

TOWN OF LUNENBURG COUNCIL MEETING MINUTES

TUESDAY, MAY 11, 2021 AT 6:00 P.M.

LUNENBURG TOWN COUNCIL CHAMBER AND LIVE BROADCAST

PRESENT: Mayor Matt Risser
Deputy Mayor Peter Mosher
Councillor Jenni Birtles
Councillor Melissa Duggan
Councillor Stephen Ernst
Councillor Ed Halverson
Councillor Susan Sanford

ALSO PRESENT: Paul Bracken, Facilities Superintendent
Kelly Cunningham, Recreation Director
Lisa Dagley, CPA, CGA, Finance Director
Arthur MacDonald, Heritage Manager
Dennis MacPherson, M. Eng., P. Eng., Town Engineer
Kathleen Rafuse, Accountant
Bea Renton, Chief Administrative Officer
Dawn Sutherland, Planning/Development Manager

1. Call to Order

The Mayor called the meeting to order at 6:00 p.m.

2. Acknowledgement of Mi'kma'ki the ancestral and unceded territory of the Mi'kmaq People

The Mayor recognized Lunenburg's location on the unceded territory of the Mi'kmaq people.

3. Agenda

Motion: moved and seconded approval of the agenda. Motion carried.

4. April 27, 2021 Council meeting minutes

Motion: moved and seconded approval of the April 27, 2021 Council meeting minutes. Motion carried.

5. Public Hearings, Presentations and Questions

6. Correspondence, Petitions and Proclamations Consideration

a. Request to Proclaim VON Week May 23 - 29, 2021

Motion: moved and seconded that the Town of Lunenburg proclaims May 23 – 29, 2021 as VON Awareness Week. Motion carried.

b. Request to Proclaim May 30 – June 5, 2021 Access Awareness Week

Motion: moved and seconded that the Town of Lunenburg proclaims May 30 – June 5, 2021 as Access Awareness Week. Motion carried.

c. NS Department of Municipal Affairs Twelve Months' Prior Notice Letter of Potential Provincial and Federal Government Cost Increases

The letter (**Schedule A**) was received for future budget planning.

7. Business Arising from the Minutes/Unfinished Business

a. Water Utility Residential Installation and Commercial Meters Upgrade Proposal

Messrs. Isenor and Rooney presented their report (**Schedule B**) to Council. They responded to Council questions which are summarized in part as follows. Seasonal residency water requirements are addressed through an availability base charge reflective of year round Water Utility infrastructure requirements. An example of which was approved by the NS Utility and Review Board in Baddeck where approximately one-third of the residences are owned by non-residents. One-half of the cost of operating the Water Utility could be charged through the base rate subject to NSUARB approval. The NSUARB will not require the Town to install residential meters. However, there are benefits to installing universal water meters as set out in their report.

It was agreed to defer consideration of the following draft motion prepared by the consultants should Council wish to first review the results of a rate study and then determine if they wish to proceed with a universal water meter program. A revised draft motion will be prepared for Council's deliberation at the next Council meeting.

Motion: moved and seconded that the Town of Lunenburg Water Utility implement a universal water metering program with the first step being the preparation of a water rate study based on the existing rate structure including the metering program for further consideration by Council (Schedule B).

b. Proposed draft amendments to the Provincial Volunteer Recognition and Representative Volunteer Selection Process Policy

Motion: moved and seconded to approve the adoption of amendments to the Provincial Volunteer Recognition and Representative Volunteer Selection Process Policy (Schedule C). Motion carried.

c. Plan B Housing Project Joint Task Force Formation Proposal

Motion: moved and seconded that the Plan B Housing Project Joint Task Force proposal (Schedule D) be referred to Committee of the Whole for discussion, staff report and recommendation to Council. Motion carried.

8. Committee Meeting Minutes, Recommendations, Reports and Notices of Motion

a. Project Lunenburg Steering Team April 14 Meeting Minutes

These minutes were noted for information.

b. Committee of the Whole May 4 Meeting Minutes

Motion: moved and seconded approval of the Town General 2021/22 Capital Budget as amended (Schedule E). Motion carried.

9. New Business

a. Planning Advisory and Heritage Advisory Committees Citizen Vacancy Appointments

Council agreed to encourage applications from under represented populations in the advertisements.

Motion: moved and seconded that letters of thanks be sent to the former Planning and Heritage Advisory Committees' members. These vacancies will be advertised for Council appointment and the other prior applicants asked if they would like to reapply. Motion carried.

10. Meet in camera

Motion: moved and seconded to meet in camera pursuant to section 22 (2) Municipal Government Act to consider the following agenda items –

- Potential sale, lease and rental agreements regarding Town properties at 13 and 17 Young Street, 34 Linden Avenue, 128 Bluenose Drive, 15 Starr Street, 267 Pelham Street, 40 Duke Street and Blockhouse Hill area, section 22 (2) (a) Municipal Government Act.

Motion carried.

7:02 p.m. Council recessed and then met in camera.

11. Resumption of Council meeting in public session - motion to consider any in camera meeting notices of motion and recommendations pursuant to section 22 (3) Municipal Government Act

Motion: moved and seconded to recommend that –

1. The Town enter into a lease with Christa Heyne and Karen Mills Crews in the form attached hereto as Schedule F; and
2. The Mayor and CAO are authorized to execute the document on behalf of the Town and affix the municipal seal thereto (Schedule F).

Motion carried. Deputy Mayor Mosher voted in the negative.

12. Adjournment

The meeting was adjourned at 7:56 p.m. by the Mayor.

Bea Renton, CAO



**Municipal Affairs
Office of the Minister**

PO Box 216, Halifax, Nova Scotia, Canada B3J 2M4 • Telephone 902-424-5550 Fax 902-424-0581 • novascotia.ca

April 27, 2021

Mayor Amanda McDougall
Acting President, Nova Scotia Federation of Municipalities
Suite 1106, 1809 Barrington Street
Halifax, NS B3J 2K8

Dear Acting President McDougall:

Under the provisions of the *Municipal Government Act*, the Minister of Municipal Affairs must provide to the Nova Scotia Federation of Municipalities (NSFM) 12-months' notice of any provincial legislation, regulation, or administrative actions that could have the effect of decreasing revenues or increasing the required expenditures of municipalities. This letter is intended to provide notice of such changes for fiscal year 2022-2023 and beyond.

The Department of Municipal Affairs (DMA) canvassed all other provincial departments to seek information on plans for legislative, regulatory, and policy changes in the coming fiscal year. The following is a summary of the results of that process.

DEPARTMENT OF ENVIRONMENT

It is possible that municipalities would incur incremental costs in implementing the *Coastal Protection Act* in the coming fiscal year. Nova Scotia Environment (NSE) is providing notice of changes which will be required in municipal building and development permit approval processes now that the coastal protection legislation (Bill 106) has passed. This legislation will provide consistent, province-wide legal protection for our coast by restricting development and related activity in areas where structures will be at risk of damage due to coastal flooding and erosion, or where it will damage sensitive coastal ecosystems.

Under this legislation, municipalities will be enabled to issue a building and/or development permit for construction within a coastal protection zone to be defined by regulation if the proposed location of the construction is above a minimum building elevation specified in regulations and is situated upland of a horizontal setback certified by a designated professional. This will require minor modifications to municipal administrative processes for these types of permits.

It is expected that responsibility for competent, accurate, and objective certification will rest with the member of the designated profession, with forms and a standard for assessing risk of flooding and erosion risks to be provided by NSE. It is further anticipated that municipalities will be responsible for determining whether the proposed site is within the zone (and therefore whether the Act applies), and whether the Act applies to the general type of structure or construction proposed. Subject to the final form of the regulations, if the Act applies, the municipality may be required to determine whether the proposed location is above the minimum building elevation specified in the regulations, whether the proposed location is upland of the horizontal setback certified in a designated professional report accompanying the permit application, and ensure the designated professional was a member in good standing of the relevant professional body at the time the report was signed.

Specifics of which professional groups will qualify to provide the certification, specific standards and forms to be used, and other administrative details will be set out in regulations. The delineation of the zone and the specifics of restrictions, various exceptions and standards that apply within it will also be set out in regulation. NSE will be consulting with municipalities on the regulations.

DEPARTMENT OF INTERGOVERNMENTAL AFFAIRS

Procurement

Every two years Global Affairs Canada updates its thresholds for covered procurements under the Canada Europe Trade Agreement (CETA) and the Canada Free Trade Agreement (CFTA). Municipal procurements are covered under these obligations. All procurements above these thresholds must be tendered unless subject to exemption. Thresholds were last updated on January 1, 2020 and are as follows:

	CETA Thresholds	CFTA Thresholds
Goods	\$366,200	\$105,700
Services	\$366,200	\$105,700
Construction	\$9.1M	\$264,200

It is anticipated there will be new thresholds for CETA and CFTA for 2022-23. These thresholds are calculated based on data that will not be available until the end of this year, so, at this time, the scope for municipal involvement is not known. We will advise as soon as we receive updated information.

DEPARTMENT OF JUSTICE

Biological Casework Analysis Agreement

The Biological Casework Analysis Agreement provides Nova Scotia's Municipalities with DNA analysis arising from criminal investigations. DNA is an important service that helps solve crime. The financial cost of this program is expected to increase to \$808,203 for 2021-22 for Nova Scotia compared to \$701,690.22 in 2020-21. This increase is primarily due to the rise in costs for Employee Benefits Plan (EBP) effective in 2019-20.

The proration of the cost to municipalities will be reassessed annually upon the DMA's release of the "Total Uniform Assessment" for the current fiscal year.

RCMP Labor Relations Regime

On June 19, 2017, Bill C-7, An Act to amend the *Public Service Labour Relations Act*, the *Public Service Labour Relations and Employment Board Act* and other Acts and to provide for certain other measures received Royal Assent. Bill C-7 created a new labour relations regime applicable to the RCMP Regular Members and Reservists. Although labour contract negotiations began in June 2020 and are expected to be completed by December 21, 2021, there is a possibility that they may extend into early 2022. As such, the payout date for the contract increase including retro pay is not certain and could fall in either fiscal year 2021-22 or 2022-23. We will monitor the situation closely and keep municipalities up to date as the process moves forward.

Given this is an ongoing negotiation, the cost implications cannot be identified at this time. However, DOJ is committed to keep municipalities informed as the negotiations unfold.

The Accessibility Act

The Accessibility Act requires public sector bodies (which include all municipalities and villages in NS) to meet certain obligations including the establishment of an accessibility committee and plans for each body. Municipalities should all be aware of this; the Directorate indicates several municipalities have begun recruiting committee leads and members. All municipalities and villages have until April 1, 2022 to develop an accessibility plan and establish an accessibility committee.

Work is underway on the development of the accessibility standards for the built environment. This work is a significant milestone in our efforts to become an accessible province by 2030. An internal working group is now working to develop a proposed standard based on the recommendations submitted by the Accessibility Board. There will be an opportunity for municipalities, villages, and Nova Scotians to provide input once recommendations are complete. The goal is to have the first phase of the standard enacted by May 2022. At a minimum, one-year notice will be given to municipalities and villages of any policy and regulation change that will impact their revenue or expenditures.

COMMUNITIES, CULTURE, AND HERITAGE

Library Funding

In 2020-21 Communities, Culture and Heritage launched a new funding model to the Nova Scotia library community providing a \$2.081 million increase in annual investment from the province in our regional libraries, from \$14,400,000 to \$16,400,000 annually. Libraries also receive funding from municipalities, and the new formula identifies new funding amounts for municipalities. These new mandated amounts will come into effect in 2022-23.

Municipal funding contributions remained at current levels for 2021-22; however, municipalities can elect to implement their new funding contributions to libraries this year, as outlined in the new funding model, should they wish to do so.

This additional time is to allow for data to be collected to capture the additional operational contributions being made to library boards from municipalities.

If any of the above content is unclear or should you have any questions regarding the provided information, please do not hesitate to contact the department for clarification.

Sincerely,

A handwritten signature in black ink, appearing to read "Brendan Maguire", with a long horizontal flourish extending to the right.

Brendan Maguire
Minister of Municipal Affairs

MEMO REPORT

Date: May 5, 2021

To: Bea Renton, CAO

From: Gerry Isenor, P.Eng.
Blaine Rooney, CPA.CA

Re: Lunenburg Water Utility
Universal Water Metering Review

Background

The Town of Lunenburg is considering the installation of universal water metering for all customers of the Lunenburg Water Utility. Presently industrial, commercial and institutional (ICI) customers are metered while residential customers are not. The objective of this report is “to provide assistance to the Town in their review of the pros and cons of universal water metering.” The following is a list of tasks undertaken:

- Identify all metered customers and the size, type and age of the existing meters;
- Identify the number and type of unmetered customers;
- Estimate the usage of water by the unmetered customers;
- Review the existing metering system including meter types, manufacturer, age, testing protocol, and read and billing frequency;
- Review the existing billing system including a review of the billing software and its capability for growth and adaptability;
- Review metering and reading technologies and provide cost estimates to install universal metering and annual reading costs;
- Discuss the benefits of universal metering and recommend a metering strategy (s) for the Town;

The system currently has 194 metered ICI customers and 1153 unmetered residential customers. The existing meters in the system are due for either replacement or servicing and flow calibration. Meters generally have an expected reliable life of 20 years before they start to wear out and “under-record” consumption. Under-recording meters results in the Utility supplying water for free as customers receive water that they are not billed for. Based on discussions with staff it appears that most if not all of the existing meters are more than 20 years old. It is suggested that the manufacture be contacted about the

single 3 inch and the single 6 inch meters in the system to see if they can be overhauled and calibrated for less money than the purchase of two new meters.

Estimated Water Usage

The last rate study for the Town prepared in 2015 assumed an average consumption of 50,000 imperial gallons (IG) (227 cubic metres CM) per year for the unmetered residential users. The current average rate in the Nova Scotia for metered customers range from a low average of approximately 26,000 IG (120 CM) in Bridgewater, Mahone Bay and Bridgetown to higher average of approximately 40,000 IG (182 CM) per year in Shelburne, Yarmouth, and Kentville.

Total annual water sales to the metered ICI customers were 129,000,000 IG (586,400 CM) in recent years. The water used by the unmetered residential customers has been estimated to be 57,650,000 IG (261,731, CM) based the assumed average consumption noted above.

Water Billing

The current water billing system has been in place for some time and has proven to be effective at billing the existing metered customers. Generally, meter readings are transferred from the reading units to the billing system. The system then processes and stores the readings, calculates the bills and retains the consumption and billing history. The use of an electronic reading system will ensure that accurate meter readings are used in determining the correct billings. Preliminary discussions with staff indicate that a similar system could be used for billing all the water customers if universal metering was adopted.

While quarterly billing is the most common method for residential customers, recently several utilities are considering switching to billing bi-monthly to make it easier for customers to budget. The Mahone Bay Water Utility has been billing bi-monthly for a number of years.

The changeover to universal metering should be completed before changing the rate structure from flat rates to one based on a base rate and consumption such that customers have time to understand the implications of a user pay based billing system. It is projected that the conversion would take up to 2 years to fully complete the issuing of a tender, tender review and award, and installation before water meter readings can begin. Once all the meters are installed and operational it is necessary to read them for a year to gather the needed consumption data to prepare a water rate study.

Water Meters

Lunenburg's current meters are of Neptune manufacture. They are read using a combination of direct reads from the meter and outside registers. There are currently no meters equipped with Radio Frequency transmitters in the system. The standard Neptune T-10 meter consists of a lead free copper alloy base containing the oscillating disk positive displacement measuring element with a hermetically sealed meter readout

unit on top. The readout unit is referred to as a meter interface unit (MIU). The MIU includes a liquid crystal display (LCD) manual readout dial and a RF transmitter for remote reading. The T-10 LCD readout dial is light activated. The meters can data-log consumption on an hourly basis. The LCD and data logging functions are supplied power by a built in light sensor. The RF transmitter sends data every 14 seconds (one way communication only). The RF transmitter is battery powered with an expected battery life of 20-years.

The most common water meters used in Canada consists of a brass body, a metal frost plate bolted to the bottom (it breaks and saves the meter casing if the water in it freezes), a plastic measuring element inside and a separate meter readout device on top. The two are connected with a magnetic drive.

Although the Canadian government has considered imposing measurement standards for retail water meters, they have not yet done so. The American Water Works Association (AWWA) has developed industry standards for water meter accuracy. For example, AWWA C700-09 covers cold-water meters, displacement type with bronze main case. Maintaining meter accuracy is the responsibility of the water utility with the AWWA standards considered the benchmark for accuracy.

Water Meter Readouts

The objective of installing meters is to obtain accurate and timely individual customer meter readings indicating water consumption in a form and format suitable for calculating water bills.

Meter Readout - There are a number of levels of sophistication available for this:

- **Direct Reading** – Meters can be read directly from a dial on the top of the meter. At one time this was the only way to read meters. In Canada, winter freezing conditions require that meters be installed inside a premise. This method is no longer practical due to limited indoor meter accessibility by meter readers. It is no longer practical to count on meter readers routinely being able to carry out direct reads off residential meters. In many cases homes are unoccupied during the day. Even if someone is home, the occupant may not allow access to meter readers. This is less of an issue for ICI customers. Some form of remote reading device is essential for residential customers if regular actual meter readings are to be obtained.
- **Outside Remote** - This system involves running wires from the meter to an outside wall, drilling a hole in the wall and mounting a meter readout device (or “puck”) on the outside wall. Meter readers must attend each property in order to obtain meter readings directly from the puck.

The meter reader is equipped with portable data recorder which is battery powered. It is plugged into a stand overnight at the office where it is recharged as well as being loaded with customer data related to those scheduled to be read. In

order to get a reading the meter reader must walk up to where the puck is located on the outside wall of the premises. A touch read gun is swiped across the puck sending a signal to the meter which responds with an actual reading as well as location identifier. No batteries are required in the meter for the interrogation signal to function. The touch read gun is either connected directly to the portable data recorder or it sends a signal to the recorder by radio frequency. At days end the portable data recorder is plugged back into the stand connected to the billing computer in order to download the gathered information which includes not only the meter readings but other information such times each readings were taken (useful for monitoring meter reader efficiencies).

- **Radio Frequency (RF)** – The meter transmits readings using radio frequency technology. The transmitter can be integrated with the meter or wall mounted beside the meter. The wall mounted option opens the supply of the equipment to second party vendors. This method allows readings to be taken remotely without having to enter private property. In all cases the receiver's record transmitted meter readings and their associated location identifiers. There are three methods of gathering of the meter readings:
 - **RF Walk By** – Meter readers walk down the street gathering readings;
 - **RF Mobile Drive By** – The receiver is mounted in a vehicle which follows a route. It interrogates meters as it goes; and,
 - **RF Fixed Network** – Fixed networks can canvas meters over a wider area and receive readings on an ongoing basis. This method has the advantage of being able to receive spot readings (example final readings when a home is sold) and to monitor usage patterns (such as for leakage studies) but is more complex to install.

As the list progresses above, the methods are:

- increasingly more expensive to install;
- are cheaper to read; and,
- are more information granular (can obtain more information detail).

It is suggested that Lunenburg explore both Mobile Drive by and Fixed Network for reading the meters and adopt whatever technology is the most practical and cost effective. The generally accepted preferred approach in smaller communities and is Mobile Drive-By. It is estimated that all meters in the Utility could be read in half a day using drive by technology.

The retail water meters used by Canadian water utilities are virtually all (if not all) of American manufacture. There are six American manufactures which sell the majority of residential and commercial water meters in the US including Sensus, Neptune, Hersey, Badger, Master Meter and Elster/Kent.

The Canadian market is not so diverse. Neptune is the dominant supplier, providing meters in Canada since at least 1920. Sensus meters are also installed in many Canadian

municipalities. Meters of other manufacture are potentially available as well through distributors though their use is not widespread.

Cost of Metering

Town staff have identified the 194 existing older meters ranging in size from 5/8” to 6”. All of these meters appear to be at least 20 years old and should be replaced. As well there are currently 1,153 residential customers who do not have water meters. An estimated cost of purchasing and installing 1,347 water meters (194 replacement meters and 1,153 new residential installations) has been prepared by the Town staff based on costs from the manufacturer at \$1,200,000. The details of the cost estimate are contained in Table 1 below:

Table 1 – Estimated cost of Meters

Item	Estimated Cost
Hardware	\$21,400
Software and Fees	\$16,000
Commercial System Upgrades - Capital Cost	\$122,900
Commercial System Upgrades - Installation	\$51,700
Residential meters - Capital Cost	\$486,000
Residential Meters - Installation	\$297,000
Sub-total	\$995,000
Contingency	\$151,000
HST at 4.3% (Municipal Rate)	\$49,000
TOTAL ESTIMATED COST	\$1,195,000

Advantages and Disadvantages of Universal Metering

There are a number of advantages to water metering:

- **User Pay** – Customers will pay for what they use (the user pay principle). This is probably the best reason to install meters since it is the fairest way of recovering potable water costs. Unmetered flat rate charges result in small water users, typically seniors and customers with small families, subsidizing larger water users.
- **Reduced Use** - The introduction of water metering has proven to be effective in reducing water consumption. This does not mean that customers will have a lower level of service. Reductions typically come about through identifying plumbing leaks and repairing them, reduced wastage such as not letting taps run needlessly and more careful outdoor usage and general conservation awareness. Based on recent experience in the Town of Pictou, the consumption declined between 10 and 15 percent in the first year of billing based on metered consumption after the

installation of meters. Other communities that have moved to universal metering including Antigonish, and Amherst have experienced consumption declines over time of up to 20%.

- **Water System Management** – There are a number of areas where the majority of customers being unmetered affects system management, including:
 - The amount of distribution system leakage is unknown. This represents a cost without offsetting revenues. The need for programs to reduce distribution system leakage can only be reliably demonstrated if customers are metered. It is impossible to initiate a water loss program without universal metering.
 - Comparing metered volumes with supply volumes provides important data for water loss control..
- **Reduced Supply Cost** - Reduced usage following metering will result in lowering water treatment costs and potential extended life of equipment.
- **Reduced Sewage System Loading** – Many of the reductions in water usage, such as repairing plumbing leaks and more water efficient fixtures, also result in reduced discharges to the sanitary sewage system. This reduces sewage flows and overall system costs and well as freeing up capacity throughout the sewage system.
- **Supply Cost vs Revenue Linkage** - Once metered, with customers paying based on volume of use, there will be a better link between water supply costs and revenues, which can help to protect against year-end revenue versus supply cost divergence.
- **Affordability** – With water being metered, customers have more control over their water bill. This allows customers with limited resources to have more control over their water utility bill.
- **Careful Users Benefit** – Customers who already are careful water users as well as those who change their usage habits once metered benefit from water metering.
- **Environmental Stewardship** – With metering, customers are more likely to be more careful with water usage and to reduce water wastage.
- **Industry Recommended Practice** – The American Water Works Association recommends universal metering as the preferred method of recovering water system costs based on the user pay principle.
- **Wastewater billing opportunity**- Some municipalities also use water consumption to bill for wastewater service on the principal that water in water out provides a fairer way to bill for wastewater based on usage.

There are some issues that are considered disadvantages of metering:

- **Revenue security** – Flat rate charges represent a stable revenue source. Charges tied to metered rates are subject to fluctuation and thus instability due to seasonal,

conservation or other issues. This is partially offset by having a rate structure that includes both a base and consumption rate

- **Cost** – Metering comes at a financial cost. The meters must be paid for as installed. Larger meters need periodic calibration and maintenance and the small meters need end-of-life replacement in approximately 20 years.
- **Theft** – With metering, there can be incentives to theft that are not present if customers are charged flat rate.

Situations where disadvantages could potentially arise:

- **Public Perception** – Many customers will conclude that with metering their costs will go up. Fears of immediate cost increases to the customer can be reduced by the utility paying for the metering program and recovering the cost over a period of time. Over the long term, there will be supply and treatment savings which help offset the metering costs. In addition, customers have control over their water bill through careful usage, if cost is an issue.
- **Metering Implementation** – A professional meter installation program, including a series of steps from initial customer contact to installation, is essential in a successful program. A call centre for customers to contact with questions and appointment management is advantageous.
- **Metered Billing Implementation** – Customer service staff must be well trained to respond to initial questions so that customers have their legitimate concerns answered and there is no groundswell of negative reaction to the program. The fact that the Town operates an electric utility means that staff already have this skill set.
- **Potential for Decreasing Revenue** – Water consumption volumes that are used to formulate user rates following metering must be carefully and conservatively estimated and monitored. Overoptimistic water usage projections could result in revenue deficiencies, which then necessitate further rate increases to offset the revenue shortfalls (“revenue death spiral”). It is suggested that after initial installation the water meters be read for one year before they are used for billing purposes. This will allow customers to get accustomed to the metering program and will provide the Town with valuable usage information such that the initial water rates can be set more accurately.

Generally the installation is best handled by contractors. The majority of municipalities that have transitioned from unmetered to fully metered have used contractors mostly supplied by the successful supplier. If the decision to proceed with universal metering is made it should start with the requirement that all new construction be metered. Details of the residential customer’s installation will depend on the meter installation locations available.

Customer Service

Customer Service calls are currently handled by existing Town staff. There may be a significant increase in customer service calls immediately following the transition to full metering is implemented. At that time additional staff will have to be available to handle the expected volume of calls. A comprehensive communications plan must be integral to the implementation of universal metering. Customers need to be kept informed on what changes will be made, when and how it will affect them.

Customer service staff will need to be fully briefed on customer questions that may arise as a result of the metering program including questions that occur during the transition and once the new metered consumption based bills are issued. In the case of the metering program, the metering contractor should have a demonstrated effective installation program which emphasizes customer service at all phases. This is vital for a successful installation program and will greatly reduce the involvement of Utility customer service staff. Prior to billing based on newly installed meter readings, the billing system should be thoroughly tested so that the new bills are accurate. Once the new bills go out being able to answer questions about the new bills accurately and at the time of the inquiry is essential for a successful roll-out since problems have a way of escalating if not dealt with in a customer-effective manner.

A policy will have to be developed on how to handle large abnormal consumption situations such as leaky toilets to address customer concerns and the establishment of a policy on payment of the resulting bill. This could include providing dye tablets to customers for use in determine wastage, suggestions on how to determine whether there is overnight consumption by reading the meter after the last use at night and before the first use in the morning or monitoring consumption on a daily basis.

Findings

The following findings have been prepared based on the water metering study:

- Lunenburg undertake a program to universally meter all water customers:
 - Universal metering is recommended by both AWWA;
 - Universal metering supports the user pay principal;
 - Universal metering in the best way to differentiate between large users and small users regardless of meter size;
 - Universal metering is essential to accurately determine control non-revenue water;
 - Universal metering gives Customers the opportunity to influence their water bills; and,
 - Universal metering provides for improved Environmental Stewardship by reducing water consumption and sewage generation.
- It is estimated that Lunenburg will have to install 1,153 new meters and replace up to 194 existing meters as part of this program;

- The current technology, radio frequency drive-by remote read, is a good option for universal metering (costing has been estimated based on drive-by remote read);
- It is suggested that the standard meter adopted utilize a brass casing which meets minimal lead content standards (or preferably no lead), have a frost plate and be of positive displacement design;
- The capital cost to install universal metering is estimated to be \$1,200,000
 - Lunenburg should identify and utilize any outside funding support available
- It is estimated all meters in the Utility can be read in one half day with drive by RF technology;
- It is estimated that conversion to universal metering will take up to 3 years before meter based billing can be fully implemented;
- Contracting out the installation of the required meters is a good option providing the contractor has proven customer service capabilities;
- All large private systems including the mini-home parks and the shopping malls should be metered at the property line;
- New construction should be metered before connection to the system;
- The transition from unmetered to metered needs a comprehensive public communications plan before initiation;
- Lunenburg will need to have a comprehensive training program for staff to ensure they can address customer issues related to universal metering;
- Rates for metered water sales will need to be set by the UARB after the meters have been installed and read for at least 12 months.

TOWN OF LUNENBURG

UNIVERSAL WATER METERING REVIEW 11 MAY 2021 PRESENTATION



1

BACKGROUND



Commercial:

- Water meters installed on commercial water customers.
- Meter readings are obtained quarterly in-person except for 3 large users
- Meter reading and maintenance is tedious and labor-intensive and not value-added activities for the Water Resource Operators.

Residential:

- There are no meters installed at residential water customers.
- Residents are billed a flat rate based on estimated average usage

2

METER REVIEW



- Identify number of metered and unmetered customers
- Estimate usage with and without meters
- Review existing meters (type, manufacture, age)
- Review billing system for capability for growth and adaptability
- Review metering technologies
- Estimate cost of preferred technology
- Discuss benefits of Universal Metering

3

EXISTING METER SYSTEM



- 194 commercial meters in service
- Majority of commercial meters have exceeded their 20 year useful life
- 1,153 residential customers are unmetered and billed on a flat rate regardless of water usage.

4

ESTIMATED WATER USAGE



- Unmetered customers are estimated to use 50,000 imp. gallons (227 cubic metres) per year
- Low range of average consumption in metered systems in Bridgewater, Mahone Bay, and Bridgetown is 26,000 imp. gallons (118 cubic metres) per year
- High range of average consumption in metered systems in Shelburne, Yarmouth, and Kentville is 40,000 imp. gallons (182 cubic metres) per year

5

WATER BILLING SYSTEM



- Current billing system has proven to be effective for metered customers and should be able to accommodate universal metering
- Commercial customers are billed quarterly except 3 large users
- Residential customers are billed quarterly
- Some Utilities are switching to Bi-monthly billing for residential customers to make it easier for customers to budget

6

WATER METER OPTIONS



- Two major meter suppliers in Canada – Neptune and Sensus
- Utility currently uses Neptune meters as well as most Utilities in NS
- Both companies offer a positive displacement measuring element with digital read in a brass housing
- Sensus meters also offers an electronic measuring meter in a plastic housing
- Both meters meet the AWWA standard for water meter accuracy

7

METER READOUT OPTIONS



- Direct Read – meter reader must access the meter to read and record reading manually
- Outside Remote Read – meter reader must access a remote read devise outside the building and record reading electronically
- Radio Frequency Read – Can read meters by walk by, drive by or fixed network
- As List progresses systems are more expensive to install and cheaper to read

8

LUNENBURG WATER UTILITY

- Suggest Lunenburg install either drive by read or fixed network
- Drive by would involve the reader to drive on each street
- Read all meters in the system in half a day
- Meter readings are then downloaded to the billing software to have bills prepared

9

PROPOSED SCOPE OF WORK

1. Purchase Upgraded system hardware and software
2. Upgrade of Existing Commercial Water Meters:

Meter Size	Quantity
5/8"	104
3/4"	26
1"	34
1 1/2"	21
2"	7
3"	1
6"	1

10

PROPOSED SCOPE OF WORK (CON'T)



3. Installation of Residential Water Meters

Meter Size	Quantity
5/8"	1153

11

ESTIMATED COST OF UNIVERSAL METERING



Item	Estimated Cost
Hardware	\$21,400
Software and Fees	\$16,000
Commercial System Upgrades - Capital Cost	\$122,900
Commercial System Upgrades - Installation	\$51,700
Residential meters - Capital Cost	\$486,000
Residential Meters - Installation	\$297,000
Sub-total	\$995,000
Contingency	\$151,000
HST at 4.3% (Municipal Rate)	\$49,000
TOTAL ESTIMATED COST	\$1,195,000

12

ADVANTAGES OF UNIVERSAL METERING



- User Pay – large consumers pay more – small users pay less
- Reduced Usage – reduced consumption of up to over 20% over time
- Water System Management – improved leak detection
- Lower Supply Cost
- Reduced Sewage Loadings
- Link between Supply Cost and Revenue
- Affordability – customers have more control over bills
- Careful User Benefit

13

ADVANTAGES OF UNIVERSAL METERING (CONT'D)



- Environmental Stewardship
- Industry Recommended Practice
- Opportunity to bill for Wastewater in future based on water usage

14

DISADVANTAGES OF METERING



- Revenue Security – revenue based on water sold vs. flat rate
- Cost – meters come at a financial cost
- Theft – Metering can be an incentive to theft
- Public Perception – fear of increased costs
- Metering Implementation – Suggest a professional meter installation program
- Potential for Decreasing Revenue due to reduced consumption
- Meter Billing Implementation – bills vary depending on usage
- Increased Customer Service Calls – generally short term

15

FINDINGS



- Utility undertake a program to meter all customers
- Utility will need to install 1,153 new meters and replace up to 194 existing commercial meters
- Use Radio Frequency Drive-By or Fixed Network to read meters
- Use brass body positive displacement meters
- Capital cost estimated to be \$1,200,000
- Estimate all meters can be read in one half day
- Contract out installation program to a company with a proven track record (suppliers generally offer this service)

16

FINDINGS (CONT'D)



- Any large private systems such as mini home parks or strip malls should be metered at the property line
- Utility needs to ensure staff training to address customer inquiries after meters are activated
- Develop and Implement comprehensive communication plan so residents are aware of the change
- Suggest read meters for 12 months prior to undertaking a rate study based on metered usage

17

SUGGESTED MOTION



- “ The Town of Lunenburg Water Utility implement a universal water metering program with the first step being the preparation of a water rate study based on the existing rate structure including the metering program.”

18



**TOWN OF LUNENBURG PROCEDURAL POLICY #94
PROVINCIAL VOLUNTEER RECOGNITION AND
REPRESENTATIVE VOLUNTEER SELECTION PROCESS**

PURPOSE

1. Enactment of the Policy is intended to demonstrate gratitude and appreciation for the people who help others and contribute to an improved quality of life for all, by giving freely of their time and talent as volunteers. This Policy sets out the roles and responsibilities for the Town of Lunenburg (Town) Staff and Town Council (Council) for soliciting nominations of volunteers to be specially recognized and for hosting a reception in honour of volunteers. This Policy also lays out the process for selection of the Town's Representative Volunteer at the Provincial Awards ceremony. This policy will set the process for nomination and the criteria to be used for the selection of the Town's representative.

PROCEDURE

2. The following procedure will be used for the selection process:

- a. January:

- 1) Staff will post an advertisement to request volunteer nominees.

Advertisements will include the Town's website, Facebook page, Winter Recreation Guide, and directly to organizations within Lunenburg. A deadline will be set corresponding with the provincial nomination deadline.

- 2) A person making the nomination must fill out the attached Town of Lunenburg Volunteer Recognition Nomination Form. The Form may be updated by Town staff as required from time to time. All those nominated will be recognized at a civic reception held in April.
- 3) The Province of Nova Scotia annually provides a Representative Volunteer Award for each municipal unit. Note: A Provincial Community Representative Volunteer may be an individual (adult or youth), a group of volunteers, or a partner/couple volunteering together.

In addition, the Province offers one Youth Volunteer Award and one Family Volunteer Award each year, selected by an appointed committee from all nominations received. Nominations of worthy Lunenburg candidates for these awards are also encouraged. This process is dictated by the Province and not covered in this policy.

- b. February:

- ~~1) The Recreation Committee will choose a Representative Volunteer from the submitted nominees at the first Committee meeting of the~~

~~month. (Note: Province's deadline to submit a nomination is typically third or fourth week of February.)~~

- 1) The Province's deadline to submit a nomination is typically the third or fourth week of February.
- 2) The Representative Volunteer will be chosen from the submitted nominees. The Recreation Director and two additional Town staff will score the volunteer nominees using the selection criteria. The selected nominee will be recommended to Council for approval at the first meeting in February.

The criteria used to help guide the selection of the Town's Representative Volunteer Recipient shall be as follows with the applicable weighting as indicated:

- ~~a.~~• Years of service = 15%
- ~~b.~~• Number and diversity of organizations served = 10%
- ~~c.~~• Leadership & Commitment demonstrated = 25%
- ~~e.~~• Ability to inspire, motivate, achieve results, create change = 25%
- ~~f.~~• Exceptional qualities noted? = 25%

An accumulated list of nominated volunteers from previous years will be made available for reference during the process. The names of all those nominated each year will be recorded.

~~The list of Representative Volunteers from previous years will be shared with Committee members to help in making the selection. The names of all those nominated each year will be recorded and also be made available for reference in this process.~~

- 3) Recreation Director will notify the chosen recipient and collect additional information (if required). Recreation Director to submit Town's nominee to the province.

~~Recreation Director to submit Town's nominee to the province.~~

- ~~2)~~ 4) Recreation Director to order tickets to the Provincial Volunteer Awards Ceremony for the Mayor and Recreation Director.
- ~~3)~~ 5) Recreation Director to organize a civic reception to demonstrate appreciation of all volunteers and to formally recognize all those nominated.

c. April:

- 1) Mayor, Recreation Director and Town Volunteer Representative(s) to attend the Provincial Volunteer Awards Ceremony in Halifax.

- 2) Town to host a civic reception for the Town of Lunenburg during (or close to) National Volunteer Week. All organizations are invited to send representatives to this function.

Staff to have the Town Volunteer Award plaque engraved with the Provincial Volunteer Award Winner's name(s).

Encl. (1) Volunteer Nomination Form

Clerk's Annotation For Official Policy Book

Date of Notice to Council Members of Intent to Consider
(7 days minimum): February 26, 2019

Date of Passage of Current Policy: August 27, 2019

I certify that this Policy was adopted by Council as indicated above.

Municipal Clerk

Date



Nomination Deadline:
Contact the Recreation
Department

TOWN OF LUNENBURG

Volunteer Recognition Nomination Form

Each year the Town of Lunenburg, the Mayor and Council recognize the extraordinary contributions of volunteers who give of their time and skills to provide services and programs in our community.

The Town invites and encourages nominations of volunteers to be recognized at our annual Civic Volunteer Appreciation Reception.

In addition a Representative Volunteer is selected annually to be recognized at the Provincial Volunteer Awards ceremony. The Representative Volunteer may be an individual (adult or youth), a group of volunteers, or a partner/couple volunteering together.

Important Information:

- Choosing a Representative Volunteer from all the worthy and valued potential candidates is a challenge. To help us with this process please ensure that all areas of the nomination form are completed. Nominations that are unclear, inaccurate, late or do not comply with the below criteria will impact your volunteer nominee's score.
- The Town's Representative Volunteer must be a resident or residents of the Town of Lunenburg. (*Please note:* Residents who live outside of the Town are eligible for provincial recognition through their own municipality.)
- While we understand some nominators like to surprise a volunteer with this recognition of their service, we highly recommend connecting with the volunteer prior to submitting this form to get a full picture of their volunteer experience.
- From those nominated, a representative volunteer will be selected and recognized at the Provincial Volunteer Awards ceremony to be held in Halifax in early April.
- The Town will hold a Volunteer Appreciation Reception in April to demonstrate gratitude for all volunteers and where all those nominated will be specially recognized.

Nominees will be scored for the Provincial Volunteer Awards using the following criteria:

- 15% – Years of service
- 10% – Number and diversity of organizations served
- 25% – Contributions: Leadership & Commitment
- 25% – Impact on Community/Organization (Ability to inspire, motivate, achieve results, create change, improve community, change lives, etc.)
- 25% – What makes this volunteer exceptional?

Nominator's Information

Nominator's Name: _____
Address: _____
Nominator's Phone: (h) _____ (work or cell) _____
Email Address: _____

Volunteer Nominee's Information

Volunteer's Name: _____
Address: _____
Volunteer Nominee's
Phone: (h) _____ (work or cell) _____
Email Address: _____

Nomination forms can be mailed, faxed, dropped off or emailed to:

Kelly Cunningham, Recreation Director
Town of Lunenburg
119 Cumberland Street, PO Box 129
Lunenburg, NS, B0J 2C0

P: 902-634-4006
F: 902-634-4416
E: kcunningham@explorelunenburg.ca

On behalf of the Town of Lunenburg, we would like to thank you in advance for taking the time to nominate a deserving volunteer from your community.

The personal information collected on this form will only be used for purposes relating to the Volunteer Award's nomination, selection and announcement process or as otherwise consented to herein. If you have any questions about the collection and use of this information, please contact the Recreation Director as above.

Volunteer’s Role & Organization Information

Example:

Organization: ABC Community Soccer Program

Purpose of Organization: To help and facility a soccer program in our community for youth and children.

Role(s): Coach of the U12 summer soccer team

of Years Volunteering With Organization: 10 years

Organization:

Purpose of Organization:

Nominee’s Role(s):

of Years Volunteering with Organization:

Do you know of any other volunteer roles your nominee holds currently or has held previously? Please provide as much information below as possible:

Organization:

Purpose of Organization:

Role(s):

of Years Volunteering with Organization:

Organization:

Purpose of Organization:

Role(s):

of Years Volunteering with Organization:

Organization:

Purpose of Organization:

Role(s):

of Years Volunteering with Organization:

1. Volunteer's Contributions

A. *Why are you nominating this person?*

B. *Are there other characteristics of this volunteer that makes them exceptional?*

2. Brief Summary to be read at the Ceremony: Provide 1-2 sentences that outline the nominee's volunteer involvement, which can be read during the ceremony and used in the event program.

Example: *Elizabeth has been a cornerstone at events for ABC Support Society. She keeps the onsite registration running smoothly, oversees volunteers and takes care of everyone. She has contributed well over 200 hours volunteering at this organization as well as with XYZ Children's Centre and her Church. Her selfless hours of dedication make the jobs of others easier. She is an individual who honours the true essence of volunteerism.*

Lunenburg Plan Housing Society

Where we started

Our objectives:

- To explore accessible and innovative housing options, as well as address needs for appropriate services
- To encourage the creation and stimulation of diverse, engaged, and supportive neighbourhoods
- To champion creative, artful planning and building that will result in sustainable, adaptive, eco-friendly housing
- To look to models of housing which provide right-fit solutions for individuals to ensure all aspects of well-being

What we know about our Core Group

We will not be developers but are willing to be involved in seeking out developers

We have the skills to investigate , research, or explore possibilities

Like the general population we have varying interests in community developme

What we've done so far

Property we toured

Homeport
4 Corners
Blockhouse Hill

Places we looked at

The Maples, Antigonish
Camro, Berwick
Chandler's Cove , Chester
Kwyet Waters, north of Chester
Studied pocket neighbourhood concept

What we learned about

ICF building technology
Optional possible wastewater technology (ABLE)
Energy options such as solar, heat pumps, etc

We recognize that Lunenburg has:

- A broad spectrum of households including many singles and active seniors
- a shortage of housing options for those coming to town, alone or with their families, to study, to teach, to perform, to work at such places as Eurocentre, Lunenburg Academy of Music Performance, and Harbourview, or for those coming to work on projects or contracts
- More potential land development sites to investigate
- a well educated population that values both heritage homes and contemporary, good design



Who we talked with

Local developers

Erica Brooks and Project Lunenburg and participated in all Project Lunenburg consultations

Dawn Sutherland

Eurocentre Language School

LAMP

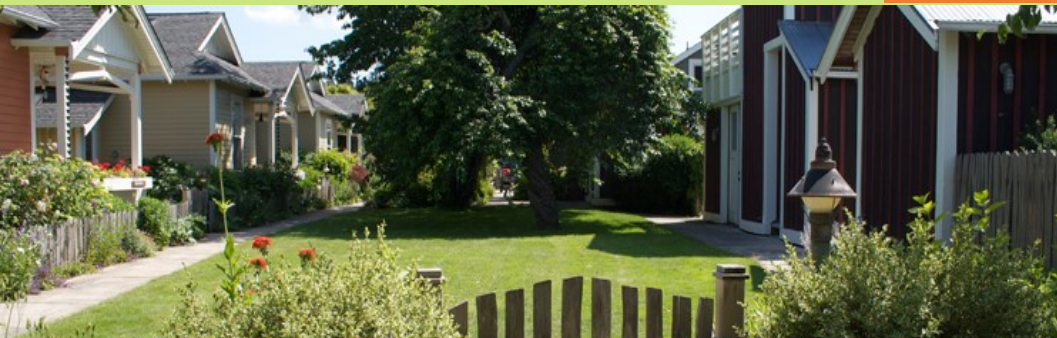
What we see as priorities for a new neighbourhood



- Green space to integrate nature (open green areas, gardens, pathways, trees, and outdoor relaxation and social spaces)
 - Individually owned units, cost range of \$250K-\$450K
 - Accessibility elements such as single story, accessible design throughout, open concept living, dining, kitchen, extra lighting, etc.
 - Long lasting/low maintenance materials, efficient heating/cooling
 - Private outdoor spaces ie deck, balcony, courtyard, porch
- Variety of housing types, depending on lot size and cost: single-story standalone, side by side duplex and townhouses, apartment-style multi-unit, rental units including affordable housing
 - Potential for live/work homes
 - Walking distance to services preferred; and/or available community transit to services
 - LEED compliant, with innovative eco elements
 - Innovative aesthetic: Contemporary exterior/interior design preferred
 - All owned units, all rented units, or some combination of owned *and* rented units
 - Some shared community amenities such as meeting room, library, workshop, kitchen
 - Parking lot; parking behind each unit; covered parking (if no garage) for groups of units



What model we would like to see in Lunenburg



- Partnership model compliant with the Comprehensive Community Plan
- Mixed housing
- Strong design aesthetic that introduces complementary architecture to the heritage inventory

A pocket neighbourhood

Lunenburg Plan ^B Housing Society

Presentation to Lunenburg Town Council

April 27 2021

Where we started

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- To explore accessible and innovative housing options, as well as address needs for appropriate services
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- More potential land development sites to investigate
- a well educated population that values both heritage homes and contemporary, good design
- a shortage of affordable and available housing for all ages

What we know about our Core Group

- We will not be developers but are willing to be involved in seeking out developers
- We have the skills to investigate , research, or explore possibilities
- Like the general population we have varying interests in community development

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Blockhouse Hill

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Kwyet Waters, north of Chester
Studied pocket neighbourhood
concept
<https://www.pocket-neighborhoods.net/>


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ICF building technology
Optional possible wastewater technology
(ABLE)
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etc



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What model we would like to see in Lunenburg

Partnership model compliant with the Comprehensive Community Plan

Mixed housing

Strong design aesthetic that introduces complementary architecture to the heritage inventory

A pocket neighbourhood

Our rapidly
shifting
housing reality

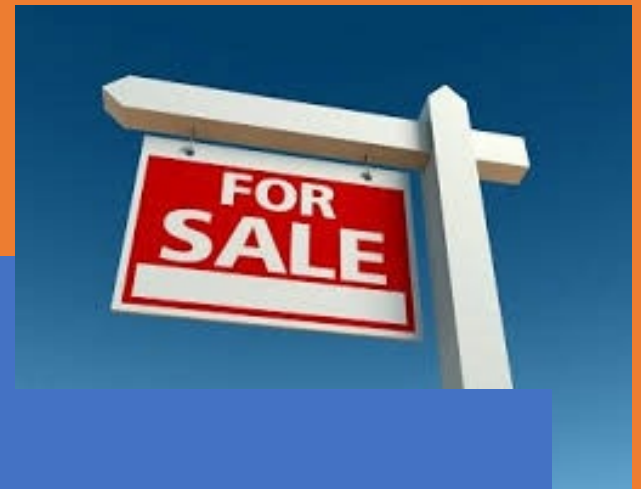
Statistics that relate to local Housing Sales

As of Saturday, April 24th;

- there were 5 single family homes for sale in the Town of Lunenburg
- The average of all the asking prices of those 5 homes is \$567,760. The median (middle) price would be \$416,300.

According to the Nova Scotia Association of Realtors (NSAR):

- In the Town of Lunenburg from March 2020 to March 2021 there have been 41 homes sold + 5 more that have had all their conditions met and are expected to close. These sales indicate approximately a 60% increase over the year prior.
- The monthly supply of homes for sale in the Town of Lunenburg from 2018-2021 is down 66.7%.



In all of Lunenburg County the following is recorded:

	<u>2020</u>	<u>2021</u>	<u>%Change</u>
New Listings	68	91	+33.8%
Closed Sales	48	87	+81.3%
Days on Market to Sell	107	51	- 52.3%
Median Sales Price	\$173,700	\$377,992	+90.0%
Inventory of Homes for Sale	308	106	-65.6%

What We Propose

Since Housing in the Town of Lunenburg may be receiving a higher priority under the CCP:

- Plan B can offer support to address and specifically focus on housing development within our town limits.
- We recommend the formation of and participation in a Housing Task Force or other committee directed to improve those goals under the CCP.

That Task Force will work on Lunenburg housing development with Council's visions for development, the guidance of Project Lunenburg, and using the work Plan B has done to date.

Plan B can help by:

Supporting

Contributing

Facilitating



SCHEDULE E

TOWN	Project	Budget Cost	Funding	Source
Buildings & Structures				
01-2-82-2314	Annex Roof	\$26,000	\$26,000	Deed Transfer Taxes \$21,000 & \$5,000 NSCC
	Town Hall			
	Tender Package Town Hall Exterior Restoration	\$50,000	\$50,000	Deed Transfer Taxes
	Security System Upgrade	\$10,000	\$10,000	Deed Transfer Taxes
	Retaining Wall	\$10,000	\$10,000	Deed Transfer Taxes
	Lunenburg Academy			
	South Side Handrail	\$15,000	\$15,000	Will only proceed if 100% funding support is rec'd from Lun. Academy Foundation
	Foundation/Drain Tile Inspection & Tender documents	\$40,000	\$40,000	Will only proceed if 100% funding support is rec'd from Lun. Academy Foundation
	Environmental Development			
	Blockhouse Hill	\$40,000	\$40,000	General Capital Reserves
Equipment				
Public Works Infrastructure				
Wastewater				
	Bluenose Drive - Sewer Line	\$15,000	\$15,000	Sewer Reserves
	Catch Basin Repair - West Nova Parking Lot	\$20,000	\$20,000	Deed Transfer Taxes
	CSK-05, Green St., Knickle Rd., Tannery Rd. (Storm Diversion)	\$60,000	\$60,000	Gas Tax
	New Sewer Main on Archibald Street (pre-approved by Council)	\$50,000	\$50,000	Deed Transfer Taxes
	Upgrade Communication Systems to Pumping Stations	\$40,000	\$40,000	Gas Tax
	Waste Water -Voltage Reading Monitor at Pumping Station	\$7,000	\$7,000	Sewer Reserves
	Lift Stations Capital Pump spares - pre-approved	\$45,000	\$45,000	Gas Tax
	Salt Water Intrusion - Check Valve Installation	\$105,000	\$105,000	Deed Transfer Taxes
	Lift Station Pressure Gauges	\$20,000	\$20,000	Gas Tax
	Blower Replacements at WWTP (3)	\$280,000	\$280,000	Capital Borrowing \$270K, Deed Transfer Taxes \$10K
	Lift Station Overflow Meter	\$10,000	\$10,000	Gas Tax
	Chemical feed pumps (2)	\$40,000	\$40,000	Gas Tax
	WWTP - Compressor Overhaul	\$5,000	\$5,000	General Capital Reserves
	WWTP - Roof Top Air Conditioner	\$15,000	\$15,000	Deed Transfer Taxes
New Sidewalks/Curbing				
01-2-82-3126	Tannery Road-Knickle to 97 Tannery Road (East)	\$55,000	\$55,000	Deed Transfer Tax
PW Equipment				
	Replacement for Chev 02 Salt Truck	\$175,000	\$175,000	Capital Borrowing
	Replacement for 2002 F150 1/2 ton	\$35,000	\$35,000	General Capital Reserves
	Replacement for Cemetery Backhoe	\$55,000	\$55,000	Cemetery PC Borrowing
	Trackless Plow blade (90)	\$10,000	\$10,000	PW Equipment Reserve
	Salt Spreader Trackless (90)	\$10,000	\$10,000	PW Equipment Reserve
	Power Concrete Screed	\$3,200	\$3,200	PW Equipment Reserve
	Rods for the Rod Turning Machine (89)	\$3,000	\$3,000	PW Equipment Reserve
	Concrete Forms	\$5,000	\$5,000	PW Equipment Reserve
	Speed Radar Sign #2	\$3,500	\$3,500	PW Equipment Reserve
Fire Department				
	Turnout Gear Dryer	\$9,700	\$9,700	Fire Dept. - 100% Funding
	Concrete Apron Replacement (area in front of bay doors at Fire Hall)	\$55,000	\$55,000	Deed Transfer Taxes
Community Centre/Arena				
	Arena Bathroom Renovations (plan/tender)	\$10,000	\$10,000	Deed Transfer Taxes
	Skate Park - funding application	\$60,000	\$60,000	Grant \$20K and Recreation Reserve \$40K
	Floor Scrubber (pre-approved Apr.27/21)	\$7,500	\$7,500	General Capital Reserves
		\$1,399,900	\$1,399,900	
Town Capital Funding Summary 2021/22			Total	
	Operating Revenue		\$0	
	Gas Tax		\$215,000	
	Deed Transfer Tax		\$411,000	
	Public Works Equipment Reserve		\$34,700	
	Sewer Reserves		\$22,000	
	Recreation Reserve		\$40,000	
	Town General Capital Reserves		\$87,500	
	Water Dividend		\$0	
	Fire District & Department		\$9,700	
	Grants & Donations Estimate		\$80,000	
	PC Borrowing		\$55,000	
	Borrowing Estimate		\$445,000	
			\$1,399,900	

Schedule BZ1

THIS LEASE made the _____ day of _____, 2021, effective as of the 1st day of September, 2020.

BETWEEN:

THE TOWN OF LUNENBURG, a municipal body corporate;

(hereinafter called the "LANDLORD" or the "TOWN")

OF THE FIRST PART

-and-

CHRISTA HEYNE of Garden Lots, in the County of Lunenburg and Province of Nova Scotia, and **KAREN MILLS CREWS**, of Riverport, in the County of Lunenburg and Province of Nova Scotia;

(hereinafter called the "TENANT")

OF THE SECOND PART

WHEREAS by Section 50(5)(c) of the *Municipal Government Act* it is enacted that the Town may lease real property at market value;

AND WHEREAS the rental price hereinafter mentioned is considered by the Town Council in the Town of Lunenburg to be at market value.

WITNESSETH that in consideration of the rents, covenants, agreements, obligations, provisions and conditions hereinafter specified, the parties agree as follows:

1. The Landlord hereby demises and leases unto the Tenant the premises located on the second floor of 40 Duke Street, in the Town of Lunenburg, in the County of Lunenburg and Province of Nova Scotia, currently used as a fitness center (and the stairwell leading thereto) on an as is basis and more particularly outlined in pink on Schedule "A" attached hereto (hereinafter called the "demised premises"), together with all improvements thereon and the rights, privileges and appurtenances thereto belonging, subject to the terms herein contained and subject to the following proviso:
Provided nevertheless that the Town and any NSCAD Studio Tenants of the Town or persons at the NSCAD Studio in the said building, may use the access door entering the stairwell, and go out the exterior door to the Premises, but only in the event of fire or other emergency.

2. **TERM**

- A. To have and to hold the said premises and appurtenances thereto unto the Tenant from the 1st day of September, 2020 to and including the 31st day of August, 2021, at which time this Lease shall be fully ended and complete (subject to the provisions of clause 2.B. and clause 2.C. hereof).
- B. Provided nevertheless that this Lease or any renewal thereof may be terminated at any time during this Lease or any renewal thereof by either party upon giving ninety days written notice to the other (notwithstanding that at the end of the said period of notice a term of the Lease has not expired).
- C. The parties may mutually agree in writing to renew this lease for one 6 month renewal term on the same terms and conditions as provided herein, [subject to annual Consumer Price Index increases in rent, and such other changes as are required of the context (including, without limiting the generality of the foregoing, references to calendar years and dates)]. The CAO of the Town may negotiate and execute documents on behalf of the Town for the purposes of this clause. It is understood that the renewal mutually agreed to, might be with Christa Heyne alone.

3. **RENTAL**

YIELDING AND PAYING therefor in advance the sum of \$10,095.00 payable at the rate of \$841.25 on the 1st day of September, 2020 and on the 1st day of each month thereafter to and including the 1st day of August, 2021, plus Harmonized Sales Tax, (subject to the provisions of clause 2.B. hereof and clause 2.C. hereof).

4. **UTILITIES AND SERVICES**

The Landlord covenants and agrees to supply water, electricity, heating oil and sewage disposal service at its cost and shall be responsible for repairing and replacing the system or systems necessary for supplying those utilities and services to the premises.

- A. The Tenant shall have the right to reasonably control the heat in the premises but will ensure energy conservation and guard against undue waste of fuel oil for heating.
- B. The Tenant shall be entitled to install window air conditioning units, although the Landlord shall not be obliged to repair or pay any costs in relation to the said air conditioning.
In particular, the Tenant acknowledges that he has received permission to make the following alterations to the demised premises:
 - i) maintain three ceiling fans in the large room
 - ii) more electrical outlets installed in the stage area
 - iii) paint the interior of the space

- iv) maintain air conditioning units in the windows
- C. The Tenant will ensure energy conservation and guard against undue waste of power for electricity. The Tenant shall remove or agrees not to operate any tanning beds.
- D. In no event shall the Landlord be liable for any injury to the Tenant, its employees, agents or invitees or guests or to the premises or to any property of the Tenant or anyone else or for any loss of profits or business interruption, direct or consequential damages, or for any other costs, losses or damages of whatsoever kind caused by or arising from any interruption or failure in the supply of any utilities or services to the premises.
- E. The Tenant covenants that he will pay all rates and charges for telephone service and/or telecommunication services and any other utilities that the Tenant may have specifically connected, such as internet, cable TV, telephone and any other services consumed by the Tenant on the demised premises.
- F. Notwithstanding any other provision of this Lease, if the plate glass in the windows or doors of the demised premises is broken, (unless such breakage shall have been caused by the Landlord, its servants or agents or any person who trespasses on the property) the Tenant shall at its own expense replace the same at the earliest possible date.

5. **CONDITION**

- A. The Tenant shall not allow any ashes, refuse, garbage, paper or other loose or objectionable material to accumulate in the said demised premises and will at all times keep said premises in a clean and wholesome condition. The Tenant further covenants that the Tenant will not upon the termination of the said term leave upon the said demised premises any rubbish or waste material and will leave the said premises in a clean and tidy condition.
- B. The Tenant covenants that the Tenant will keep any steps and entrances leading to or in the demised premises free and clear of ice, snow, obstructions and debris and will keep the same in a clean and wholesome condition during all times when the business is open.

6. **TAXES** (including HST)

The Tenant shall pay all taxes personal to the Tenant on or with respect to the business or operations on the property, and taxes which may be levied upon the Tenant's fixtures and equipment, including Goods and Services Tax imposed pursuant to the Excise Tax Act (Canada) on the rents and additional rents herein, if applicable, or any like or similar tax, including the Harmonized Sales Tax. The Tenant shall indemnify and reimburse the

Landlord on demand for any such tax, which may be assessed to or payable by or paid by the Landlord.

The payment of such taxes by the Tenant is part of the rental payable hereunder in addition to any other monies payable to the Landlord. In the event of the Tenant failing or neglecting to pay any of the said taxes for a period in excess of sixty days, the Landlord may, at its sole discretion, terminate this Lease without prior notice.

7. **NOT RESIDENTIAL**

It is specifically agreed that the premises leased herein are not a residential premise and that the Residential Tenancies Act R.S.N.S. 1989, c. 401 as amended, shall have no application to the premises leased herein.

8. **CONSENT REQUIRED**

The Tenant shall not assign, sublet, transfer, set over, mortgage, charge or part with or share possession of all or any part of the Premises or of this Lease (any of the foregoing being a "Transfer") without the Landlord's written approval, at its sole and absolute discretion (and which may be arbitrarily refused).

9. **PURPOSE**

The Tenant will use the premises for the purposes of a fitness and wellness center and for no other purpose. For greater certainty, the authorized uses include a fitness center and the use of an office for nutrition consultation. Only small scale retail use by the Tenant related to clients of the fitness and wellness center shall be permitted. The Tenant further covenants that in its use of the demised premises for its intents and purpose that noise and vibration levels will not exceed a reasonable level as would be customary for the intended use.

The Tenant further covenants and acknowledges that should the Landlord notify the Tenant in writing that the noise and vibration is of such a level as to disrupt the Landlord's other tenants, or there has been damage to the Landlord's property or interference with the operation of the Landlord's other properties, the Tenant shall forthwith take such reasonable steps as to attempt to reduce that noise and vibrations so as to satisfy the Landlord's concern identified in the notice.

10. **ENVIRONMENTAL**

The Tenant shall not cause or allow any hazardous or toxic waste or substances to be used, generated, stored or disposed of on, under or about, or transported to or from, the premises. The Tenant covenants and agrees that it shall, at its sole cost and expense, observe and otherwise comply with all environmental laws, including those of any federal, provincial and municipal government or other body relating to pollution or the protection of human health or the environment dealing with filings, registrations,

emissions, discharges, releases or threatened releases of hazardous substances or materials containing hazardous substances, and hazardous substances shall include, but not be restricted to, any substance capable of posing a risk or damage to health, safety, property or the environment, and any substance from material now or hereafter declared, defined, or deemed to be regulated or controlled under any environmental law. In the event that the Landlord determines that the Tenant is in breach of its obligations in this article, the Landlord may without limiting any other rights or remedies, provide the Tenant with notice of breach and the Tenant shall commence to rectify such breach at the Tenant's sole cost and expense, and shall complete such rectification as soon as reasonably possible. If the Tenant creates or brings to the premises any hazardous substance, it shall be and remain the sole and exclusive property of the Tenant and shall not become the property of the Landlord, notwithstanding a degree of affixation to the premises; and notwithstanding the expiry of the lease, the Tenant agrees to indemnify and save harmless the Landlord, its successors and assigns from and against any and all liabilities, claims, damages, interest, penalties, fines, monetary sanctions, losses, costs and expenses (including without limitation reasonable costs of professional advisors, consultants and experts and costs of remediation and clean-up) arising in any manner whatsoever out of any breach by the Tenant of this article, or any non-compliance by the Tenant of any environmental laws. This obligation shall survive the expiration or earlier termination of this lease.

PROVIDED nevertheless that it is understood that the Tenant will be using certain substances which are ordinarily used in an office environment including without limiting the foregoing photocopy toner, and some cleaning products in common use in their work place - The Tenant will store, keep and use any such substances in strict compliance with all environmental laws and occupational health and safety laws and shall otherwise be bound by Clause 10 with respect to such substances.

11. **ADDITIONAL CLAUSE REGARDING ENVIRONMENTAL MATTERS AND AIR QUALITY**

In consideration of the sum of \$5.00 paid by the Landlord to the Tenant, receipt whereof is hereby conclusively acknowledged:

A. No Representation or Warranty

- i) The Landlord makes no warranty, representation or covenant with the Tenant that the Landlord is maintaining and at all times has maintained the premises or building or property at 40 Duke Street, Lunenburg, N.S. (collectively referred to as the "Property") in accordance with and in compliance with all applicable requirements of federal, provincial, municipal, and local environmental, public health, and safety laws, occupational health and safety laws, regulations, orders, permits, licenses, approvals, ordinances, policies, guidelines, standards and directives including without limitation all applicable requirements of the *Environment Act*, S.N.S. 1994-95. C. 1 with respect to the ambient air

quality of the Property or the quality of any materials or substances at the Property (hereinafter collectively referred to as the "Environmental Obligations"). Without limiting the foregoing, the Landlord makes no representations as to air quality within the premises. The Landlord makes no representations that there are no hazardous or dangerous substances in or about the premises and makes no representations as to air or material or substances quality in or about the premises. If an issue is raised by the Tenant with respect to air or materials or substances quality in or about the premises or hazardous or dangerous substances (not brought to the site by the Tenant) either of the parties may terminate the Lease upon 30 days written notice. This clause does not restrict the Landlord with respect to any remedies under Clause 10 of this Lease.

B. Tenant's Investigations

- (ii) The Tenant shall and does hereby acknowledge, represent and warrant to the Landlord, which representation, warranty and acknowledgement shall survive the closing that:
 - (a) that Landlord has afforded the Tenant the opportunity to conduct whatever inspections and investigations he deems advisable with respect to the Property, including without limitation, physical inspections, environmental inspections, air quality tests, soil and subsurface tests; investigations regarding any substances in or about the Property; and other investigations that it deems necessary.
 - (b) The Tenant has, to his complete satisfaction, conducted all investigations, inspections, searches and test with respect to the Property that he has deemed necessary in his interest and has determined to lease the Property solely on the basis of such investigations, inspections, searches and tests; and
 - (c) the Landlord has not made, does not make, and shall not be required to make or provide any warranty, representation or covenants and has and shall have no obligation, explicit or implied, to inform or advise the Tenant, with respect to any matters relating to the Property, including, without limitation the fitness or suitability of the Lands for the uses intended by the Tenant or potential or existing environmental liabilities in relation to the Property, latent or otherwise (whether known or not), or with respect to the quality or condition of the Property, and the Landlord shall have no liability or obligation with respect to the value, state or condition of the Property, any deficiencies therein or repairs, replacements or other work required with respect thereto (environmental, structural or otherwise).

C. Indemnity

- (iii) The Tenant hereby releases and agrees to indemnify, defend and hold harmless the Landlord, its agents, officers, directors, Mayor, Councillors,

contractors, employees, successors and assigns, to the fullest extent permitted by law, from and against any and all claims, causes of action, or demands, in law or in equity, including but not limited to, all lien claims, administrative claims, claims for injunctive relief, claims of property damage, natural resources damages, nuisance claims, bodily injury claims, emotional distress claims, punitive damages, environmental response and clean-up costs, fines, penalties and expenses (including without limitation, counsel fees, consultant fees and expert fees, costs and expenses incurred in investigating and defending against the assertion of such liabilities), which may be sustained, suffered or incurred by the Landlord, its agents, officers, directors, Mayor, Councillors, contractors, employees, successors and assigns and that arise out of or affect or relate in any way to the Premises, (and by whomsoever made, including without limiting the foregoing, by employees, licensees, members or other invitees of the Tenant) including, without limitation:

- (a) any breach of Environmental Obligations;
- (b) the release of any hazardous substances or contaminants or the presence of any hazardous substances or contaminants affecting the Premises, including any loss of value of the Premises to the Tenant (or affecting the health of any employee, licensee, or invitee or any other person) as a result of any of the foregoing;
- (c) any costs or removal or remedial action incurred by any authority having jurisdiction;
- (d) any matter relating to the air quality of the Premises; or
- (e) any other environmental matter affecting the leased premises or the Tenant (or affecting the health of any employee, or member or licensee or invitee or any other person) within the jurisdiction of any lawful authority whether federal, provincial, municipal or otherwise;

which is related in any way to the period during which the Tenant leased the premises under this or a prior lease.

- (iv) The foregoing indemnity shall survive the termination of the Lease.

D. Allocation of Liability

- (v) Except as otherwise provided herein, the Tenant shall be solely liable and shall indemnify, defend and hold harmless the Landlord from all obligations, claims and liabilities, whether asserted or unasserted, known or unknown, which in any manner result from or apply or affect or relate to the Premises and all present and past uses thereof and operations and activities thereon of any person or entity, including the Landlord.
- (vi) In particular, but not by way of limitation, the Tenant shall be solely liable and assume full responsibility for all obligations relative to environmental sampling, monitoring, reclamation, remedial activities, stabilization and maintenance of the Property which is related to or affects the Premises as

now or hereafter required by all federal, provincial or local regulatory agencies or authorities, and shall comply with all terms, conditions and requirements of any and all governmental permits, licenses, consents, approvals and authorizations transferred to the Tenant from Landlord or hereafter granted to the Tenant with regard to the Property.

12. **PAYMENT OF RENT**

The Tenant covenants to pay the rent at the times herein stated.

13. **WAIVER OF EXEMPTION FOR DISTRESS OF RENT**

The Tenant covenants to waive and renounce and it does hereby waive and renounce the benefit of all and any present or future Act of the Legislature of Nova Scotia, or of the Parliament of Canada or of any other law relating to exemptions for distress for rent, and further that notwithstanding any such Act or law the Landlord may seize and sell all of the Tenant's goods and chattels, or such part of them as may be necessary for payment of rent, costs and expenses, as might have been seized and sold if such Act had not been passed or such law had not been in force and that upon any claim being made for exemption by the Tenant or on distress being made by the Landlord, this covenant and agreement may be pleaded as an estoppel against the Tenant in any action brought to contest the right to the levying upon such goods as are stated by any Act or law to be exempt, and in case the Tenant leaves the premises when any rent is owing and unpaid, the Landlord may seize and sell the goods and chattels of the Tenant at any place to which the Tenant or any other person may have removed them, and whether they are on or off the demised premises.

14. **RIGHT TO INSPECTION**

The Landlord shall have the right to inspect the said premises at any time and shall have the right to make repairs to the said premises; provided, however, that insofar as it shall be reasonable to do so, such repairs shall be effected at such times and in such manner as will not unreasonably interfere with the use by the Tenant of the demised premises or the conduct of the Tenant's business thereon.

15. **GOVERNMENT REGULATIONS**

The Tenant shall comply with all lawful by-laws of the Town of Lunenburg (as well as all Federal and Provincial legislation, regulations and codes) applicable to these premises or the use thereof and shall keep the same in a clean and neat condition, satisfactory to the Landlord, or the Landlord may terminate the Lease upon thirty days notice. The Tenant will abide by all laws, by-laws, legislative and regulatory requirements of any government or other competent authority relating to the demised property and to the business conducted on the demised premises and will save harmless the Landlord from all costs or charges incidental therewith or any damages or penalties by reason of breach thereof.

16. **INDEMNITY**

Without restricting any other provision of this Lease and in addition thereto:

The Tenant at all times shall indemnify and hereby does indemnify the Landlord from and against all claims, loss(es), costs (including legal costs), expense(s) and damage(s) of whatsoever nature which may be incurred by the Landlord (including damages to property of the Landlord or other tenants or invitees of the Landlord), and from and against all claims and demands, actions, suits or other proceedings by whomsoever made, brought or prosecuted, in any manner based upon, occasioned by, arising out of, or attributable to the existence of these presents, or any privileges granted or action taken or things done or maintained by virtue hereof, or the exercise in any manner of rights arising hereunder, or due to or arising from or out of any occurrence in or about the premises, or the occupancy or the use of the premises or the parking area by the Tenant or its officers, employees, agents, contractors, invitees, licenses, fitness club members, or by any person permitted by the Tenant to be on the premises (whether related to personal injury, death, damage to or loss of personal or real property) or in any way related to the Demised Premises or the use thereof and whether or not caused by the negligence of the Landlord or its employees, officers, councillors, servants or agents.

The Tenant hereby waives against the Landlord all claims and demands of whatsoever nature or kind, whether arising directly or indirectly out of the existence of these presents or any privileges granted, or actions taken or things done by virtue hereof.

17. **INSURANCE**

Tenant's Insurance

- D. General Liability Insurance - The Tenant will procure and maintain in full force throughout the term of the Lease or any renewal thereof, commercial general liability insurance with insurance companies acceptable to the Landlord insuring all operations of the Tenant including, but not limited to, protecting the Landlord and the Tenant against liability for bodily injury and death and for damage to and/or destruction of property by reason of any occurrence or accident in, or about the leased premises, as well as contracted liability and contingent liability. Such policy shall be written on a comprehensive basis with limits of not less than Five Million Dollars (\$5,000,000.00) per occurrence (and such higher limits as the Landlord may reasonably require from time to time). The Landlord shall be added as an additional insured on the policy.
- E. Tenant's Legal Liability Insurance - The Tenant will procure and maintain through the term of this Lease or any renewal thereof, legal liability insurance on an all-risk replacement basis for the Premises with respect to the occupancy by the Tenant of the Premises with a limit of not less than Two Million Dollars (\$2,000,000.00).

- F. Subrogation - The Tenant shall have no claim against the Landlord or the Landlord's insurance for any damage the Tenant may suffer, and the Tenant shall require the insurers under the insurance in subsections (A) and (B) above to waive any rights of subrogation by the respective insurers against the Landlord, its officers, councillors, mayor, agents and employees. All such policies shall also contain a severability of interest clause, a cross-liability clause, and shall be primary and shall not call into contribution any other insurance available to the Landlord or any Mortgagee of the Tenant.
- G. Evidence of Insurance - The Tenants shall annually provide to the Landlord a Certificate of Insurance demonstrating that such insurance has been obtained and maintained, as herein provided and such insurances shall not be subject to cancellation except after at least thirty days prior written notice to the Landlord. All policies of the Tenant shall contain a term that the Landlord will be given 30 day's notice of intent to cancel. If the Tenant fails to comply with the requirements hereof to obtain or maintain insurance, the Landlord may, but is not required to, obtain such insurance and keep the same in effect and the Tenant shall pay to the Landlord the premium cost thereof as additional rent upon demand therefor. If the Landlord fails to obtain such insurance, the Tenant shall not have any claim or action against the Landlord for failing to obtain such insurance. Furthermore and notwithstanding the foregoing, if the Tenant fails to obtain such insurance after the expiration of ten days after notice of default by the Landlord in writing, then the Lease shall, at the option of the Landlord, forthwith be forfeited and determined.
- H. Premiums and Notification - The Landlord shall not be responsible for the payment of any premiums with respect to any such insurance and shall not be responsible for notifying the insurer of the Tenant of any occurrence of accident in or around the leased premises.

Compliance with Landlord's Insurance

- F. The Tenant agrees that it and its employees, agents, fitness club members, and invitees shall not keep, use, sell or offer for sale in or on the premises any article or substance which may be prohibited by any insurance policies of the Landlord covering the Premises, or do or omit, or permit to be done or omitted, anything which will cause any increase in the insurance premiums or the cancellation of any insurance policy of the Landlord. In the event any increase in premiums is caused by any breach of the foregoing or by any other activity of the Tenant, its employees, agents, fitness club members, or invitees, the Tenant shall pay such increase to the Landlord forthwith on demand. If any insurance policy is cancelled or the coverage reduced or a threat of cancellation or reduction of coverage is made by reason of anything arising out of the use and occupation of the Premises, whether or not the first sentence of this Section has been complied with, and if the Tenant fails to forthwith remedy the condition giving rise to such cancellation, reduction or threat, on notice thereof by the Landlord, the Landlord

may enter the Premises and remedy the condition at the sole cost and expense of the Tenant, and in addition or in the alternative, the Landlord may exercise any other remedies provided in this Lease or by law for default by the Tenant without further notice, any other provision in this Lease notwithstanding.

This insurance clause shall further relate to the exterior of the demised premises including the parking area.

18. **MAINTENANCE AND RENOVATIONS**

- D. The Tenant will make no renovations or improvements to the premises without the prior written consent of the Landlord and will apply for and obtain any applicable Building Permits. For greater certainty, the Tenant will not make any alterations which affect the structure, exterior walls, interior walls, floors, windows, roof or any of the building systems or the aesthetics of the premises or alter the premises in any way without the express written approval of the Landlord, which shall be at the Landlord's sole and absolute discretion and may be arbitrarily withheld. Without restricting the foregoing, the Tenant will not drill holes in any wall, or run electrical, communication, or other cables or wires without the prior written consent of the Landlord, which shall be at the Landlord's sole and absolute discretion and may be arbitrarily withheld.

With 24 hour prior notification via phone call or e-mail or written correspondence, the Landlord and persons authorized by it may enter the premises to examine the condition thereof and may enter the premises at any time in case of emergency for the purpose of effecting changes, repairs, alterations to any of the fixtures, equipment or systems contained in the premises or adjacent thereto.

- E. It is acknowledged and agreed that the Tenant shall be entitled to paint the interior of the premises and the Landlord shall not be obliged to do any interior painting or renovations. Upon commencement of the Lease, the Landlord gives express permission for the Tenant to make any reasonable changes to install and/or update any phone, internet, security system, and external motion-sensor lighting.
- F. The Tenant shall, at all times, at its own expense, keep the premises and its contents in a neat and tidy condition. It shall be responsible for the day to day maintenance of the interior of the premises, which shall include lightbulb replacement, minor plumbing repairs and any painting. The Landlord shall be responsible for any substantial maintenance of the premises which is not required by the negligence or willful act of the Tenant, (including, without limiting the foregoing, repairs to the furnace, hot water tank or plumbing).

Landlord's Repairs

- D. The Landlord shall make repairs to the structural elements of the building consisting of the foundation, roof, exterior walls, structural floor, columns and

bearing walls supporting or surrounding the premises. The Landlord shall effect any repairs for which it is responsible expeditiously under the circumstances, but shall not be liable for any damages, whether direct, indirect or consequential to the Tenant or any other person or property in respect of any non-repair or for failure to carry out repairs and there shall be no abatement of rent pending completion of or during their performance of repairs unless the duration of repairs makes it such that the Tenant is unable to occupy the entire premises for five consecutive days in which case rent shall abate at the rate of Twenty Dollars (\$20.00) per day until such time as it can resume business in the premises.

For greater certainty and without restricting the generality of the foregoing, the Town may be conducting repairs on the roof (and/or related structural elements) of the building in which the premises are located. This work may require the Tenant to vacate the building [provided that the Landlord will endeavor to give the Tenant one week's prior notice to vacate if reasonably possible] if vacating the building is necessitated by the nature of the repair work, and at a minimum there may be noise, dust and access through the premises to the roof (and/or related structural elements) by construction workers during the term of the Lease, and the Tenant acknowledges that these inconveniences will potentially have to be dealt with by the Tenant on a regular basis for an indefinite period of time. There shall be no compensation to the Tenant in relation thereto. [For greater certainty, and without limiting the foregoing, there shall be no compensation to the Tenant or any clients/customers, for any inconvenience during such repairs, or any compensation for economic loss.] The determination whether the Tenant legitimately must vacate the premises during any roof construction/repair (which shall entitle the Tenant to an abatement of rent at the rate of \$20.00 per day after vacating for 5 consecutive days) shall be by the Landlord alone and the decision of the Landlord shall be binding.

Notice

- E. The Tenant shall promptly notify the Landlord of any damage to or deficiency or defect in any part of the premises, as soon as the Tenant becomes aware thereof, regardless of whether or not the Landlord has any obligation to repair such damage.

Tenant's Repairs

- F. Notwithstanding any other clause of this Lease, if the premises (including the lands on which the premises are located), or any part thereof becomes damaged through the willful act, negligence, carelessness or misuse of the Tenant, its employees or agents, or fitness club members, or invitees or licensees or guests, the Tenant shall be responsible for rectifying such damage, which rectification shall be at the cost and expense of the Tenant and to the reasonable satisfaction of the Landlord.

19. **DAMAGE AND DESTRUCTION**

If the premises shall be destroyed (or damaged) so as to render them unfit for the Tenant's use to the extent of more than 50% of the square footage of the premises subject to this Lease, by fire or other cause, then the Tenant or Landlord may terminate this Lease upon Thirty (30) days written notice one to the other, given within Ninety (90) days of the date of such destruction or damage. The Tenant shall thereupon immediately surrender the premises to the Landlord and rent shall be apportioned to the date of such damage or destruction.

20. **LANDLORD'S RESPONSIBILITY**

The Landlord shall not be responsible for loss or damage to the contents or property of the Tenant unless caused by the negligence or willful act of the Landlord, its agents, servants or employees.

21. **QUIET ENJOYMENT**

The Landlord covenants with the Tenant for quiet enjoyment save as specifically herein provided.

22. A. **SIGNAGE**

The Tenant shall not erect or install any signs, without the previous written consent of the Landlord. It is hereby expressly agreed between the Landlord and the Tenant that the Tenant may erect a sign or signs upon the demised premises in compliance with any local regulations. Such signs are to be maintained in good condition.

The Landlord agrees that the Tenant may place one sign on the Duke Street side of the building comparable in size to the NSCAD Studio sign but subject to the provisions of all applicable by-laws of the Town of Lunenburg.

B. **INSTALLATIONS**

The Tenant shall not install or alter any interior lighting, heating, electrical or plumbing fixtures, shades, awnings, or make any structural change to the demised premises without the previous written consent of the Landlord, such consent not to be unreasonably withheld, **provided, that**, the Tenant shall be allowed to put up tasteful curtains, shades, or other window treatments.

C. **INDEMNITY**

The Tenant shall indemnify and save harmless the Landlord from all claims, demands, loss or damage to any person or property arising out of or in any way caused by the

erection, maintenance, existence or removal of any such work referred to in clauses 22.A. and 22.B.

21. **DEFAULT - other than non-payment of rent**

Notwithstanding any other clause of this Lease:

In case of default, breach or non-performance of any of the covenants, agreements, obligations, conditions, terms, provisions or reservations or other clauses or sections herein contained on the part of the Tenant or to be observed or performed by the Tenant or in case the said term should be seized or taken on execution, or on attachment or if the Tenant shall make an assignment for the benefit of creditors or become bankrupt or insolvent, or shall take the benefit of any Act that may be enforced for bankrupt or insolvent debtors, then in any such event the said term shall, at the option of the Landlord, immediately become forfeited and void, and in every such case, the Landlord may at any time thereafter enter into and upon the lands herein demised, or any part thereof, in the name of the whole, and again have, repossess and enjoy the said lands and premises, as if these presents had not been made, together with all structures, with ownership therein, at any time erected by the Tenant upon the demised premises, without any right, claim or demand, by or on behalf of the Tenant, upon the Landlord for compensation in any manner based thereon, and no acceptance of rent subsequent to any breach or default other than non-payment of rent, nor any condoning, excusing or overlooking by the Landlord, on previous occasions of breaches or defaults, similar to that for which such forfeiture arises, shall be taken to operate as a waiver of this condition, nor in any way to defeat or affect the rights of the Landlord hereunder.

22. **NONPAYMENT OF RENT**

Subject to the provisions hereof, if and when the rent hereby reserved shall not be paid on the day appointed for the payment thereof, the Landlord shall forward notice in writing of such default to the Tenant and if the Tenant shall fail to cure such default within thirty (30) days after the receipt of such notice by the Tenant, then the term of this Lease shall immediately, at the option of the Landlord, become forfeited and determined.

23. **TENANT'S NONPERFORMANCE OF COVENANTS**

Without restricting the foregoing, and in addition to the foregoing, if and when the Tenant shall fail to observe, perform and keep the Tenant's covenants, agreements, provisions, obligations, terms, stipulations and conditions, (other than payment of rent), the Landlord may forward notice in writing of such default to the Tenant and if the Tenant shall fail to cure such default within thirty (30) days after the receipt of such notice by the Tenant [or if the default is of such character that it cannot be reasonably remedied within a period of thirty (30) days, or if the Tenant shall fail to use reasonable diligence in curing such default], then and in any such event the Landlord may, [in addition to all other remedies the Landlord may have under this Lease or otherwise] cure such default on behalf of and at the sole cost and expense of the Tenant and the sum so

expended on behalf of and at the sole cost and expense of the Tenant shall be deemed to be additional rent and on demand shall be paid by the Tenant, and the term of this Lease shall also, at the option of the Landlord, be forfeited and determined.

24. **REFUSE**

The Tenant will not allow any ashes, junk, discarded or salvaged equipment, refuse, garbage or paper or other loose or objectionable material to accumulate in or about the demised premises and will at all times keep the demised premises in a clean, sightly and wholesome condition and will leave the demised premises upon the expiry of this Lease in a clean sightly and wholesome condition. The Tenant will comply with all bylaws of the Town in relation to waste and recycling.

25. **GENERAL**

The Tenant hereby waives as against the Landlord all claims and demands of whatsoever nature or kind, whether arising directly or indirectly out of the existence of these presents or any privileges granted, or actions taken or things done by virtue hereof.

23. **ENFORCEMENT BY LANDLORD**

The failure by the Landlord to enforce any term, covenant or obligation of the Tenant contained herein shall not be deemed to be a waiver of such term, covenant or obligation, or permission for any subsequent breach of the same, and the Landlord may at any time enforce such term, covenant or obligation. The waiver by the Landlord of any breach of any term, covenant or obligation hereof shall not be deemed to be a waiver of such term, covenant or obligation with respect to any subsequent breach. No term, covenant or obligation of the Tenant contained in this Lease may be waived by the Landlord, unless such waiver is in writing executed by the Landlord. The acceptance of rent by the Landlord subsequent to any such breach shall not be deemed to be a waiver of such breach, whether or not the Landlord had knowledge of the breach at the time of acceptance of the rent.

29. **REMEDIES CUMULATIVE**

Notwithstanding any other provision of this Lease, the Landlord may, from time to time, resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease or by statute or common law, all of which rights and remedies are intended to be cumulative and not alternative. The express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord by this lease or by statute or common law.

30. **OVERHOLDING**

If the Tenant remains in possession of the premises after the end of the term with the consent of the Landlord and without the execution and delivery of a new lease, then there shall be no tacit renewal of the Lease or renewal or extension of the term, nor shall a tenancy from year to year be created, but notwithstanding any statutory provisions to the contrary, a monthly tenancy shall be created, which may be terminated by either party on one (1) month's notice. Rent shall be payable in advance on the first day of each month equal to the sum of:

- A. two hundred percent (200%) of the monthly installment of rental payable during the last year of the term; and
- B. all other amounts required to be paid pursuant to this Lease; and
- C. HST on the foregoing.

31. **TENANT'S COVENANTS**

The Tenant further covenants and agrees with the Landlord as follows:

- A. Not to do or suffer to be done on the premises anything that may be a nuisance at law;
- B. To yield up the premises to the Landlord at the expiry of, or upon any earlier termination of, this Lease.
- C. Unless approved in writing in advance by the Landlord, (which approval may be arbitrarily withheld), not to make any further erections on or improvements to the premises, and without restricting the foregoing, not to make any alterations to the premises.

32. **EXPIRATION**

On the expiration or previous determination of the term, the Tenant shall surrender and yield up the premises to the Landlord in as good condition as the Tenant is required to maintain the premises throughout the term and the Tenant shall deliver to the Landlord all keys to the premises and the building and the combination of all locks, safes and vaults, if any, in the premises.

33. **REMOVAL AT END OF TERM**

Subject to any alterations or leasehold improvements made to the Premises that have been approved by the Landlord prior to or during the term of the Lease, the Tenant shall on any surrender of possession of the premises remove such of its fixtures, leasehold improvements and equipment which are incorporated into, affixed or attached with

permanency to and which have become a part of the realty or immoveable property comprising the building, as the Landlord may require. In effecting such removal the Tenant shall do no damage to the premises or any parts of the buildings. Any of the foregoing fixtures, leasehold improvements and equipment which are not required to be removed by the Landlord shall on surrender of possession by the Tenant become the sole and exclusive property of the Landlord without payment to the Tenant. Where required by the Landlord, the tenant shall return the premises to the condition in which it existed at the beginning of the term. When not in default at the expiration of the term, the Tenant may remove its furniture and trade fixtures other than those referred to in this Clause. Provided that notwithstanding the foregoing, this Clause is subject to Clause 10 (including, without limiting the foregoing, the provision that hazardous substances created or brought to the premises remain the property of the Tenant).

34. **SURVIVING OBLIGATIONS**

On any termination of this Lease, the Tenant's right of possession shall cease and terminate, but the obligations of the parties with respect to payment of rent, covenants not performed at the date of such termination, indemnification, or any other obligations which, by their nature or by reason of the circumstances at the time of such termination, are not completely performed prior to such termination, shall remain in full force and effect until satisfied (and without limiting the foregoing all such obligations and indemnifications shall be joint and several). It is agreed, however, that in no event shall the Tenant have any interest in or right to possession of the premises or any part of the building after the termination of this Lease.

35. **NOTICES**

All notices under this Lease shall be in writing. Any notice to the Tenant shall be sufficiently served if mailed, addressed to the Tenant as follows:

Karen Mills Crews and Christa Heyne
C/O Christa Heyne
PO Box 505
Lunenburg NS B0J 2C0

Any notice to the Landlord shall be sufficiently served if mailed addressed to the Landlord as follows:

Town of Lunenburg
P.O. Box 129
Lunenburg, Nova Scotia
B0J 2C0
Attention: Town Manager/Clerk

The Landlord and the Tenant agree that in the event of a mail strike, any notice being given or payment being made shall, during such strike, be sent by means of courier.

The Landlord and Tenant agree that any notice hereunder may be given by personal service.

Service upon one of the Tenants shall be deemed to be service upon both of them.

Any notice made by personal delivery shall be deemed to have been given and received on the day of actual delivery thereof, and any notice by regular mail shall be conclusively deemed to have been given and received on the third business day following the date of mailing, except in the event of postal strikes. (A business day shall mean a day other than a Saturday, Sunday or any statutory holiday.)

36. **NO JOINT VENTURE**

Nothing herein contained shall be deemed or construed by the parties hereto or any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that the parties hereto stand in the relationship of Landlord and Tenant only.

37. **BINDING EFFECT**

This Agreement shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors as well as the assigns of the Landlord and permitted assigns of the Tenant, provided that the Tenant shall not assign or sublet this Lease without the prior written consent of the Landlord which may be arbitrarily refused.

38. **NUMBER AND GENDER**

In this Lease, words in the singular include the plural and vice-versa, and words in the masculine gender include the feminine and neuter genders and vice-versa, with the intent that this Lease shall be read with all changes of number or gender required of the context.

39. **NON-WAIVER OF DEFAULT**

The waiver or acquiescence of the Landlord in any default by the Tenant under any article or paragraph of this Lease shall not be deemed to be a waiver of such article or paragraph or any subsequent or other default thereunder.

40. **VALIDITY**

If a term, covenant, article, clause or subclause or condition of this Lease, or the application thereof to any person or circumstance is held to any extent invalid, illegal or unenforceable, the remainder of this Lease or the application of the term, covenant, article, clause or subclause or condition to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable, will not be affected.

41. **ENTIRE AGREEMENT**

This Lease contains the entire agreement between the parties and it is agreed that there is no covenant, promise, agreement, condition precedent or subsequent, warranty or representation or understanding, whether oral or written, other than as set forth herein. Notwithstanding the terms thereof, this Lease fully replaces and supersedes any offer, agreement, letter(s), letter of intent or other contractual arrangement between the parties related to the premises or the building in existence at the time of execution of this Lease.

42. **TIME OF ESSENCE**

Time shall be of the essence under this Lease save as herein otherwise specified.

43. **EXECUTION OF LEASE**

This Lease shall not be valid unless executed by both of the parties hereto.

44. **CAPTIONS**

The captions, article and section names and numbers and table of contents appearing in this Lease are for convenience of reference only, and in no way define, limit or describe the scope or intent of any portion of this Lease and have no effect on its interpretation.

45. **GOVERNING LAW**

This Agreement shall be construed in accordance with and governed by the laws of the Province of Nova Scotia.

46. **EXTENDED MEANING**

Any and all release and indemnity clauses included in this Lease are for the benefit of the Landlord, its officers, mayor, councillors, employees and agents of each one of them and, for the purposes of such clauses, the Landlord is acting as agent or trustee on behalf of and for the benefit of the persons mentioned above.

47. **LEGAL COSTS**

The Tenant agrees to reimburse the Landlord for its legal costs associated with the preparation of this lease.

48. All covenants, obligations, conditions, agreements, terms, reservations, and provisions of this lease to be observed or performed by the Tenant shall be joint and several, and for greater certainty (and without limiting the generality of the foregoing), all liability of

each of the persons described as the Tenant, are joint and several.

IN WITNESS WHEREOF the parties hereto have signed, sealed and delivered this Lease as of the _____ day of _____, 2021.

SIGNED, SEALED AND DELIVERED
in the presence of:

LANDLORD

TOWN OF LUNENBURG

[affix Municipal Seal]

Per: _____
Name: _____
Title: _____

WITNESS

Per: _____
Name: _____
Title: _____

I/We have the authority to bind the Town

TENANT

WITNESS

Christa Heyne

DRAFT



WITNESS

Karen Mills Crews



AFFIDAVIT OF EXECUTION

PROVINCE OF NOVA SCOTIA
COUNTY OF LUNENBURG

ON THIS _____ day of _____, 2021, before me, the subscriber personally came and appeared _____ a subscribing witness to the foregoing Lease, who having been by me duly sworn, made oath and said that the TOWN OF LUNENBURG, one of the parties thereto, duly executed the said Lease by affixing its municipal seal thereto, identified by the hands of its proper officer(s) in that behalf in h____ presence.

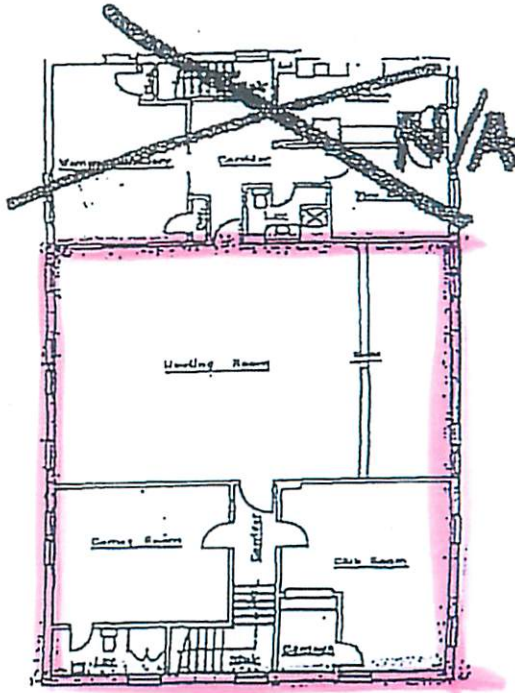
A COMMISSIONER OF THE
SUPREME COURT OF NOVA SCOTIA

CERTIFICATE OF EXECUTION

PROVINCE OF NOVA SCOTIA
COUNTY OF LUNENBURG

I CERTIFY that on this _____ day of _____, 2021, TOWN OF LUNENBURG, two of the parties mentioned in the foregoing and annexed Lease, executed the said Lease in my presence by affixing its municipal seal thereto, identified by its proper officers, in my presence and I have signed as a witness to such execution.

A COMMISSIONER OF THE SUPREME COURT
OF NOVA SCOTIA



Schedule "A"

SECOND FLOOR PLAN

