

UNAPPROVED ANNUAL MEETING MINUTES
MONDAY, April 29, 2019
Hosted by the Rural Municipality of St. Peter's Bay
At the St. Peter's Bay Complex

1. REGISTRATION:

Registration was held from 8:30 am to 9:00 am at the St. Peter's Bay Complex on Monday, April 29, 2019. One hundred and thirty four delegates and guests registered for the meeting.

2. CALL TO ORDER/OPENING REMARKS:

President Bruce MacDougall called the meeting to order at 9:10 am. He introduced the head table: Mayor Ronnie MacInnis, Rural Municipality of St. Peter's Bay, and Councillor Bill Karsten, FCM First Vice-President, Halifax Regional Municipality. He welcomed delegates and guests to the meeting and expressed appreciation to the partners for their generous support. He thanked the Rural Municipality of St. Peter's Bay for hosting the 62nd annual meeting of FPEIM.

President MacDougall introduced Mayor Ronnie MacInnis who welcomed everyone to the Rural Municipality of St. Peter's Bay, also known as The Bay. He said it was an honor to host the meeting at the St. Peter's Bay Complex. The Rural Municipality of St. Peter's Bay strives to provide residents a better place to live and a place for businesses to grow.

President MacDougall thanked Mayor MacInnis for his remarks. He also welcomed the Rural Municipality of Belfast and the Rural Municipality of Breadalbane as the two newest members of FPEIM. He also introduced the FPEIM board members.

President MacDougall introduced Councillor Bill Karsten, who is currently First Vice-President of FCM. Vice-President Karsten stated that PEI has two strong voices on the FCM Board, FPEIM President Bruce MacDougall and Councillor Mitchell Tweel. He also recognized that Mayor Basil Stewart is a former president of FCM.

Vice-President Karsten talked about how FCM has been working on infrastructure and housing over the last few years. He stated that FCM has called for a new fiscal framework with the federal government for the last year and a half and that FCM members should be proud as the message was heard loud and clear in the federal budget 2019.

Vice-President Karsten highlighted the following three key elements of budget 2019:

- There is more money directly in the hands of local governments with the doubling of this year's the Gas Tax Fund. An additional \$16.5 million will go to PEI municipalities this year.
- FCM stated that high speed internet across the country was a must for this budget. The federal government promised a brand new national broadband strategy that brings \$5-6 million new money for broadband.
- The federal government is delivering programs directly to Canadians through FCM.

He stated that last month's budget was a huge vote of confidence in the work that FCM does and that FCM helped shape the 2019 budget.

Vice-President Karsten stated that FCM will continue to work with every federal party on FCM's priorities in preparation for the October federal election. He thanked everyone for the work they do in their local municipalities.

President MacDougall thanked Vice-President Karsten for his remarks.

President MacDougall stated that there are a few items to discuss prior to his report. He stated that the FPEIM Constitution Committee does not recommend any changes to the Constitution at this time.

3. APPROVAL OF MINUTES:

It was moved, seconded and carried that the minutes from the 2018 semi annual meeting be approved as presented.

4. PRESIDENT'S REPORT:

President MacDougall stated that he has tremendous respect for the board members, who all share a passion for municipal government. He added that the delegates in the room also share that passion. Municipal councils and staff are working hard to make neighbourhoods and communities great places to live, and we see positive results across the Island.

President MacDougall stated that he is very pleased with the progress we have made over the past several years. It has been more than a decade since FPEIM began advocating for province-wide municipal incorporation. In 2018, the new Town of Three Rivers and the Rural Municipalities of North Shore and Central Prince were formed. In many other areas, outdated boundaries limit local capacity, so several restructuring discussions are happening across the province. Those municipalities will need support. FPEIM is very grateful for the provincial funding that is available

for studies and for the technical and transition support the province has provided, but municipalities need greater certainty about what is available as they begin this difficult process. FPEIM has called on the Province for a municipal restructuring support and incentive program.

President MacDougall reported that the transition to the Municipal Government Act has kept municipalities busier than usual over the past year. There are many needed improvements over the old legislation. FPEIM is monitoring the Act and will be working with the province to make improvements.

President MacDougall talked about the municipal role in addressing issues that have not traditionally been municipal responsibilities. Affordable housing, doctor recruitment and climate change are just a few examples.

President MacDougall said that the new five-year revenue sharing agreement delivered much needed funding to municipalities and provides greater predictability and fairness, but municipalities continue to depend heavily on property taxes and need additional sources of revenue. The legalization of cannabis has provided a new source of tax revenue for the province and the Federation has asked that it be shared with municipal governments .

President MacDougall stated that FPEIM has asked the Province to substantially increase operational funding for public transit, beginning with a minimum increase of 25% this year. FPEIM has also asked the provincial government to study options for expanded inter-municipal transit to serve rural areas.

He stated that the Investing in Canada Infrastructure Program agreement was signed in August and FPEIM is grateful to the federal and provincial governments for continuing to invest in municipal infrastructure. The Federal budget delivered last month brought great news for municipalities. The one-time doubling of the Gas Tax Fund this year will bring an additional \$16.5 million to Prince Edward Island. This investment is a testament to the tremendous work being done by FCM.

President MacDougall reported that FCM received federal funding in 2018 for a three-year project called Towards Parity in Municipal Politics. The objective of is to overcome barriers to increasing women's participation in municipal government. FPEIM hosted a focus group session in PEI earlier this year.

President MacDougall stated that in the coming year, FPEIM will examine potential opportunities for members to benefit from shared services through our organization and we will be distributing a survey soon to get your input on what services or programs would benefit our members.

5. RESOLUTIONS COMMITTEE REPORT:

President MacDougall called upon Councillor Gail MacDonald, Stratford, to give the Resolutions Committee Report.

Councillor MacDonald explained that there are two resolutions to be considered.

Councillor MacDonald read the operative clause of Resolution 19.01 – Permanent Gas Tax Fund – Allocation Reform. She explained that the recommendation of the FPEIM Resolutions Committee and Board is **Category A, concurrence.**

It was moved, seconded and carried that the following resolution be approved:

WHEREAS one of the hallmarks of the Federal Gas Tax Fund has been predictability and reliability in its funding streams, significantly enhancing the ability of municipalities to plan, construct, rebuild, or upgrade critical infrastructure assets; and

WHEREAS the Gas Tax Funds administered by the province of Prince Edward Island has historically provided municipalities a reliable level of consistent, year-to-year funding in its distribution of funds with only minor fluctuations; and

WHEREAS the Province supports municipal restructuring to create larger, stronger, more sustainable communities, a direct impact on some municipalities has been a sudden, unanticipated cut in their 2019-20 allocation; and

WHEREAS the province's December 18, 2018 written notification to municipalities concerning the five-year outlook on gas tax funding contains an underlined caution which reads, "Adjustments may be made to reflect...new incorporated communities and the merging of communities..." and could be reasonably interpreted that some municipalities, large and small, must assume a direct financial burden of future restructuring by way of a cut to their 2019-20 allocation; **THEREFORE**

BE IT RESOLVED THAT the FPEIM enter into discussion with the government of Prince Edward Island with the objective of continued support for municipal restructuring while minimizing the consequences of restructuring on municipal gas tax funding allocations.

Two people voted against this resolution.

There was some discussion on the resolution and how it came about.

Councillor MacDonald read the operative clause of Resolution 19.02 - Support for development of building lots in serviced rural areas. The recommendation of the FPEIM Resolutions Committee and Board is **Category A, concurrence.**

It was moved, seconded and carried unanimously that the following resolution be approved:

WHEREAS the capital cost of installing central services such as water, sewer and streets to new residential subdivision development is steadily increasing and carries a similar cost in both rural and urban areas of the Province;

AND WHEREAS the selling price of a residential building lot in rural areas is significantly less than that of similar building lots in urban areas;

AND WHEREAS the cost of servicing residential building lots in rural areas is a primary factor leading to on-site serviced, ribbon development outside of Towns and rural municipalities, which is widely recognized as being unsustainable, detrimental to the environment and a poor land-use practice;

AND WHEREAS both the public and private sectors in rural areas require financial assistance to encourage centrally serviced residential development in rural areas;

AND WHEREAS towns and rural municipalities do not have the capacity to provide such financial support to rural residential development;

BE IT RESOLVED that the Federation of Prince Edward Island Municipalities advocate and request the Province of Prince Edward Island to consider the provision of financial support to both the public and private sectors for the development of centrally serviced residential building lots in rural areas.

It was moved, seconded and carried that the Resolutions Committee report be approved.

6. NOMINATING COMMITTEE REPORT AND ELECTIONS:

President MacDougall called on Councillor Peter Vriends, North Shore, to deliver the Nominating Committee Report.

Councillor Vriends reviewed the structure of the board and explained that some members of the board are appointed by council and some are elected by the membership. The board members will serve a four-year term. He stated that the following candidates were either appointed or elected by acclamation:

2019 FPEIM BOARD OF DIRECTORS – ELECTED BY ACCLAMATION OR APPOINTED

PRESIDENT

Councillor Bruce MacDougall, City of Summerside

CITIES/TOWNS CAUCUS

Councillor Kevin Maynard, Town of O’Leary

Councillor Rodney Mann, Town of Kensington

Mayor Basil Stewart, City of Summerside

Councillor Elaine Barnes, Town of Cornwall

Councillor Gail MacDonald, Town of Stratford

Councillor Mitchell Tweel, City of Charlottetown

Deputy Mayor Debbie Johnston, Town of Three Rivers

Mayor Stephen O’Brien, Town of Souris

RURAL MUNICIPALITIES CAUCUS

Councillor Patrick MacLellan, Rural Municipality of Miscouche

Mayor Pat Bray, Rural Municipality of Murray River

Mayor David MacAdam, Rural Municipality of Morell
Councillor Cathy MacKinnon, Rural Municipality of St. Peter's Bay
Councillor Stephen Gould, Rural Municipality of New Haven-Riverdale
Councillor Peter Vriends, Rural Municipality of North Shore

Councillor Vriends, explained that an election will be held for the Prince County Rural Municipalities seat. The two nominees are:

- **Mayor Roger Gallant, Rural Municipality of Abram-Village**
- **Councillor Andrew McCardle, Rural Municipality of Kinkora**

Neither candidate was in attendance at the meeting. The voting delegates voted by secret ballot. After the voting occurred, the Chief Electoral Officer, John Dewey, announced that Mayor Roger Gallant, Rural Municipality of Abram-Village won the election.

It was moved, seconded and carried that the Nominating Committee Report be approved.

7. CLIMATE CHANGE AND RENEWABLE ENERGY:

President MacDougall introduced Eddie Oldfield, Regional Climate Advisor, FCM and Senior Lead, Quest.

Mr. Oldfield talked about Smart Energy Communities. He explained the four major components - take advantage of energy efficiency, integrate conventional networks, harness local energy opportunities, and integrate land use. He also talked about building resilience.

Mr. Oldfield spoke about a project that is funded by the Federation of Canadian Municipalities (FCM) Climate Adaptation Partner Grants and Natural Resources Canada. Charlottetown, Summerside, and Stratford are the three PEI municipalities taking part in this project. This project will prepare a climate risk and vulnerability assessment with a focus on energy and develop adaptation strategies tailored to each community's needs.

He stated that sea level rise is increasing in PEI and coastal hazard maps are available as of Spring 2019. He gave an overview of some of the resources available through FCM, such as Partners for Climate Protection (PCP). Currently Charlottetown, Stratford and Wellington have joined the PCP.

President Bruce MacDougall thanked Mr. Oldfield for his presentation.

8. PARTY LEADERS:

President MacDougall introduced Honourable Peter Bevan-Baker, Leader of the Opposition and Leader of the Green Party.

Mr. Bevan-Baker stated that he is a strong believer in local government. He talked about grass roots democracy. He stated that he is uncomfortable with municipalities being referred to as creatures of the province. He prefers to view local governments as equal partners to the province. He talked about how partners help when help is required. Local governments have intimate knowledge of people and needs of their community. Land issues is one example and the province and municipalities can collaborate effectively to deal with these issues. He stated that the Province has struggled for decades to implement local land use plans and this is where municipalities come in. Municipalities do land use planning more effectively, as they know the issues, the people and the land.

Mr. Bevan-Baker spoke about the Municipal Government Act (MGA). He stated that the MGA provides a good framework and he hopes the government will continue to support the intent of the MGA. The main challenge in building strong local governments is in the unincorporated areas. Seventy percent of land is unincorporated. He stated we need collaboration from all the players – province, FPEIM, residents, to deal with this.

President MacDougall thanked Mr. Bevan-Baker for his remarks.

President MacDougall introduced Joe Byrne, Leader of NDP.

Mr. Byrne stated that decision-making has to be made at the level of government closest to the people. He talked about four issues that FPEIM and municipalities are uniquely positioned to deal with – internet backbone, housing, electrification storage, public transit. He also talked about some new initiatives in electrical storage and stated he feels municipalities are in a position to begin this type of expansion. He encouraged all municipalities to explore storage and talked about how electrification can help with climate change.

Mr. Byrne also talked about housing. He said that private sector is incapable of providing affordable housing and municipalities need to help with affordable housing. He also spoke about public transit. He said we need to stop talking about public transit and expand public transit. He stated that he fully supports FPEIM's ask for 25% increase to funding for public transit.

Another topic he talked about was the Internet backbone. He feels the backbone of the internet have to be owned by the public. He also talked about taxation and

suggested that a carbon tax is essential to deal with climate change. He said taxing and rebating isn't going to work in the future and that the tax dollars can be used for investment rather than rebates. He also said that municipalities should try to access a portion of the carbon tax.

President MacDougall thanked Mr. Byrne for his remarks.

9. PRESENTATION OF BRUCE H. YEO AWARD:

President MacDougall presented the Bruce H. Yeo Award to the former Mayor of the Town of Stratford – David Dunphy. Mr. Dunphy accepted the award and thanked FPEIM for the honour.

10. REPRESENTATIVE FROM THE PC PARTY:

President MacDougall introduced Bruce introduced Sidney MacEwen, MLA Morell-Donagh, who made remarks on behalf of Premier elect, Dennis King.

Mr. MacEwen stated that we are in a period of change. Municipalities have gone through changes with the implementation of the MGA. He thanked municipal officials for their work in municipal government. He stated without the help of municipalities; he couldn't do the work he has done with development corporations. He spoke about the facility and controversies faced to get to this point. The facility is a former school, but it is now a thriving business centre. It was a controversial process to get to this facility. He compared school closures to the amalgamation process as both need to work on the consultation to follow through these processes.

Mr. MacEwen stated he asked Premier elect Dennis King about how we will make the difficult decisions in issues such as amalgamations and school closures, and Mr. King stated he doesn't want to go through processes that divide us. Mr. King would like to see the process more transparent. Mr. King did tell Mr. MacEwen that tough choices have to be made, but the process needs to be made smooth and transparent. He stated he is excited to work with FPEIM over the next several years.

President MacDougall thanked Mr. MacEwen for his remarks.

11. SUSTAINABLE COMMUNITIES:

President MacDougall introduced David Campbell, Jupia Consultants Inc.

Mr. Campbell spoke about sustainable communities and the importance of a strong economic foundation. He talked about the general trends in PEI and gave some statistics on the age of the workforce, the amount of immigration and the export growth. He reviewed general economic trends and gave some statistics on the

shifting sources of population growth in PEI. He stated that the median age of PEI is getting younger.

Mr. Campbell stated that the loss of immigrants is decreasing. He also talked about how to attract younger works and attracting people to rural areas of the province. He said that municipal government is the closest to the people so in a good position to encourage population growth

President MacDougall thanked Mr. Campbell for his presentation.

12. BUILDING FLOOD RESILIENT COMMUNITIES:

President MacDougall introduced Cheryl Evans, Intact Centre on Climate Adaptation.

Ms. Evans talked about the Intact Centre on Climate Adaptation (ICCA) and the human influence on climate change and increasing extreme weather events. She talked about the costs of extreme weather. She said that flooding impacts things such as mental health and days off work due to flooding.

She described some different types of flooding, such as sewer back ups, coastal flooding, etc. She stated that a lot of work that needs to be done in raising awareness as many people do not realize they are at risk of flooding. She talked about a home flood protection assessment pilot project where 510 assessments were completed and over 350 people agreed to share the results of the assessments. The ICCA produced a document on the key home flood protection findings. She also talked about a variety of resources for residents and for municipalities to share with residents.

President MacDougall thanked Ms. Evans for her presentation.

13. CLOSING REMARKS:

President MacDougall thanked everyone who helped to organize the 2019 FPEIM Annual Meeting. He presented a plaque to Mayor Ronnie MacInnis to thank the Rural Municipality of St. Peter's Bay for hosting and for their contributions to the meeting. He also thanked each of the generous partners of the meeting.