

## Minutes

### Item 1: Call to Order

Mayor R. Hobbs called the meeting to order at 7:00 pm on July 24, 2012 and presided with the following individuals in attendance:

Deputy Mayor D. Tremblett  
Councillor B. King  
Councillor A. Hynes  
Councillor B. Budgell  
Councillor F. Mills

Randy Drover, Town Clerk/Manager

Councillor R. Canning was absent with regrets.

### Item 2: Sewage Treatment Project

As directed at the public meeting on July 17, 2012, Mayor Hobbs indicated this special meeting was called to deal with the sewage treatment project question. He stated that Council is under a time constraint, and a decision must be made in the very near future. The following debate then ensued:

- (1) Mayor Hobbs reported that his meeting with Minister O'Brien on July 18, 2012 was promising. The Minister is committed to resolving the water tax/grant-in-lieu issue concerning the hydroelectric assets on Powerhouse Road; however, time is needed to work the file through the respective authorities (i.e. Department of Natural Resources and Nalcor). Councillor King felt the government has not given this file due consideration, and if Council agrees to the sewage treatment project without the water tax/grant-in-lieu question being resolved, significant leverage will be lost. In response, Mayor Hobbs and Councillor Budgell stated that Minister O'Brien has only been working on this file for a short period, but he has demonstrated a willingness to see it finalized. Councillor King did not share the optimism of the others.
- (2) There was general agreement around the table that Council has no choice other than to implement the sewage treatment project. Development in the town is stalled until waste water is treated. Dissenting on this point, some Councillors felt the province could not isolate Bishop's Falls in this fashion. If so, it must take the same approach to all other municipalities who are discharging waste water into rivers, ponds, etc.

- (3) The long-term financial viability of the project is uncertain. Without the \$200,000 water tax/grant-in-lieu from government, future Councils will be challenged to maintain infrastructure; however, assessed values will increase next year, and the municipal operating grants will be injected with additional funds as well. These two (2) variables, in addition to general growth, will positively change the fiscal picture. Based on the April 2012 analysis, which excludes the \$200,000 water tax (save \$46,000) and projects conservative growth in the tax base, the DSR will peak at approximately 24% within the next four (4) years with the addition of the sewage treatment project. In 2014 a long-term loan will mature, freeing up approximately \$145,000 in DSC. The \$200,000 water tax/grant-in-lieu makes the project sustainable over the long-term if it can be secured.
- (4) In terms of the water tax/grant-in-lieu, Council agreed to wait until September 2012 (after the summer session) for word from the Minister. If nothing has moved by that time, Council will consider taking additional action (i.e. engage the public).

**Motion 145/2012 – Councillor Budgell/Councillor Mills**

That Council shall commit to the sewage treatment project (no. 26659) at a cost of \$2,348,428.79 (20%).

Yeas: 6 – Mayor Hobbs, Deputy Mayor Tremblett, Councillor King, Councillor Hynes, Councillor Budgell, and Councillor Mills.

Nays: 0

**Motion Carried**

**Item 3: Adjournment**

**Motion 146/2012 – Councillor Hynes/Councillor Mills**

To adjourn regular public meeting 1310.

Yeas: 6 – Mayor Hobbs, Deputy Mayor Tremblett, Councillor King, Councillor Hynes, Councillor Budgell, and Councillor Mills.

Nays: 0

**Motion Carried**

The meeting adjourned at 7:27 pm.

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Randy Drover, Town Clerk/Manager