



Special Town Council Meeting

Tuesday, June 6, 2017

(On Completion of Committee of the Whole Meeting)

Council Chambers, Town Hall

359 Main Street

Agenda

1. Approval of Agenda

2. Motions/Recommendations from Committee of the Whole Meeting, June 6, 2017

- a. RFD 034-2017: Wolfville to Grand Pre Trail Lease and Capital Approval

3. Question Period

Procedure: A thirty-minute time period will be provided for members of the public to address Council regarding questions, concerns and/or ideas. Each person will have a maximum of two minutes to address Council with a second two-minute time period provided if there is time remaining within the thirty-minute Public Input/Question Period timeframe.

4. Special Town Council Meeting Adjourned

REQUEST FOR DECISION 034-2017

Title: Grand Pre to Wolfville Rail Lease and Trail Construction

Date: 2017-06-06

Department: Community Development



SUMMARY

Grand Pre to Wolfville Rail Lease and Trail Construction

This report reviews the terms of the draft lease of the rail trail between the Skateboard Park and the eastern boundary of the Town of Wolfville and seeks Council's approval to proceed with the project in fiscal 2017-18 at a cost of \$95,000.

DRAFT MOTION:

Council approve the terms of the draft lease as follows:

- Base lease cost of 3890.00 plus applicable HST with a 3% increase per year
- 99 year term
- The landowner or tenant can terminate the lease with 180 days notice. The property owner will reimburse the Town the unamortized portion of the \$95,000 investment. After 20 years, the Landlord will have no obligation to reimburse the Tenant.
- Inclusion of standard insurance requirements
- If active rail returns, the lease terminates or the landowner will move the trail to accommodate both uses.
- The landlord may move the trail at its own expense and provide a similar standard of trail.
- Other standard administrative clauses

Council direct the CAO to execute the Grand Pre to Wolfville Rail Lease Agreement

Council approve moving the Rail Trail East Project from Years 2 & 3 of CIP to Year 1, with a capital expenditure of \$95,000.

REQUEST FOR DECISION 034-2017

Title: Grand Pre to Wolfville Rail Lease and Trail Construction
Date: 2017-06-06
Department: Community Development



1) CAO COMMENTS

The development of the Harvest Moon Trail to connect Wolfville east to Grand Pre, and currently west to Annapolis County, is both an active transportation and tourism asset that has been identified in multiple plans completed over the years – i.e. Active Transportation Plan. The project has been in the Town's 10 Year Capital Investment Plan since 2013/14 and was projected to be completed in Year 3 of the 2017/18 CIP. The CAO supports the recommendation of staff to move the project from Year 2 & 3 of the 10-Year CIP to Year 1 to leverage the opportunity for 50 cent dollars to complete the project.

Securing the lease with the Windsor & Hantsport Railway Company is required to complete this project. Staff have worked hard, in collaboration with the County of Kings, to negotiate the terms of the lease and the CAO supports the terms of the lease outlined below.

2) LEGISLATIVE AUTHORITY

A municipality under Section 65(x) can expend money on lands and buildings required for a municipal purpose.

Section 56(1) also grants the municipality the power to (a) beautify, improve and maintain property owned or leased by the municipality.

STAFF RECOMMENDATION

Staff recommends to Council to approve the terms of the lease as outlined and move the Wolfville to Grand Pre Trail project from Year 2 & 3 of the capital plan to Year 1 with a revised total budget of \$95,000.

3) REFERENCES AND ATTACHMENTS

1. Information report 2017-05-03 – Harvest Moon Trail. (attached)
2. 10 year Capital Plan – Approved March, 2017 (page 75 of 2017-2021 Operational Plan/Budget)
3. Town of Wolfville Procurement Policy 140-001

4) DISCUSSION

In the May 2, 2017 Information Report to Council staff identified the following issues as ones which must be resolved to construct the Harvest Moon Trail in the summer of 2017:

- a) An executed lease with the Windsor & Hantsport Railway Company;
- b) Approval to move the project from Year 2 & 3 of the 2017-18 10 Year Capital Plan to Year 1;
and
- c) Next steps for promotion and marketing of the trail for economic and tourism benefits.

REQUEST FOR DECISION 034-2017

Title: Grand Pre to Wolfville Rail Lease and Trail Construction

Date: 2017-06-06

Department: Community Development



a) Lease Agreement:

Staff worked with the property owner, the Windsor & Hantsport Railway Company, to finalize the terms of the lease from the Skateboard Park to the eastern Town Boundary. The following terms are proposed for the lease:

- A yearly charge of \$3890.00 plus HST, with a yearly increase of 3% for the term of the lease
- The lease term is 99 years. Due to MGA requirements, the lease will be broken into 5 terms of 19 years, 364 days and then automatically renewed at 12:01 of the 365th day of the year.
- The lease is premised on the requirement that the property owner will complete the construction of the trail and all significant maintenance. Minor maintenance will be completed by the Town.
- The landowner can terminate the lease with 180 days notice. The property owner will reimburse the Town the unamortized portion of the \$95,000 investment. After 20 years, the Landlord will have no obligation to reimburse the Tenant.
- Inclusion of standard insurance requirements, which our insurer approved.
- If active rail returns, the lease terminates or the landowner will move the trail to accommodate both uses.
- The landlord may move the trail at its own expense and provide a similar standard of trail.

The County has also approved a lease for its portion of the trail.

b) Approval of the Capital Expenditure

The construction contract with the property owner will be executed once both Kings and Wolfville's Councils agree to the leases. The construction contract is sole sourced, due to the requirements of the laws or regulations governing provincial or federal rails as per *Railways Act SNS. 119*. These requirements stipulate requirements for railways to construct on a rail line.

The Town's Procurement Policy looks to ensure "best value" and it also provides for circumstances of Alternative Procurement Practices (policy clause 5.4). In this circumstance, Appendix 1, Section A8 is most applicable and use of alternative procurement process requires CAO approval.

Kings County has approved the lease terms. The draft lease for both Kings County and Town of Wolfville are essentially identical except for the yearly lease cost which is based on the respective trail lengths.

REQUEST FOR DECISION 034-2017

Title: Grand Pre to Wolfville Rail Lease and Trail Construction

Date: 2017-06-06

Department: Community Development



Kings County and the Town are working cooperatively on the trail construction and lease negotiations. The County will be managing the construction contract with the Windsor & Hantsport Railway Company and the Town has approved the design specifications for the trail and will assume maintenance once the trail is constructed. The Town will be picking up its proportional share of the project costs, based on ratio of trail within Town borders to total trail distance (see May 3rd Info Report Harvest Moon Trail)

c. Promotion of the Trail.

Upon construction, there will need to be a plan to market the trail for tourism purposes and promotion of the trail as an active transportation route. At this time, there are no specifics on how this will occur but through discussions with the Annapolis Valley Trail Coalition and the other partners, there will need to be additional work to promote this new community asset.

As part of the 2018-19 budget discussion, staff will develop a marketing and promotion strategy for the trail.

5) FINANCIAL IMPLICATIONS

As provided in the May 3rd Info Report to Council, the estimated project costs (entire project of 4.13 km) is \$250,000, with grant funding to date (BNS/ACOA blue Route Funding) of \$142,000.

Referring to the Town's 2017-2021 Operational Plan/Budget, page 75 shows this project in year 2 and 3 of the Ten Year CIP with the main construction planned for Year 3. Total budgeted cost over two years, \$95,000. Budgeted Funding was to come from Town's Capital Reserves (page 77 and 78 of Operational Plan).

The Wolfville contribution to the construction of the trail is approximately \$95,000 of the total \$250,000 construction cost (38% based on 1.57km/4.13km) Comparing current approved budget to proposed partnership with County of Kings shows:

	<u>Approved budget</u>	<u>Proposed Partnership with County</u>
<u>Project Summary</u>		
Preliminary design/project costs	15,000	
Construction	<u>80,000</u>	
Town Costs	<u>95,000</u>	<u>95,000</u>
<u>Funding Sources</u>		
External Grants - BNS/ACOA	-	54,000
Capital Reserves	<u>95,000</u>	<u>41,000</u>
Total Funding	<u>95,000</u>	<u>95,000</u>

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Date: 2017-06-06

Department: Community Development



The cost to the tax payer of Wolfville has been reduced from \$95,000 to \$41,000 if the project proceeds under the proposed arrangement.

Another important consideration will be the ongoing lease costs and maintenance impacts. The base lease amount will be \$3,900 plus HST per year with a 3% rate increase per year, which will be built into all future budgets.

6) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

Strategic Directions:

- To offer a dynamic quality of life grounded in the Town's leisure, culture and recreation activities
- To support energy efficiency opportunities throughout the community.
- To make the downtown core more user friendly
- To ensure the Town owned and/or funded infrastructure meets the needs of the community
- To foster the success of our existing business community

Strategic Principles:

1. **Affordability** - By completing this project now, the Town is benefiting from the grant opportunity which needs to be spent by the end of September 2017 resulting in a \$54,000 reduction in Capital Reserve requirements. This ultimately frees those reserve dollars for other future project demands..
2. **Transparency** - N/A
3. **Community Capacity Building** – N/A
4. **Discipline to Stay the Course** -This project carries out the recommendations of many reports and is consistent with Council's capital budget
5. **United Front** – N/A
6. **Environmental Sustainability** – Promotion of walking and biking reduces the use of fossil fuels.

7) COMMUNICATION REQUIREMENTS

All property owners adjacent to the trail will be notified by letter of the project and provided contact information if they have any questions.

8) ALTERNATIVES

Not proceed with the project at this time.

REQUEST FOR DECISION 034-2017

Title: Grand Pre to Wolfville Rail Lease and Trail Construction

Date: 2017-06-06

Department: Community Development



INFORMATION REPORT

Title: Rail Trail – Harvest Moon Trail
Date: 2017-05-03
Department: Community Development



SUMMARY

Harvest Moon Trail

In order to take advantage of external funding for the construction of the Harvest Moon Trail, staff is currently working with Kings County on the construction of the Harvest Moon Trail slated for this summer. Many of the details to allow this work to proceed are not finalized but staff wanted to give an update on status of the proposed trail from Wolfville to Grand Pre, in anticipation of an RFD coming forward to Council later in May regarding:

- A finalized lease for Council's consideration;
- A request for approval to move the project from Year 3 of the 2017-18 10 Year Capital Plan to Year 1;
- Identification of next steps for promotion and marketing of the trail for economic and tourism benefits.

INFORMATION REPORT

Title: Rail Trail – Harvest Moon Trail
Date: 2017-05-03
Department: Community Development



1) CAO COMMENTS

At this stage, the report is for information purposes only. Staff are working hard to get the lease and construction details finalized so that the Town can take advantage of the funding opportunity that has been presented. Provided the details can be worked out to our satisfaction, staff will be coming to Council with a positive recommendation to proceed with this project this summer.

2) REFERENCES AND ATTACHMENTS

- RFD 030-2015

3) PURPOSE OF REPORT

To update Council on the status of the section of the Harvest Moon trail between Waterfront Park in Wolfville and Grand Pre, in anticipation of an RFD that may come to Council in May.

4) DISCUSSION

The Harvest Moon Trail is a 115 km recreational trail on or beside the railway line, and is book-ended by the historic National Parks of Grand Pre and Annapolis Royal. It is supported by The Annapolis Valley Trails Coalition (**AVTC**) comprised of multi-use trail user groups and land owners/managers (including municipalities)

The Town of Wolfville has supported the development of the Trail through its participation and leadership of the AVTC and through the collaboration with the County of Kings on the portion of the trail between Cherry Lane west into Greenwich. The last stretch of undeveloped trail is between Waterfront Park in Wolfville and the Grand Pre National Historic Site. Currently, the Town is negotiating a lease for the portion of the trail between Waterfront Park and the eastern Town Boundary and Kings County is doing the same for the lands within the County. These draft leases will need to be approved by both Councils.

In November, Kings County applied for and received a grant to complete the eastern section of the Harvest Moon Trail, which includes the portion of the trail within the Town of Wolfville boundaries. This funding must be spent by the end of September 2017.

There are several remaining outstanding issues that must be resolved before construction can occur:

- Leases must be obtained for the rail trail, which includes finalizing the terms and the costs of such leases and both municipal Council's will need to approve the leases.
- Cooperation between the two municipal units and the respective Councils so that there is continuity in the trail construction.
- Awarding of the construction contract that meets the federal railway legislation and that are also acceptable to the property owner.
- Approval by Town Council and Kings County Council for the capital expenditure and the leases.

INFORMATION REPORT

Title: Rail Trail – Harvest Moon Trail
Date: 2017-05-03
Department: Community Development



Staff have prioritized this project in order to take advantage of the funding and hope to bring Council a complete RFD in May that would include:

- A finalized lease for Council’s consideration
- A request for approval to move the project from Year 3 of the 2017-18 10 Year Capital Plan to Year 1.
- Identification of next steps for promotion and marketing of the trail for economic and tourism benefits.

5) FINANCIAL IMPLICATIONS

The *estimated* cost of the trail (both the Kings County and Town of Wolfville section) is \$250,000 and the following shows the cost breakdown

\$250,000	Total construction cost (estimate)
<u>-142,000</u>	BNS/ACOA Blue Route funding (with project deadline of September 30, 2017)
108,000	Net cost after Blue Route funding

Allocation of remaining costs between the two municipal units is:

\$41,040	Town of Wolfville (38%-based on 1.57km/4.13km)
\$66,960	Mun. of Kings (62%-based on 2.56km/4.13km)

The County of Kings has also applied for Provincial funding (Recreation Facility Development Fund) to support the construction of the trail. Any funds received from this grant will help offset the total construction costs and would further reduce the Town’s 41K share of the project.

In order for the project to proceed this year and take advantage of the funding, a construction contract and lease must be in place to retain the BNS/ACOA funding and to secure the provincial funding.

Once staff has a more accurate cost estimate, an RFD will be brought forward to Council seeking approval for the capital expenditure and the lease costs which will allow the project to proceed.

6) REFERENCES TO COUNCIL STRATEGIC PLAN AND TOWN REPORTS

The development of the Harvest Moon Trail supports the Strategic Plan, particularly

- “To offer a dynamic quality of life grounded in the Town’s leisure, culture and recreational activities”
- “To make the downtown core more user friendly”
- “To ensure the Town owned and/or funded infrastructure meets the needs of the community.”

INFORMATION REPORT

Title: Rail Trail – Harvest Moon Trail
Date: 2017-05-03
Department: Community Development



The *Active Transportation Plan* approved by Council also speaks to the importance of the rail trail as an active transportation route.

7) COMMUNICATION REQUIREMENTS

N/A

8) FUTURE COUNCIL INVOLVEMENT

An RFD will be forthcoming regarding the project once more detailed costs are available and a draft lease is agreed to by the property owner.

INFORMATION REPORT

Title: Rail Trail – Harvest Moon Trail

Date: 2017-05-02

Department: Community Development



Schedule A: Map of Proposed Construction for 2017 (map courtesy of Municipality of the County of Kings)

