

**Village of Buena Vista
Minutes of the Public Meeting
Municipal Borrowing
Council Chamber, Administration Building
October 6, 2011**

PRESENT:

Mayor	Roni Goulet
Councillor	Hank Heerspink
Councillor	Steve Hasiak
Councillor	Glen Knight
Administrator	Cindy Baumgartner

ABSENT:

Councillor	Parker Neuls
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Guests:

Grant Emery	Milt Rogne	Mark Hustak
Ivan Psootka	Gary Benson	
D. Fred Gill	Karen Blais	
Carey Neumann	David Blais	
Garth Vanstone	Bob Baird	

Call to Order:

A quorum being present, Mayor Goulet called the meeting to order at 6:30 p.m.

Municipal Borrowing Application

Mr. Psootka had asked if the Village was going to proceed with the paving of Grand Avenue and whether we have received funds for the project.

Mayor Goulet indicated that the meeting was for the Municipal Borrowing Application and it has not been submitted yet. Clr. Knight outlined that the Village has \$122,000.00 invested into the refurbishing of the road base of Grand Avenue to date. Clr. Knight had indicated that the cost of paving Grand Avenue is not expected to exceed \$700,000.00. ASL Paving will be going from Lakeview Crescent to 16th Avenue laying down a two inch cap prior to winter, to be completed before the third week of October in order to protect the work performed on the road base in this area over this past summer. The original tender was to pave Grand Avenue in a four inch cap to withstand the vehicle transportation needs of the community. In the spring, ASL will proceed to complete the paving. The Village will not be expected to pay until July 2012.

Mr. Psootka asked what would happen if we do not receive approval on the application to borrow.

Clr. Hasiak explained that the amount of the money we are borrowing will also include

the Lagoon as well as the paving. He had said that whether or not the application to borrow was not approved for the full amount requested that the Village is capable of paying for the paving in July 2012 without using resources from surpluses and any additional cash flow available.

Mr. Benson asked if there are any engineering reports supplied by anyone other than ASL Paving?

Clr. Knight replied that there wasn't a benefit in soliciting reports from other firms as it wouldn't justify the expense incurred in doing so. He indicated that there was an advantage going with ASL Paving because of their level of expertise and the reputation they have established over the past fifty years.

A resident asked that what if the worst case happens and the road doesn't hold up. Mr. Baird asked if they warranted their work in writing.

Clr. Knight said that's why the Village had chosen a more experienced company to do the work for us. Clr. Knight indicated that they do warranty their work. The Village will be receiving documents on their warranty to be forwarded to the Administrator. Clr. Knight indicated that the City of Regina wouldn't use their services if they weren't comfortable with their performance. Mayor Goulet indicated that this question was very valid. She expressed that getting a written warranty would be wise. Clr. Knight indicated that with the heaviness of the vehicle traffic and the weather conditions this year, ASL had taken every precaution to ensure that the work performed on the road base for the Village was as good as possible. Mayor Goulet indicated that she had looked into the maintenance of the roads and what our most beneficial option would be for the future. Canola and Gravel vs. Paving. Mayor Goulet said that this would weigh heavily in the decision she was to make this evening.

Mr. Baird addressed the Mayor asking what were the recommendations of the Canola vs. Paving study that was done. He also asked council what would be the anticipated life expectancy of the new road and how far would the work be completed.

Mayor Goulet indicated that there was no study completed but a question she put forward. She had said that leaving the road the way it is would cost us more in maintenance every year as it would be breaking down regularly. Clr. Heerspink replied based on what we had before and how long it had lasted, and the testing that ASL had done, and the level of their experience, he is comfortable that the road would be maintenance free for the next ten years. Any repairs or repaving after that would be addressed at that time. The road will be completed all the way to the end of Grand Avenue in 2012. The Public Works staff is working on a plan to implement a drainage system under Grand Avenue leading to a culvert basin into the large storm sewage in place presently.

Mr. Benson asked if the contract with ASL Paving is in effect, wouldn't we need to obtain approval from the Minister of Finance first?

Clr. Heerspink replied that the Municipal Board recommends to Municipal Affairs if we can be approved for financing. Clr. Heerspink outlined that Clr. Knight has procured rates with three different banking institutions for this purpose. Clr. Knight outlined that the first step, as a Village, we must submit a request to the Municipal Board to borrow money for infrastructure improvements. They evaluate the Village's financial standing and supply a response back to the Village. Clr. Knight had obtained several quotes. Once approved by the Municipal Board, Clr. Knight will present the banking proposals to council for evaluation in order to make a decision where the loan will be procured from.

A resident asked what would the Village be doing should there be repairs to potholes or maintenance required after spring thaw. He expressed his concern over the dust this past summer in the preparation of the road base.

Mayor Goulet had replied that Clr. Hasiak had explained that the Village had the funds to pay for the paving without borrowing the money. Clr. Heerspink indicated that in case the contractor is not able to finish paving this year, the repairs to the road will take place prior to finishing paving in the spring. Clr. Knight indicated that it is expected that once spring thaw has occurred then ASL will return to complete the paving.

A resident asked what the mill tax rate will be adjusted to for the expenditure on the roads for next year.

Clr. Hasiak indicated that the payment structure and amounts we've assessed over the ten year term is based on the present tax base, not on any future revenue expectations. We are not expecting to raise taxes to accommodate for this expenditure. 2.22 million dollars will be required for both the Lagoon and the paving of Grand Avenue. If we were to look at just the paving of Grand Avenue, the Village wouldn't have to tap into any existing surplus funds or revenue. The idea of obtaining a loan for both the lagoon and the paving as opposed to a debenture loan gives the Village the freedom to obtain better interest rates and the opportunity to pay it off faster on the long term.

A resident asked if all the culverts required were installed.

The Village Administrator replied that there are two presently being worked on.

A resident expressed concern over increased speeds on the road once the work has been completed and rerouting heavier traffic along Grand Avenue.

Clr. Knight replied these issues will be addressed as time goes on. There are various options that are available to the Village to implement as we proceed.

Clr. Heerspink had said the Government of Saskatchewan has not allowed us any further development in Buena Vista, Regina Beach and the R.M of Lumsden until the issue with the Regina Beach owned lagoon is resolved. Buena Vista has paid 1/3 of the operating and maintenance costs of the existing system. Through the Inter-Municipal

Utility Commission we have with Regina Beach, the Village of Buena Vista had received a grant of \$500,000.00 from the Federal and Provincial Governments to apply to this project. For Buena Vista to build a plant to accommodate for the wastewater demand of the Village residents, the costs accumulated would be too high to continue on our own. The requirements for a lagoon would be necessary and the ability to handle our needs would still not be met. The Village of Buena Vista decided to build an addition to the present Regina Beach Lagoon System to accommodate the existing demand of the Village residents as an alternate solution to the issue. The Village of Buena Vista had come to an agreement with the Town of Regina Beach whereby the Village would become co-owners of the overall system should we contribute this way. A corporation will be established between the Town of Regina Beach and the Village of Buena Vista should we proceed. There will be a need to further expand the system with the development anticipated. If the Government doesn't approve our application to borrow then we will not be proceeding with the lagoon expansion and the loss of the \$500,000.00 grant.

A resident asked why would there be a need to have more land.

Clr. Heerspink indicated that the Village's needs are not presently being adequately met with the existing system. Even with the expansion the Village is looking at presently, there will be a continued need to expand in 4 to 5 years to reach our needs at present level.

A resident asked what will happen should the Village not receive the backing of the Government for these services.

Mayor Goulet replied that the Village of Buena Vista and the Town of Regina Beach are required by the Government to fulfill this need. Should we not be unable to do so as a unit, the Town of Regina Beach could be facing fines and the Government will step in to complete the project, billing the Village of Buena Vista and the Town of Regina Beach for the costs. We also have the need to address the issues with our water, this also being of major importance. Getting a legal opinion, coordinating our efforts with Regina Beach Council, and gaining the support of residents we may be in a position to build a lagoon, have access to the Regina Beach Water Treatment Plant and get legal part ownership of the services. Clr. Hasiak indicated that the arrangement would not only be beneficial to us as a Village, but also the Town of Regina Beach and they both have interests involved.

Mayor Goulet indicated that the Tax Payer's Committee had come up with suggestions towards microbiology, wind irrigation, and other alternate ideas to speeding up the process of pumping out from 180 days to 90 days. Clr. Hasiak indicated that there would be other steps the Village would have to take before the project can proceed. This application is only to see if we can borrow the money for the infrastructure. The Village Administrator indicated that there is not an approval given until there is an application made for a permit. As it stands now, we are in a position to proceed with the application for Municipal Borrowing.

A resident asked if we will be able to help ourselves after all these loans have been acquired should something else arise.

Clr. Hasiak replied that the payment required to pay towards these commitments will not be affected should we need to apply residual funds to other issues that may arise. The Village has options for available capital once the debenture loan is paid. Mayor Goulet indicated that there was money budgeted already for the Village's operating costs and expected expenses to date.

A resident asked when would the construction of the lagoon take place.

Clr. Hasiak responded in spring of 2012. The existing MRIF grant, which has already been extended a year, expires at March 31 of 2012. The Village is required to spend money towards the infrastructure before we can obtain the grant. This leaves the Village with time constraints issued with the offering of the grant. The need of approval for the municipal borrowing is required first in order to proceed with the project. Clr. Knight indicated that should we not be able to take advantage of this grant there will be others the Village may be able to use to continue the project in the future.

A resident asked that once the paving issue is solved next summer would the Village be looking at the resolution of the water issue at that time.

Clr. Heerspink replied that the Village has been directed to have a study started by an engineering firm by the end of the year. Clr. Heerspink indicated that if our water was tied into the water treatment plant this would lower our overall operating costs for both communities. The Town of Regina Beach would be able to dispose of a well that they have. Construction on tying into the wastewater treatment plant wouldn't be able to take place next year. There is no available information for costs presently. The options of applying for the money for this now aren't realistic and will be addressed in the future once we know what we are looking at.

203/11 Heerspink THAT Council proceed to submit the application for Municipal Borrowing.

Clr. Hasiak second the motion.

Carried

Adjournment:

204/11 Goulet THAT the meeting be adjourned at 7:50 p.m.

Mayor Goulet

Administrator