

January 8, 2016

By E-Mail

Robert Grant QC
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Halifax, NS B3J 2X2

Dear Robert:

UARB Case No. M07050
Pictou County Amalgamation
Our File Number: 4152433

This follows from my letter of December 14, 2015.

We have not heard back from your clients in response and in particular on the question about whether they intend to continue the Chief Operating Officer model.

In the meantime my client has given consideration to some changes to the Shared Services Agreement that would make it an acceptable relationship in light of the significant change in the governance created by an amalgamated municipality. Westville is mindful that Shared Services provides two principal services: Solid Waste Management and the East River Environmental Control Service. It has recently taken responsibility for the Regional Emergency Measures Organization which is important but not of the scale or scope of the other two services.

It sees the Shared Services Authority as primarily tasked with the management of these two environmental undertakings. Accordingly Westville questions whether the COO role is necessary or viable as opposed to having managers for each of the services reporting to the Board.

The changes Westville would expect in the Shared Service Agreement include:

1. A board of 6 representatives with 4 from the amalgamated municipal unit and one each from Trenton and Westville;
2. An amendment that requires unanimity among the three municipal units for the adoption of the annual budget or any change to the annual budget;
3. An amendment that requires attendance of each municipal unit to establish quorum for a meeting;
4. An amendment to clarify that any additional service can only be added with the unanimous agreement of the three units and that any additional service which the Board agrees to provide at the request of one of the municipalities shall not be a financial cost to the unit(s) which are not participating in the service. Specifically, the cost of the service shall be borne entirely by the recipient municipality, including any related administrative costs;
5. An amendment to clarify that should any municipality withdraw from any of the services, the terms of the withdrawal will be on the basis of a negotiated agreement between the three municipalities.
6. An amendment to clarify that any withdrawal from the authority will be on the basis of a negotiated agreement between the three municipalities.
7. An amendment to clarify that any dissolution of the serves that Westville pays for will be on the basis of a negotiated agreement.

Further, there was a recent decision by the Shared Services Authority to assume responsibility as the borrowing entity for the municipalities' collective contribution to the Aberdeen Hospital renovation project. However, there are no details and this is a matter that has to be resolved as well.

I leave this for your clients' consideration.

Yours truly,



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DJJ/ejb

c. Client