determined by a competent mediator or arbitrator appointed by the Municipal Units. Should the units not be able to agree upon a competent mediator and/or arbitrator, then the provisions of Article 38 below (regarding the Commercial Arbitration Act of Nova Scotia) shall apply;

35. The Municipal Units further acknowledge and agree that should either unit wish to terminate this agreement, a minimum of two years notice, delivered to the clerk of the other unit in writing, is required;

36. Notwithstanding any provisions contained herein to the contrary, the departing unit or units shall execute all subsequent instruments, deeds, documents of transfer of title, or any other document or legal thing necessary to effect the intended termination and/or dissolution of this agreement.

37. Any dispute or difference amongst the parties hereto in respect of the interpretation of this agreement shall be resolved and determined by arbitration in accordance with the provisions of the Commercial Arbitration Act of Nova Scotia.

38. This agreement may be amended from time to time by written agreement of all the parties.
This agreement shall be read with all changes of number and gender required by the context.

**IN WITNESS WHEREOF** the parties hereto have executed These Presents the day and year first above written.

**SIGNED, SEALED AND DELIVERED**

in the presence of:

MUNICIPALITY OF THE DISTRICT OF WEST HANTS

Per:

Witness

Name

Per:

Witness

Name

TOWN OF WINDSOR

Per:

Witness

Per:

Witness
THIS INTER-MUNICIPAL SERVICE AGREEMENT to create a municipal body corporate known as the Hockey Heritage Municipal Corporation made this day of 2018,

BETWEEN

TOWN OF WINDSOR, a municipal body corporate, pursuant to the Municipal Government Act, S.N.S., 1998 chapter 18;

(hereinafter called “Windsor”)

and


(hereinafter called “West Hants”)

WHEREAS

A. The Councils of Windsor and of West Hants have recognized the benefits to their citizens of providing a variety of recreational opportunities;
B. The importance of hockey and other arena based activities have long been valued in the Windsor and West Hants region;
C. The Councils of Windsor and of West Hants wish to work cooperatively to help advance both the economic and health of the region as well as the health of their citizens;
D. Therefore, the Councils of Windsor and of West Hants have agreed that they wish to support the construction of an recreational and cultural facility, to be located near Long Pond in the Town of Windsor;
E. Windsor and West Hants (referred to collectively as “the Municipal Units”) will enter into an inter-municipal services agreement pursuant to section 60 the Municipal Government Act of Nova Scotia;
F. the Municipal Units wish to create a body corporate to provide for the design and construction of a Hockey Heritage Centre which may also house other recreational and cultural facilities;
G. The Municipal units wish the corporation being created by this Agreement to own and oversee the Hockey Heritage Centre;
H. The Councils of Windsor and West Hants also recognize the significant effort and expertise brought to this project by both the Long Pond Arena Society and Kings Edgehill School and wish to maintain the strong involvement of these bodies in the development, construction and operation of the Hockey Heritage Centre.

NOW THEREFORE in consideration of the mutual covenants and promises contained in this Agreement, the parties hereto agree as follows:
1. By this agreement the Municipal Units agree to create a municipal body corporate pursuant to section 60 of the Municipal Government Act, to be known as the Hockey Heritage Municipal Corporation (the “Municipal Corporation”), with constitutional documents consistent with the terms of this Agreement and with such other terms as may be mutually agreed.

2. The effective date of section 1 of this agreement shall be upon its execution by both parties and the effective date of the remaining provisions shall be the incorporation date of the Municipal Corporation.

3. The Municipal Corporation shall be vested with the following powers:

(a) the power to sue and be sued, to contract and be contracted with by its corporate name, to have a common seal and to alter or change it at pleasure, to have perpetual succession, to acquire and hold personal property or movables for the purposes for which the corporation is constituted and to alienate the same at pleasure;

(b) the power to acquire, own, transfer, sell, lease, borrow and/or mortgage against real property;

(c) the power to engage employees, agent or servants to conduct the objectives of the corporation;

(d) the power to lease or sublease all or a portion of the Hockey Heritage Centre.

4. a) Any borrowings of the Municipal Corporation shall be guaranteed by the respective Municipal Units, proportionate to their vested interest in the corporation, which is a 50% undivided jointly held interest unless otherwise determined by agreement of the Municipal Units.

b) Any borrowings and/or entering into debt obligations (including, but not limited to, mortgages and line of credit facilities) of the Municipal Corporation must be approved by each of the Municipal Units.

5. The Municipal Corporation shall operate on a not for profit basis.

Management Board

6. The management and administration of the Municipal Corporation shall be carried out under the jurisdiction of a Management Board, which shall consist of 8 members comprised as follows:

(a) 3 representatives appointed by Windsor which shall consist of:
    a. 2 non-elected representatives
    b. 1 elected representative of Windsor council;

(b) 3 representatives appointed by West Hants which shall consist of:
    a. 2 non-elected representatives
    b. 1 elected representative of West Hants council;

(c) 1 representative appointed by the Long Pond Arena Society (the “Society”);
7. The term of office for the Management Board shall be as follows:

- Non-elected representatives will be appointed for a three year term, on a rotational basis.
- The initial appointments for non-elected representatives shall be as follows: each Municipal Unit shall appoint one non-elected representative for a two year term and one non-elected representative for a three year term or as determined by the Municipal Corporation to ensure a staggered approach to appointments.
- KES and the Society shall appoint their representatives for a three year term.
- Non-elected representatives may be reappointed for a second consecutive three year term.
- Elected representatives shall be initially appointed for a two year term and may be reappointed for a second three year term. Successive terms for elected appointees will be for three years.
- Representatives who have served two terms will be permitted to serve again on the Management Board after a three year absence from the Board.

8. Appointments shall be effective for the beginning of a new fiscal period for the Municipal Corporation.

9. The Chief Administrative Officers and Recreation Directors for each Municipal Unit shall attend the Board Meetings as non-voting representatives. It is also acknowledged that the Management Board may require other parties, whether employees of the Municipal Units or otherwise, to attend Board Meetings for resource purposes, as deemed necessary by the Management Board.

Board Responsibilities

10. The Management Board shall establish its meeting procedures, Officers of the Board, voting procedures, and policies, which shall at the minimum be consistent with the Municipal Government Act and the constitutional documents of the Municipal Corporation.

11. Until such time as the Management Board is able to establish the above-noted procedures and policies, the Mayor and Warden and Chief Administrative Officer (CAO) of both Municipal Units shall conduct the day to day business affairs of the municipal body corporate, including but not limited to, jointly signing and executing all documents of a contractual nature, as reasonably required in the interim.

Administration and Management of the Facility

12. On behalf of Windsor and West Hants, and once the components, schematic design, and budget for the construction of the Hockey Heritage Centre and the Property have been approved by the Municipal Units in accordance with section 25 of this Agreement, the Management Board shall manage the construction, design and implementation phase of
the Hockey Heritage Centre, to be located at a portion of the present PID: 45242096 and Assessment Account: 10128668 ("the Property").

13. The Management Board shall engage the services of a professional Project Manager to oversee the construction of the Hockey Heritage Centre on behalf of the Municipal Corporation.

14. On behalf of Windsor and West Hants, the Management Board shall have the exclusive right to manage the Hockey Heritage Centre and Property each year in the manner it deems best, provided it operates within the annual budget and the management plan as set out below. The Municipal Units, acting jointly may overrule the Management Board only with respect to bookings for the Hockey Heritage Centre which may offend the prevailing moral standards of the Community at the time.

15. Without limited the generality of the foregoing, and subject to the express terms of this Agreement, the administration and management by the Management Board shall include exclusive authority to make decision on all matters respecting implementation of the management plan, repair, facility upgrades, maintenance, use and activities.

Employer

16. The Municipal Corporation shall be considered the employer for the purpose of the administration and management of the Property and the Hockey Heritage Centre.

17. The Board, in conjunction with the Facility Manager, shall establish a Personnel Policy which shall establish the obligations and rights of both the employer and the employee and shall be consistent with the Labour Standards Code of Nova Scotia at a minimum.

Development and Recommendation of Budgets

18. The Management Board shall develop an Operating Budget and a Capital Budget and a Management Plan for the same fiscal year. After the first 5 years of operation, the annual Capital Budget shall be accompanied by a revolving three year Capital Expenditure Plan projecting future capital expenditures. The Management Plan shall identify the targeted outcomes and service adjustments.

19. Both the Operating and Capital Budgets and the associated Management Plan and, where applicable, the three year Capital Expenditure Plan shall be recommended to the two Municipal units for approval. Both Municipal Units shall be required to approve the Operating and Capital Budgets in order for the Operating and Capital Budget to take effect. The decision to approve the operating and Capital Budgets by both units shall be binding on both parties.

20. Until such time as the annual Operating Budget and the Management Plant are approved by both the Windsor and West Hants, it is agreed that the Operating Budget for the Management Board, and each party’s financial contribution thereto, will be limited to the previous year’s annual budget adjusted for any annual increases in the Nova Scotia Consumer Price Index and January 1 of each year, as published by Statistics Canada. During the 5 year period when federal funding is contingent on municipal ownership of the Property and Facility, the above provisions shall continue to be applicable until and unless an Operating Budget is approved by both Municipal Units.
21. Until such time as the annual Capital Budget is approved by both the Windsor and West Hants, there will be no Capital Budget from which to use funds for capital items. Pre-approval by both Municipal Units of capital items prior to budget approval will be required. During the 5 year period when federal funding is contingent on municipal ownership of the Property and Facility, and notwithstanding the preceding sentences of this section, each Municipal Unit shall be bound to approve capital items which are reasonably required to keep the facility operational. Thereafter, in the event of failure of both Municipal Units to approve an annual Capital Budget, each Municipal Unit shall be obligated to fund capital expenditures which have been included in a three year Capital Expenditure Plan which they have approved.

22. In the event that the Management Board finds that the Board will exceed or will likely exceed its approved budget as noted above, an additional budget appropriation must be submitted to the two Municipal Units for approval. For clarity, the Management Board shall not exceed either its Operating or Capital Budget without the express approval of the two Municipal Units.

23. The Management Board shall present the Municipal Units with an Operating Budget and Management Plan prior to February 28th, and a Capital Budget and, where applicable, a three year Capital Expenditure Plan prior to January 1st in the fiscal year preceding the fiscal year for which the Operating and Capital Budgets are proposed. A fiscal year shall commence on April 1 and end on March 31 of the following calendar year.

24. The Management Board shall provide quarterly written reports to the Municipal Units detailing the operational and capital position of the Arena facility.

Components, Design and Construction

25. Notwithstanding the above, the Management Board may make recommendations regarding the components, schematic design, and budget for the construction of the Hockey Heritage Centre and the Property, but such recommendations must be expressly approved by the two Municipal Units.

Policies and Procedures

26. The Management Board shall, from time to time, make such policies and rules of procedure for its efficient operation and management as it shall determine and shall provide copies of all such policies and rules to the Municipal Units once adopted by the Management Board.

Best Efforts for Economic Self-Sufficiency

27. The Management Board shall make best efforts to consider the interest of the citizens of both Municipal Units, as well as making best efforts to direct the Municipal Corporation toward economic self-sufficiency having regard to the role of the Hockey Heritage Centre as both a recreational facility and a means to support increased economic activity in the Windsor and West Hants region.

Insurance

28. The Municipal Corporation shall all times during the term of this Lease, and at its own cost, maintain insurance on the Property and the Hockey Heritage Centre, including all
equipment used in connection therewith, and shall ensure that Windsor and West Hants and its employees are identified as named insureds under all policies of insurance.

29. The policies of insurance for the Property and the Hockey Heritage Centre shall include:

(A) all risks property insurance for the full replacement value of the Hockey Heritage Centre;

(B) liability insurance with a minimum coverage of two million dollars per occurrence;

(C) a business interruption endorsement;

(D) a contractual liability endorsement;

(E) all risks property insurance for the Municipal Corporation's fixtures and equipment;

30. All proceeds of insurance received by the Municipal Corporation as compensation for the total or partial destruction of the Facility shall be used solely for the repair or rebuilding of the Hockey Heritage Centre and said proceeds shall be held by the Municipal Corporation in trust for the Municipal Units and disbursed only upon their written consent.

Termination

31. Neither Municipal Unit shall terminate this agreement during the initial 5 year period when federal funding is contingent on municipal ownership of the Property and Facility. The Municipal Units acknowledge and agree that, should either unit terminate this agreement thereafter, that the departing unit or units must assume, among other items, its share of existing liabilities and operating deficits;

32. The Municipal Units further acknowledge and agree that, should either or both units terminate this agreement, that the departing unit or units will also be liable to repay all federal, provincial, and municipal capital contributions which become repayable as a direct consequence of their departure and shall forfeit all future such contributions;

33. The Municipal Units further acknowledge and agree that should either (but not both) units terminate this agreement, that the departing unit will not receive any assets upon termination;

34. The Municipal Units further acknowledge and agree that should either (but not both) units wish to terminate this agreement, that the departing unit may be liable for future contributions towards the Facility pursuant to sections 20 and 21 consistent with any agreed to operational or capital funding commitments which exist at the time that notice of termination is given. The status of any such funding commitments or other dispute regarding amounts owed arising from termination shall be ultimately determined by agreement of the Municipal Units, failing which it shall be determined by a competent mediator or arbitrator appointed by the Municipal Units. Should the units not be able to agree upon a competent mediator and/or arbitrator, then the provisions of Article 38 below (regarding the Commercial Arbitration Act of Nova Scotia) shall apply;
35. The Municipal Units further acknowledge and agree that should either unit wish to terminate this agreement, a minimum of two years notice, delivered to the clerk of the other unit in writing, is required;

36. Notwithstanding any provisions contained herein to the contrary, the departing unit or units shall execute all subsequent instruments, deeds, documents of transfer of title, or any other document or legal thing necessary to effect the intended termination and/or dissolution of this agreement.

37. Any dispute or difference amongst the parties hereto in respect of the interpretation of this agreement shall be resolved and determined by arbitration in accordance with the provisions of the Commercial Arbitration Act of Nova Scotia.

38. This agreement may be amended from time to time by written agreement of all the parties.

This agreement shall be read with all changes of number and gender required by the context.

IN WITNESS WHEREOF the parties hereto have executed These Presents the day and year first above written.

SIGNED, SEALED AND DELIVERED in the presence of:

MUNICIPALITY OF THE DISTRICT OF WEST HANTS

Per:
Witness
Name

Per:
Witness
Name

TOWN OF WINDSOR

Per:
Witness

Per:
Witness

3062691 v1
1. **Official Name**

   The Committee will be officially referred to as the Hockey Heritage Sub-Committee.

2. **Members/Composition**

   The committee shall consist of no more than 4 elected members, of which two (2) shall be appointed from the Town of Windsor and two (2) from the Municipality of West Hants, and the CAOs or designates. The Meeting Chair will be elected by the members at the first Sub-Committee meeting.

3. **Goals**

   Joint Council has committed to advancing both a museum dedicated to the history of hockey of the area and an ice arena as part of the preferred project or two separate projects for submission for funding.

   The purpose of Hockey Heritage Sub-Committee shall be to recommend to Joint Council the preferred heritage hockey project/proposal to advance through to “The New Building Canada Fund – Provincial-Territorial Infrastructure Component – Small Communities Fund”, before the deadline for consideration of March 31, 2018.

4. **Deliverables**

   1. Make a recommendation to Joint Council for a solution to the current impasse. Failing arriving at a majority decision by the Councils, proceed with an Expression of Interest.

   2. Develop a comprehensive public request for an Expression of Interest (EOI) which solicits interest from individuals, corporations or groups to advance a viable alternative to the current impasse or advance one of the following proposals forward for consideration. Each proposal must include the concept of a museum dedicated to advancing the history of hockey in the area and an ice arena. The four current proposals for consideration are:

      i. Hockey Heritage Centre to be located at or near the Long Pond site, as proposed under the Inter-Municipal Agreement and outlined in the recent Feasibility Study commissioned by the Province of Nova Scotia, TIR.
ii. Hockey Heritage Centre to be located at or near the Windsor Agricultural grounds, Wentworth Street, as outlined in the Feasibility Study commissioned by the Province of Nova Scotia, TIR.

iii. New location within the Town of Windsor which is suitable for a Hockey Heritage Centre which includes a museum and ice arena.

iv. Refurbishment of the existing Exhibition Arena at the Agricultural Society lands and support a separate facility to host a museum dedicated to the history of hockey.

3. Review submissions received through the EOI process and recommend to Joint Council the preferred proposal to submit. This does not prevent any Council from advancing a new proposal themselves.

5. Jurisdiction

Recommendations received from the Sub-Committee will be considered by Joint Council, but it is recognized that each Council will need to validate these resolutions or agreements at their formal council meetings, particularly if there are any budget implications.

6. Resources/Budget

Meetings will normally be held bi-weekly during regular working hours to ensure adequate ability to share information, support the work of the Sub-Committee and provide direction to staff.

The meetings will be hosted between two alternating locations at the Windsor and West Hants Council Chambers. The host municipality will organize and provide minute taking resources.

Minutes of the meeting will be generated by the host municipality and distributed prior to the next regularly scheduled meeting.

Topics for the agenda will be determined by the CAOs with input from their respective council representatives whenever possible.

The agendas for the meeting will be circulated prior to the meeting.

Members of the public who wish to make presentations to the Sub-Committee may request to be put on the agenda by contacting the CAO’s, who will confirm meeting date, time and location. The work of the Sub-Committee will be done in private to expedite solution seeking.

At key intervals to be agreed upon or after each Sub-Committee meeting, a document will be made public of the discussions and progress that was made at that meeting.
7. **Governance**

The Sub-Committee will agree to move resolutions forward based on unanimity of the four elected officials.

However, nothing in this process limits respective Council representatives from bringing an item forward as a topic of discussion with their Council, in keeping with item (8) below.

8. **Communications**

Discussion of items of agreement made by the Hockey Heritage Sub-Committee will be forwarded to Joint Council. Any discussion on items of agreement with the Press or in a public forum will normally be carried out by the Mayor or Warden.

9. **Related Policies, Procedures and Legislation**

Municipal Government Act

I, Rhonda Brown, Municipal Clerk of the Municipality of the District of West Hants, the Province of Nova Scotia, do hereby certify that this is a true copy of the Terms of Reference as adopted by the Council of the Municipality of the District of West Hants at a meeting duly called and held on the ____ day of _____(month), _____(year).

__________________________________________________________________________________
R. N. Brown
Municipal Clerk

I, Shelleena Thornton, Municipal Clerk of the Town of Windsor, the Province of Nova Scotia, do hereby certify that this is a true copy of the Terms of Reference as adopted by the Council of the Town of Windsor at a meeting duly called and held on the ____ day of _____(month), _____(year).

__________________________________________________________________________________
S. Thornton
Municipal Clerk
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<th>Adoption</th>
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<tr>
<td>Notice given by Joint Council:</td>
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<tr>
<td>West Hants Council Approval:</td>
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<td>Windsor Council Approval:</td>
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<td>Description: Initial adoption of the Terms of Reference the</td>
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<td>Hockey Heritage Sub-committee of Joint Council. In the</td>
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<td>Municipality of the District of West Hants these shall be</td>
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<td>identified as COGE-008.04.</td>
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