



**Town of Amherst  
Special Council Meeting  
Agenda**

Date: **Monday, April 20, 2020**  
Time: **2:00 pm**  
Location: **Council Chambers, Town Hall**

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1. CALL TO ORDER	
2. REQUEST FOR DECISION	
2.1 'A' Fresh Start	1 - 2
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3. ADJOURNMENT	

# SYNOPSIS

## 'A' Fresh Start

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Part of the "A" Fresh Start grant involves a public event where the top potential grant recipients present their ideas and Council determines which ones received funding and how much.

We have had some challenges in getting applicants for this program in the past. This year there are additional challenges:

- a) Staff are working from home and unable to build momentum for the event in the community.
- b) There is a State of Emergency for the Province of Nova Scotia which limits public interaction and no timeline on when this will end; and
- c) A and B create difficulty for anyone planning an event or activity that is eligible for the grant.

### **MOTION:**

**That the 'A' Fresh Start spring event be cancelled for this year.**

# MEMORANDUM

**To:** Mayor Kogon and Members of Amherst Town Council  
**From:** Shelley G. Rector CPA, CMA - CFO  
**Date:** April 17, 2020  
**Subject:** “A” Fresh Start

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## **Background:**

Based on the policy, a request for applications for those interested in “A” Fresh Start grants early in March. Only three applications were received for this program.

## **Discussion:**

Part of the “A” Fresh Start grant involves a public event where the top potential grant recipients present their ideas and Council determines which ones received funding and how much.

Council will recall that we have had some challenges in getting applicants for this program in the past. This year there are additional challenges:

- a) Staff are working from home and unable to build momentum for the event in the community.
- b) There is a State of Emergency for the Province of Nova Scotia which limits public interaction and no timeline on when this will end; and
- c) A and B create difficulty for anyone planning an event or activity that is eligible for the grant.

## **Recommendation:**

Based on the above factors, staff recommends that the spring “A” Fresh Start event be cancelled.

# SYNOPSIS

## Waiver of Interest - General

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With the current State of Emergency in Nova Scotia, we anticipate there will be some residential and commercial taxpayers who may struggle to pay their current arrears. There have been some requests to adjust the due date of the interim tax bills, normally due at the end of May.

It is proposed that the Town waive interest charges on outstanding accounts for March, April, and May. Although the interim tax bills will still be due on May 31, no interest will be added to the accounts for the month of May, giving those who are financially impacted an extra month to pay their accounts without incurring interest costs. Accounts that remain outstanding after June 30 will attract interest.

While many have been financially impacted by the COVID-19, there are many who are still in a position to pay their account on time and it is hoped that they will. With a total annual operating budget of approximately \$18 million, on average the Town requires \$1.5 million per month to continue to maintain services. For this reason the Town will be asking those who can to pay their interim bills by May 31.

### **MOTION:**

**That due to the COVID-19 pandemic, the Town of Amherst waive interest for the months of March, April, May of 2020 for all outstanding tax and miscellaneous accounts and that accounts that remain outstanding after June 30 will attract interest.**



## AMHERST TOWN COUNCIL

RFD# 2020037

Date: April 20, 2020

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**TO:** Mayor Kogon and Members of Amherst Town Council

**SUBMITTED BY:** Shelley Rector, CPA, CMA - CFO

**DATE:** April 20, 2020

**SUBJECT:** **Waiver of Interest Charges on overdue accounts – General Operating (Tax, Sewer, Miscellaneous)**

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**ORIGIN:** COVID-19 Pandemic and state of Emergency in Nova Scotia. At Council's direction, interest charges were waived for the month of March.

**LEGISLATIVE AUTHORITY:** Municipal Government Act section 113 confers on Council the authority to impose, and set rates of interest to be paid on overdue taxes.

**RECOMMENDATION:** It is recommended that Council waive interest for the months of April, May, and June of 2020 for current outstanding tax, sewer and miscellaneous accounts, for June for the April Interim tax billings and for July for sewer arrears and April billings that will be due June 30<sup>th</sup> in response to the COVID-19 pandemic.

**BACKGROUND:** With the COVID-19 pandemic and state of emergency in Nova Scotia, some taxpayers have lost their jobs and some businesses have had to close. This creates hardship for a number of taxpayers.

**DISCUSSION:** With the current State of Emergency in Nova Scotia, we anticipate there will be some residential and commercial taxpayers who may struggle to pay their current arrears. There have been some requests to adjust the due date of the interim tax bills, normally due at the end of May

The interest waiver for April and May would be applicable to current balances due for taxes, miscellaneous accounts and sewer rather than future billings. Rather than changing the due date of our billing, we are proposing to not charge interest on the interim tax billings (mailed in April, due May 31) for the month of June as well as on those accounts currently in arrears. This would reduce the work required to change our internal accounting system (SAP) and the only cost would be foregone interest revenue which would have resulted if we adjusted the due dates by thirty days. In addition, the sewer billing is done in conjunction with water billing and we are recommending that we waive interest for the month of July for sewer arrears and billings as well. Many municipalities have decided to waive interest and change billing due dates for a few months in order to ease the burden on taxpayers and businesses during this difficult time.

Based on the directions provided by the Province it is anticipated that the current state of emergency will last for at least another month. We note that some other municipalities have already announced that they will be waiving interest on overdue accounts. This would apply to



existing arrears accounts for April and May and for current arrears and interim bills for June for interim taxes and existing arrears for April-June and April billings as well as arrears for July for sewer accounts.

Leaving the due date at May 31 for interim tax bills and June 30 for the sewer billings encourages those who are able to pay to pay on the due date while still offering some short-term relief to those who may be impacted by the State of Emergency.

Cash flow is a major concern for the Town in these uncertain times and we will be encouraging those who can pay, to please pay.

**FINANCIAL IMPLICATIONS:** If interest is waived for April, May and June the impact on General Operating would be \$22,132 on current account receivable assuming no payments. There would also be interest foregone for those interim tax bills that are unpaid as of May 31.

**COMMUNITY ENGAGEMENT:** Information would be released via social media to educate the public.

**ENVIRONMENTAL IMPLICATIONS:** None are anticipated at this time.

**SOCIAL JUSTICE IMPLICATIONS:** This provides relief to those who may be impacted by COVID 19.

**ALTERNATIVES:**

1. Do not approve the waiver interest for any month.
2. Approve the waiver interest for the month of April only and then make the decision on future months at a later date.

**ATTACHMENTS:** None

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Report prepared by Shelley G Rector CPA, CMA - CFO  
Report and Financial approved by:

# SYNOPSIS

## Waiver of Interest - Water

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With the current State of Emergency in Nova Scotia, we anticipate there will be some residential and commercial customers who may struggle to pay their current arrears as well as future billings.

It is proposed that the Amherst Water Utility and the Town of Amherst waive interest charges on outstanding water/sewer accounts for March, April, May, and June . Although the first quarter water/sewer tax bills will still be due on June 30, no interest will be added to the accounts for the month of June, giving those who are financially impacted an extra month to pay their accounts without incurring interest costs. Accounts that remain outstanding after July 31 will attract interest.

While many have been financially impacted by the COVID-19, there are many who are still in a position to pay their account on time and it is hoped that they will. For this reason the Town will be asking those who can to pay their first quarter water bills by June 30.

### **MOTION:**

**That due to the COVID-19 pandemic, the Amherst Water Utility and the Town of Amherst waive interest for the months of March, April, May and June of 2020 for outstanding water/sewer accounts and that accounts that remain outstanding after July 31 will attract interest.**



## AMHERST TOWN COUNCIL

RFD# 2020038

Date: April 20, 2020

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**TO:** Mayor Kogon and Members of Amherst Town Council

**SUBMITTED BY:** Shelley Rector, CPA, CMA - CFO

**DATE:** April 20, 2020

**SUBJECT:** **No Interest Charges – Water Operating**

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**ORIGIN:** COVID-19 Pandemic and state of Emergency in Nova Scotia. At Council's direction, no interest charges were calculated for the month of March.

**LEGISLATIVE AUTHORITY:** Utility and Review Board approval is required for the waiving of interest up to June 2020. A copy of the approval is attached. Approval will be required for waiving interest for July but is anticipated to be received.

**RECOMMENDATION:** It is recommended that Council waive interest for the months of April, May, June and July of 2020 for current outstanding water/sewer and for July for April billings in response to the COVID-19 pandemic.

**BACKGROUND:** With the pandemic and state of emergency in Nova Scotia, some water utility customers have lost their jobs and some businesses have had to close. This creates financial hardship for some customers.

**DISCUSSION:** With the current State of Emergency in Nova Scotia, we anticipate there will be some residential and commercial customers who may struggle to pay their current arrears. The interest waiver for April-June would be applicable to current balances due rather than future billings. Rather than changing the due date of our billing, we are proposing to not charge interest on the fourth quarter billings (mailed in April, due June 30) as well as those in arrears for the month of July as well. This would reduce the work required to change our internal billing processes (in the SAP system) to alter due dates; it would mean another \$304 of waived interest plus the interest foregone on new billings (which we would not have charged if the bill date was moved). A number of water utilities have waived interest and changed billing due dates for a few months in order to ease the burden on utility customers during this difficult time.

Based on the directions provided by the Province it is anticipated that the current state of emergency will last at least another month. We note that some other utilities have already announced that they will be waiving interest on overdue accounts. This would apply to existing arrear accounts only for the month of April-June and to fourth quarter billings and current arrears for the month of July.



**FINANCIAL IMPLICATIONS:** If interest is waived for April, May, June and July the impact on Water Operating would be \$1215 on current account receivable assuming no payments. There would also be foregone interest on fourth quarter billings for those who do not pay until after June 30<sup>th</sup>.

**COMMUNITY ENGAGEMENT:** Information would be released via social media to educate the public.

**ENVIRONMENTAL IMPLICATIONS:** None are anticipated at this time.

**SOCIAL JUSTICE IMPLICATIONS:** This would provide relief to those who may be impacted by COVID-19.

**ALTERNATIVES:**

1. Do not approve the waiver interest for any month.
2. Approve the waiver of interest for the month of April only and then make the decision on future months at a later date.

**ATTACHMENTS:** UARB approval to waive interest.

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Report prepared by Shelley G Rector CPA, CMA - CFO  
Report and Financial approved by:



## Nova Scotia Utility and Review Board

*Mailing address*

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March 31, 2020

[SRector@amherst.ca](mailto:SRector@amherst.ca)

Shelley G. Rector, CPA, CMA  
Chief Financial Officer  
Town of Amherst  
98 East Victoria Street  
Amherst NS B4H 4A1

Dear Ms. Rector:

**Town of Amherst – COVID Response Request - Waiver of Interest**

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This will acknowledge your email received by the Board on March 31, 2020, requesting an interest waiver on water utility accounts until June 30, 2020, in response to the COVID-19 pandemic.

This is to advise that the Board approves the interest waiver as requested.

If you need to revise this timeline further, please contact me directly.

Yours truly,

A handwritten signature in blue ink that reads 'Doreen Friis'. The signature is stylized with a large loop at the end of the last name.

Doreen Friis  
Regulatory Affairs Officer/Clerk

# SYNOPSIS

## Capital Paving

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The 2020 capital paving program was approved by Council in the Capital Budget on January 27 2020, and the Town issued a tender as per our Procurement Policy. Awarding the tender now will allow for completion of the work prior to September 1, 2020.

The approved 2020-21 capital paving budget was \$688,000 including non-recoverable taxes. The cost of the proposed work including non-refundable taxes is \$604,108 with funding approved in the 2020-21 Capital Budget. 100% of the funding for this year's capital paving is coming from Gas Tax funds. As the tender is a unit price contract based on estimated quantities the final cost will be determined by the actual quantities of material used.

### **MOTION:**

**That Council award the 2020 Capital Paving Tender (RFT-20-1) to the lowest compliant bidder, Costin Paving and Contracting, at their unit prices based on our estimated quantities in the total amount of \$579,280 plus HST.**

# MEMORANDUM

**To:** Mayor Kogon and Members of Amherst Town Council  
**From:** Jason MacDonald, Deputy CAO  
**Date:** March 30, 2020  
**Subject:** **Capital Paving Tender**

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At the March 16, 2020 Committee of the Whole meeting the following motion was passed:

**That the award of the 2020 Capital Paving Tender (RFT-20-1) to the lowest compliant bidder, Costin Paving and Contracting, at their unit prices based on our estimated quantities in the total amount of \$ \$579,280 plus HST, be forwarded to the March 23, 2020 meeting of Amherst Town Council.**

**Further to the motion, due to the recent significant drop in fuel prices, Council directed the Deputy CAO to contact Costin Paving and Contracting to discuss their unit prices to reflect this drop before award of the tender at their regular meeting on March 23.**

Staff have contacted the low bidder and they have indicated that they are not in a position to drop their bid price due to the recent drop in fuel prices. Their response is below:

Hi Jason,

Thanks for the phone call today.

As a response to the questions proposed by council please consider the following:

- We understand the delay in holding a council meeting to discuss award. Assuming council will approve of Costin Paving's low bid, we would continue to honour that price past the typical time frame.
- The price of fuel at the pumps has decreased significantly, however the price of liquid asphalt is not directly tied to that price for multiple reasons. One of these reasons being the amount of complex processes required to produce the refined bitumen.
- Another thing to consider is that General Liquids (Our division of Municipal Group that produces said products) has secured the majority of their annual supply by now and is in holding tanks awaiting the demand of our typical supply chain.
- As we are all aware, the Covid-19 outbreak and associated control measures have made it very difficult for anyone to predict the volume of construction work available for private companies to complete this calendar year. The lower amount of liquid asphalt produced by the industry could have a negative effect on the price, seeing the fixed costs associated with production would still need to be accounted for in lower production rates.

Please let me know if this email covers all the points made by council and if there are any other questions that may arise.

Sincerely,

Matthew Vance  
Operations Manager  
Costin Paving



## AMHERST TOWN COUNCIL

RFD# 2020031

Date: April 20, 2020

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**TO:** Mayor Kogon and Members of Council

**SUBMITTED BY:** Jason MacDonald, Deputy CAO

**DATE:** April 20, 2020

**SUBJECT:** **2020 Capital Paving Tender**

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**ORIGIN:** 2020/21 Capital Budget

**LEGISLATIVE AUTHORITY:** 31700-001 Procurement Policy

**RECOMMENDATION:** That Council award the 2020 Capital Paving Tender (RFT-20-1) to the lowest compliant bidder, Costin Paving and Contracting, at their unit prices based on our estimated quantities in the total amount of \$ \$579,280 plus HST.

**BACKGROUND:** A tender for the 2020 capital paving program was issued with a closing date of February 27. The following two bids were received (non refundable taxes extra):

- Cumberland Paving \$ 595,770
- **Costin Paving and Contracting \$ 579,280**

**DISCUSSION:** The 2020 capital paving program was approved by Council in the Capital Budget on January 27 2020. Award of the tender now will allow for completion of the work prior to September 1, 2020.

**FINANCIAL IMPLICATIONS:** The approved 2020-21 capital paving budget was \$688,000 including non- recoverable taxes. The cost of the proposed work including non-refundable taxes is \$604,108 with funding approved in the 2020-21 Capital Budget. As the tender is a unit price contract based on estimated quantities the final cost will be determined by the actual quantities of material used.

**COMMUNITY ENGAGEMENT:** The Town issued a tender as per our Procurement Policy. A media release will be issued pending Council approval. Hand delivered written notices will be delivered to all affected residents and businesses prior to the start of projects.

**ENVIRONMENTAL IMPLICATIONS:** There are no direct environmental implications to the award of this contract. The repaving of streets with asphalt will generate greenhouse gas emissions, however there is little alternative if our street infrastructure is to be maintained. The material that will be removed through the pulverization process will be recycled for either road bed material or used in future work such as trails.



**SOCIAL JUSTICE IMPLICATIONS:** There are no social justice implications to the award of this contract.

**ALTERNATIVES:** As both bidders were compliant with the tendering process Council has no alternative to awarding the contract to the low bidder, unless the project were to be cancelled altogether.

**ATTACHMENTS:** Capital Paving memo

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Report prepared by: Jason MacDonald, Deputy CAO

Report and Financial approved by: