

MEETING WITH HON. BARRY BARNETT,
MINISTER OF SERVICE NOVA SCOTIA
AND MUNICIPAL RELATIONS

MARCH 5, 2004

Location: Court House, Arichat

Warden Johnson called the meeting to order at 2:20 p.m. and welcomed everyone to the meeting.

Minister Barnett indicated he was extremely pleased to meet with Richmond County officials, and he introduced his Executive Assistant, Arien Gough.

The CAO indicated there have been informal discussions at the Committee of the Whole regarding assessments and indicated the big issue is with the heavy industrial park and the tax revenues that it generates. He noted there are three significant issues being dealt with by Mr. John MacKay and his staff.

The CAO requested an update on the fractionation plant assessment, noting it would be great if this could be completed in time for Municipal Council to know the impact for this year's budget.

The CAO requested an update on the Stora assessment which is huge and which they appealed last year, indicating the Municipality would like some indication of how that is going, together with some information on the assessment for the new TMB plant, which is scheduled to be completed in late spring, and what the impact will be on our taxes.

The CAO indicated the third issue which is a more provincial issue that he wished to discuss was the NSPI assessment, noting that the Assessment Department in Northern Nova Scotia did a great job of re-assessing the plant in Point Tupper, noting the assessment went from \$140 million in 1999 to \$13 million last year. He noted that the Department of Service Nova Scotia & Municipal Relations had allocated the portion of the tax funds that are distributed, and the assessment on our plant was greatly diminished. The CAO requested that perhaps arrangements could be made to address this and have staff advise us.

Minister Barnett indicated that staff have been instructed to look at those assessments that had not been re-evaluated for a period of time, noting that the Department does understand that if reassessment creates a perceived pressure, it means that we need a re-

distribution because some inequities and unfairness has occurred. He indicated that he has instructed staff to being the process of re-evaluating in order to ensure that a fair benchmark is used in terms of distribution in tax dollars, because a number of municipalities have indicated that they have been short-changed.

Minister Barnett indicated the issue of the fractionation plant is a complicated matter, and there still exists some confusion on what is actually assessable and what's not (what is machinery & equipment, and what is determined to be structure) and he did not have any details, however he noted that the matter needs to be resolved and staff are attempting to find mechanisms to be fair to everyone. He noted it is a unique challenge to assess properly, and hopefully everyone will come out happy. He indicated there is some controversy at the moment regarding new development, with Imperial Oil requesting a decision regarding Goldboro and how it will impact them.

Minister Barnett indicated Richmond is the 55th municipal unit he has visited since his election as Minister of Service Nova Scotia & Municipal Relations and he noted that he has been well treated in all units and it has been a truly great opportunity to meet municipal representatives and hear their concerns. He indicated he comes from a municipal background, having served as a Councillor with the County of Halifax, and subsequent with HRM. He noted that his first thought when elected Minister was to go on the road and meet Municipal Councillors, noting it is important to establish relationships with municipal units, and be able to understand the variety of issues that arise.

Minister Barnett indicated it is important to better understand and continue to resolve issues, such as water and sewer, wastewater management, storm sewers, small treatment plants, etc. and he felt this has enabled him to push his colleagues into continuing on such projects like the one that was announced today. He noted there is a great need in the province, and in this country, to improve, operate and build municipal infrastructure.

Minister Barnett indicated he had worked hard in lobbying the federal government as a member of the FCM to bring infrastructure funding to the table and will continue as the Minister to work hard to keep this matter on the table and to continue to commit the kinds of resources that they have had in the past and work together to get this done. He noted there is a need for more infrastructure (i.e. rinks, health facilities, cultural centers/sports facilities, etc.) and this program is wide enough that it does not put municipal units in the same category for projects.

Minister Barnett indicated he looks at his role as Minister differently, in that he feels he has a role to be an advocate for municipalities in the province, and when issues come forward, he accepts them as a challenge and then he wants to ensure that he is heard and understood at Cabinet when making a decision. He stressed the need to work well together because we do have the same constituents to represent and felt that having an advocate in Cabinet is a better approach.

Minister Barnett indicated he had brought forward a piece of legislation last fall that was designed or intended to resolve the issue of sky rocketing assessments on waterfront properties, noting assessments have gone through the roof and property owners are at risk of loosing their homes, and he will continue to work with the UNSM and the AMA to come up with the best approach. He indicated these residents need to be protected and they deserve, expect and need our help.

Minister Barnett indicated he is working with the UNSM and the business community regarding the business occupancy tax and noted he is committed to ensure that the business occupancy tax will be eliminated in Nova Scotia. He noted that he has issued the mandatory 12 month notice to the UNSM of his intent to move forward in some form of process to eliminate that tax.

Minister Barnett indicated he had attended the fall conference of the UNSM and will attend it again this fall, along with the spring workshop. He indicated this is the best way to understand concerns and issues, which either needs to get started or get resolved. He noted this is a good approach and has worked well in the past, and hopefully will continue to work well in the future.

Warden Johnson thanked Minister Barnett for the great relationship between himself and the Municipality.

Councillor MacNeil indicated constituents in his district are extremely concerned regarding safe drinking water. He indicated two communities had joined together and provided water for the community of Sampsonville, which has 120 homes, and that community now has a major concern in that there is a permanent boil water order on that water supply. He indicated the Department of Service Nova Scotia has provided funding to the Municipality to conduct a preliminary groundwater study. He noted the government has mandatory requirements to make water safe, but noted he hasn't seen the dollars to go with the requirements to provide safe drinking water. He noted that the projected \$1,700 per year for 120 homes for safe drinking water is impossible for the residents to pay.

Councillor MacNeil indicated the community is working in conjunction with the Village of St. Peter's to attempt to obtain infrastructure funding for the safe drinking water issues and also for some major upgrades in the Village of St. Peter's. Councillor MacNeil indicated this a golden opportunity for the Municipality to make money because of criteria you have to meet, but noted it's fine to do studies, but if funding or solutions are not provided to fix it, then it must be questioned how the problem gets fixed.

Minister Barnett indicated we do need to do our due diligence, but the restrictions and guidelines that are placed when developing criteria may force individuals to continue with the same practice, because it is so expensive, that a lower standard is not achievable because of the rules, and indicated there is a need to re-examine those criteria noting that it is sometimes better to arrive at those level of standards than nothing at all. He noted the Department gives grants for water strategies and studies, but has questioned why

studies are done if there is no money to fix it. He indicated he will be working towards finding a solution in the near future.

The CAO indicated the Municipality is attempting to resolve drinking water problems in small communities, noting the Municipality is working with the community of L'Ardoise who have 400 homes, in trying to find alternatives to drinking water supplies. He noted a study of well water quality had been conducted last summer, and the results showed that 73% of the homes had fecal contamination. He indicated the Engineers are attempting to define authorities in legislation with regards to wastewater management districts in order to find a more practical way to have water that don't have fecal choliform in it.

Minister Barnett indicated he has had conversations with many developers regarding cluster systems and a small committee comprised of himself, the Minister of Environment and the Minister of Natural Resources have held several conversations regarding resource protection, watersheds, sewage treatment plants, septic systems, etc. and more discussion on these issues will take place in the near future. He noted that several departments getting together may enable them to instruct staff to better resolve these issues, noting that the initiative of one department may impact another.

The CAO indicated regional cooperation is important and noted that a group of Mayors and Wardens had been formed several years ago to participate and show leadership from a regional perspective. He noted this group of Mayors and Wardens represent municipal units in the Strait of Canso to deliver economic development in the Strait Area. He noted a regional planning study had been completed, with the assistance of Minister Barnett's predecessor, the Hon. Angus MacIsaac. He noted Richmond was the first to head this up and has made commitments to that, and have made it a point to help the local airport, etc.

The CAO indicated it was very heartening to hear that it was mentioned at a recent LNG conference held in Calgary that the Strait Area has community support.

Minister Barnett indicated that there are tremendous opportunities in regional cooperation and indicated that he has pointed out Richmond County as an example to others regarding regional cooperation. He noted that political leadership looks for opportunities to provide a high level of service and we need partners noting that issues are sometimes too large to handle on our own. He also discussed the opportunity to develop and share initiatives with departments (i.e. IT/webside design, etc.), noting that this may be a way to share resources and save money.

Warden Johnson thanked Minister Barnett and Mr. Gough for attending the meeting.

The meeting was adjourned at 3:00 p.m.