



Municipality of the District of Argyle

Item: GSAR – capital request

Date: April 10, 2021

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

Earlier this year we received a presentation from the Yarmouth Area Ground Search and Rescue regarding the status of their building. I have updated the figures to reflect a very volatile construction environment. (see below). In short, the GSAR has requested capital funding to support multiple projects. There is an outstanding application to the Province of NS regarding the roof repair, but even if Provincial funding is obtained, they will still require municipal funding in order to meet all of their building needs.

Below is the summary of capital needs summarized for my Council in February. Since this time, the costs of construction has increased substantially, I am therefore adding 15% to the total overall costs.

CAPITAL ANALYSYS.

Estimated **urgent** capital needs for the project (as per GSAR presentation)

Roof repair	\$86,500	
New well	10,000	
East wall	<u>9,600</u>	
Total	106,100	
Less: HST recovery	(7,400)	
15% contingency	<u>15,000</u>	(this was added by CAO, rounded)
Total estimate	\$113,700	
ADD 15% COVID	\$131,000	

Estimated **secondary** capital needs for the repair of doors, removal of damaged drywall, total cleaning of mould damage, re-insulation of the upstairs: \$38,300 plus HST.

ADD 15% = \$44,000

Total Adjusted cost – March 31, 2021 \$175,000 rough estimate, daily changes possible

Estimated cash balances – GSAR

December 31	57,000	
Carls Store fundraiser	<u>23,000</u>	(post Jan 2021)
Total cash	80,000	

Amount set aside for vehicles \$40,000 , thus \$40,000 left available for capital projects

Cost for improvements	\$175,000	
Less GSAR commitment	<u>40,000</u>	to confirm
Net requirement	\$135,000	assuming no provincial help

Municipal portion therefore would be \$45,000 each with no provincial help, and assuming equal portions.

Proposal shared with CAO Gushue and Brooks:

Municipalities consider a contribution of 25,000 each, total of \$75,000 in year one. This will be sufficient to do urgent repairs for sure, when considering that GSAR has cash. Year two could be the remainder. With the Provincial grant still outstanding, it would be best to propose assistance in two pieces rather than one.

Councils still to decide whether a multi year operational grant shall be coordinated or not.

MGA considerations:

As an emergency service, the GSAR is a qualified municipal expenditure.

CAO's Recommendation:

Recommend a contribution of \$25,000 towards the capital requirements of the GSAR, and consider a second contribution upon the Provincial decision to fund or not fund. Encourage the two regional units to match our contribution, understanding their decision is their own.

Suggested motion:

Approve a capital contribution of \$25,000 to be issued from 2020-21 operational surplus (reserves), and that the 2021-2022 budgets include a contribution to GSAR.