

Municipality of the District of Lunenburg
Minutes of a Meeting of the Policy & Strategy Committee
Held in Council Chamber, 10 Allée Champlain Drive, Cookville, N.S.
Tuesday, November 18, 2025 – 9:00 a.m.

Attendance

Deputy Mayor Chasidy Veinotte, District 10, Chair
Councillor Alison Smith, District 6, Vice Chair
Mayor Elspeth McLean-Wile
Councillor Morgen Reinhardt, District 1
Councillor Wendy Oickle, District 3
Councillor Martin Bell, District 2
Councillor Pam Hubley, District 4
Councillor Cathy Moore, District 5
Councillor Edgar Burns, District 7
Councillor Ben Brooks, District 9

Regrets

Councillor Kacy DeLong, District 8

Staff

Tom MacEwan, Chief Administrative Officer
Alex Dumaresq, Deputy Chief Administrative Officer
April Whynot-Lohnes, Municipal Clerk
Joanne Powers, Executive Assistant

1. Call to Order

Deputy Mayor Veinotte called the meeting to order at 9:00 a.m. and began by acknowledging that the meeting was held in Mi'kma'ki, the traditional territory of the Mi'kmaq people.

2. Announcements, Acknowledgements, Recognition

Recognition was given to Joanne Powers, Executive Assistant, as she retires after 39 years with the Municipality and she was presented with a bouquet of flowers.

3. Public Input – Nil

4. Changes/Approval of Agenda

Item 9.2.1 Communities in Bloom, was deferred to the December 2, 2025, Finance Committee meeting.

In Camera Item 12.2 – Contract Negotiations under Section 22(2)(e) under the MGA was requested to be added to the In Camera agenda.

Moved by Mayor McLean-Wile, seconded by Councillor Burns that the Agenda be approved as amended. Carried unanimously.

5. Approval of Minutes – October 21, 2025

The Minutes of October 21, 2025, were approved as circulated.

6. Business Arising from Minutes – Nil

7. Presentations/Scheduled Times - Nil

8. Referral From Committees/Council – Nil

9. Staff Reports

9.1 Recreation, Parks & Tourism

9.1.1 Sherbrooke Lake Stewardship Committee

Trudy Payne, Director of Recreation, Parks & Tourism, discussed the report titled, “Sherbrooke Lake Stewardship Committee” (included in the agenda package). In May 2024, the Sherbrooke Lake Stewardship Committee presented several lake-protection recommendations to Municipal Council and the District of Chester Council.

In February 2025, the District of Chester advised the Sherbrooke Lake Stewardship Committee that it would not pursue additional monitoring or an education committee due to limited capacity and other priorities.

Ms. Payne brought the matter to the Policy & Strategy Committee to consider whether to continue a three-year water quality monitoring program for Sherbrooke Lake without the partnership of the District of Chester, and whether to establish an education program on lake and water quality protection.

It was emphasized the importance of ongoing monitoring to preserve the existing long-term data and recognized the historical contributions of volunteers who previously conducted the testing. It was also suggested that similar sampling programs be considered for other major lakes within the Municipality.

Additionally, it was suggested that an area rate be considered to distribute program costs among lake property owners.

Moved by Councillor Smith, seconded by Mayor McLean-Wile that the Policy and Strategy Committee recommends to Municipal Council that Municipal Council approve conducting a three-year recurring water sampling of Sherbrooke Lake and tributaries adopting the same regime that was used for the baseline program. Motion carried. Opposed: Deputy Mayor Veinotte, and Councillors Bell and Hubley.

Moved by Councillor Oickle, seconded by Councillor Moore that the Policy and Strategy Committee recommends to Municipal Council that Municipal Council direct the sustainability staff to develop an education program that will educate all lakeside property owners and lake users to help them understand the actions they can take to protect lake health. Motion carried. Opposed: Councillor Brooks.

9.2 Economic Development

The Communities in Bloom presentation was deferred to the December 2, 2025, Finance Committee meeting.

9.3 Administration Department

9.3.1 Proposed Amendments to Policy 002 Committees

April Whynot-Lohnes, Municipal Clerk, reviewed the report titled, “Amendments to Policy 002, Committees” (included in the agenda package). At the November 4, 2025, Finance Committee, Council directed staff to amend the terms of members sitting on committees and boards. As part of that discussion, it was requested that the Nominating Committee term be amended from one year to two years.

Moved by Mayor McLean-Wile, seconded by Councillor Brooks that the Policy and Strategy Committee recommends to Municipal Council that Municipal Council adopt amendments to Policy 002, Committees as presented and hereby gives seven days’ notice of Council’s intention to adopt on November 25, 2025. Carried unanimously.

9.3.2 Implications of Provincial Legislation Changes on Municipal Privacy Responsibilities Bill 150 – Freedom of Information and Protection of Privacy Act

Alex Dumaresq, Deputy CAO, reviewed the report titled, “Implications of Provincial Legislation Changes on Municipal Privacy Responsibilities – Bill 150 – Freedom of Information and Protection of Primacy Act” (included in the agenda package).

The new legislation of Bill 150 established municipalities as public bodies and assigned them the same privacy requirements and responsibilities as all public bodies within Nova Scotia. The most impactful change required by Bill 150 for municipalities were some new requirements for privacy including: the establishment of a privacy policy, conducting Privacy Impact Assessments for all new or changed programs, and mandatory Canadian data residency standards.

Councillor Hubley left the meeting at 10:49 a.m.

9.4 Planning & Development Services

9.4.1 Household Water Supply Upgrade Program Financing Budget

Abhi Jain, Climate Change & Sustainability Manager, gave the presentation titled, “Water Supply Upgrade Financing Program” (attached to the minutes). The presentation included the following topics:

- Executive Summary
- Why the Program Matters
- 2025 Climate Context
- The Core Challenge
- Option A: 5-year Term with Hardship Clause
- Option B: 7-year Term for All
- Option C: 10-year Term for All
- Option D: 15-year Status Quo
- Four Repayment Term Options Evaluated
- Capital Recycling (Illustrative)
- Affordability Reference Points
- Affordability Reference Points (Payment Shares)
- CAO Recommendation – Adopt Option A
- Other Recommended Changes for By-law 047
- Emergency Water Relief Services Provided in 2025
- Recommendations and Options
- Alternative Options

Mr. MacEwan, CAO, spoke about the sustainability of the program and explained that the recommended option, establishing a five-year standard repayment schedule for new agreements, along with a hardship extension clause linked to household income would help ensure its long-term sustainability.

Discussion ensued regarding the hardship clause, including how the program could be impacted if a significant number of property owners made use of it. Also discussed was that a household income cap should be considered to ensure that assistance is directed to low income residents who need it.

Moved by Councillor Bell, seconded by Councillor Moore that the Policy and Strategy Committee recommends to Municipal Council that Municipal Council approve an additional \$900,000 from the General Operating Reserve for the Water Supply Upgrade Program. Carried unanimously.

Moved by Councillor Moore, seconded by Councillor Bell that the Policy and Strategy Committee recommends to Municipal Council that Municipal Council direct staff to prepare amendments to By-law 047, Potable Water Supply Upgrade Lending Program to:

- a) establish a 5-year standard repayment term for new agreements, with a hardship clause allowing term extensions, effective January 1, 2026; and**
- b) remove the stacking provision with Clean Energy Financing and align with By-law 031 so that only one municipal financing may be active on a property at a time; and**
- c) make housekeeping amendments, including accessibility updates, numbering and formatting, and cross-reference the lending rate to Policy 058, Fees (replacing the current reference to Policy 068).**

Concerns were raised that the program would not be obtainable to the property owners with lower/medium level incomes, there being no income cap, and the immediate availability of well drillers.

Motion carried. Opposed: Councillors Brooks, Smith, and Reinhardt.

10. Mayor's/Deputy Mayor's/Councillors' Matters – Nil

11. Added Items – Nil

The meeting recessed at 10:54 a.m. and resumed at 11:09 a.m.

12. In Camera

At 11:09 a.m., it was moved by Mayor McLean-Wile, seconded by Councillor Burns that the Policy & Strategy Committee go In Camera to discuss the following items:

12.1 Contract Negotiations under Section 22(2)(e) of the MGA

12.2 Contract Negotiations under Section 22(2)(e) of the MGA

Carried.

Policy & Strategy Committee In Camera in session.

At 12:13 p.m., it was moved by Councillor Smith, seconded by Councillor Reinhardt that Policy & Strategy Committee come out of In Camera and return to open session. Carried unanimously.

Policy & Strategy Committee in session.

13. Adjournment

There being no further business, the meeting adjourned at 12:13 p.m.



Water Supply Upgrade Financing Program

Funding and Repayment Term Options

Policy and Strategy Committee

November 18, 2025



Executive Summary

- Severe to extreme drought in 2025 caused a sharp rise in water shortages.
- The program has committed nearly the full **\$521,300** starting budget for 2025-26.
- 29 residents have signed Customer Agreements; **only \$5,083 remains** uncommitted.
- 40 are pending agreements, representing about \$800,000 in demand.
- A **\$900,000** top-up keeps the program operational through March 2026.



Why the Program Matters

- Most MODL households rely on private wells.
- Water coupons and emergency showers help but do not meet full household needs.
- The low-interest financing program funds permanent, whole-home water solutions.
- Lien-secured loans protect public funds and allow capital to recycle back to the reserve.



2025 Climate Context

- The 2025 drought left large parts of the South Shore at 40 to 42 percent below normal precipitation.
- Recent rains improved rivers in central and eastern Nova Scotia but less so in the southwest.
- Groundwater recovery lags behind surface water recovery.
- Near-term precipitation likely above average, but demand for permanent upgrades will stay high.



The Core Challenge

Liquidity vs Affordability

- Loans are safe because they are lien-secured with very low credit risk.
- The real constraint is **how quickly principal comes back to the reserve.**
- Water upgrades do not generate monthly bill savings, unlike many energy programs. **Monthly affordability** is critical to keep access broad for households.



Option A: 5-year Term with Hardship Clause

Payment: \$350.56 per month (+172.4 percent vs 15-year)

Benefits

- Fastest capital recycling, serving the most households per dollar
- Lowest total interest cost over the life of the loan
- Hardship clause allows term extensions for households facing genuine financial stress

Risks and trade-offs

- Highest monthly payment and highest risk of payment difficulty or default
- Participation likely to skew toward higher or more stable incomes
- Moderate-income households may be too high income for hardship but unable to afford the 5-year payment
- Ongoing hardship reviews add workload for Finance and introduce more case-by-case judgment



Option B: 7-year Term for All

Payment: \$255.35 per month (+98.4 percent vs 15-year)

Benefits

- Faster recycling than 10 or 15 years
- Single, simple rule for everyone supports consistent and timely administration
- Payments are moderately lower than the 5-year option while still improving recycling

Risks and trade-offs

- Higher monthly cost than 10 or 15 years could limit participation for some households
- Moderately higher risk of payment difficulty or default compared with 10- or 15-year terms



Option C: 10-year Term for all

Payment: \$184.03 per month (+43.0 percent vs 15-year)

Benefits

- Broad affordability for a wide range of household incomes
- Faster capital recycling than the 15-year status quo, reducing queues
- Simple, uniform term keeps administration efficient and decisions straightforward

Risks and trade-offs

- Recycling is slower than at 5- or 7-year terms, so liquidity gains are more modest
- Some households may still feel payment pressure compared with the 15-year term



Option D: 15-year Status Quo

Payment: \$128.70 per month

Benefits:

- Lowest monthly payment and widest affordability.
- Easiest for residents to manage within existing budgets.
- No changes required to current program design or administration

Risks and trade-offs:

- Slowest capital recycling and longest queues for applicants
- Greater likelihood of recurring pressure on reserves and future top-up requests
- Keeps more municipal capital tied up for longer periods



Four Repayment Term Options Evaluated

Summary

Option	Description	Monthly Payment	Increase vs current 15-yr
A	5-yr + hardship clause	\$350.56	+172.4%
B	7-yr for all	\$255.35	+98.4%
C	10-yr for all	\$184.03	+43.0%
D	15-yr (status quo)	\$128.70	0%

Capital Recycling (illustrative)

Illustrative number of additional households served per year from a \$900,000 revolving pool, assuming \$20,000 per loan

Option	Extra households served per year
A (5-yr theoretical)	≈ 9
B (7-yr)	≈ 6.4
C (10-yr)	≈ 4.5
D (15-yr)	≈ 3



Affordability Reference Points

Lunenburg's Household Income Profile (2021 Census)

- Median after-tax household income: **\$60,800**
- 26% are one-person households (median \$30,600)
- 28.6% of residents are aged 65+, with higher low-income prevalence
- 59% of households have after-tax income **below \$70,000**



Affordability Reference Points (Payment Shares)

Payment as share of monthly after-tax income

Annual after-tax	% of households	15-year	10-year	7-year	5-year
\$40,000	27.4%	3.9%	5.5%	7.7%	10.5%
\$50,000	38.9%	3.1%	4.4%	6.1%	8.4%
\$60,000	48.9%	2.6%	3.7%	5.1%	7.0%
\$70,000	59.4%	2.2%	3.2%	4.4%	6.0%
Overall Payment as share of income		2 to 4%	3 to 6%	4 to 8%	6 to 11%



CAO Recommendation

Adopt Option A

- Set a 5-year standard repayment term for new agreements starting January 1, 2026.
- Hardship clause allows term extensions based on demonstrated financial stress.
- This approach maximizes recycling while protecting lower-income households through case-by-case relief.



Other Recommended Changes for By-law 047

- Remove stacking with Clean Energy Financing to simplify administration and avoid confusion with different loan terms.
- Housekeeping amendments including accessibility, numbering, formatting, and cross-referencing lending rate to Policy 058 Fees Policy



Emergency Water Relief Services Provided in 2025

- **Water coupons:** retailers were paid over \$18,000, up from about \$2,800 in 2024. More than 25,600 four-litre coupons were issued to roughly 500 households, delivering over 100,000 litres of bottled water.
- **LCLC showers:** usage increased from 83 (Aug 2024) to 277 (Aug 2025) and 60 (Sept 2024) to 371 (Sept 2025).
- **Water Fill Station (Municipal Services Building):** over 64,000 liters dispensed to date.



Recommendations and Options

The CAO recommends that the Policy and Strategy Committee recommend to Council that it:

1. Approve an additional **\$900,000** from the General Operating Reserve
2. Amend By-law 047 to:
 - a) Establish a **5-year standard repayment term for new agreements, with a hardship clause allowing extensions, effective January 1, 2026**; and
 - b) Remove **the stacking provision with Clean Energy Financing**
 - c) Make housekeeping amendments including accessibility, numbering, formatting, and cross-referencing lending rate to Policy 058 Fees Policy.



Alternative Options

1. Council could approve a smaller amount than \$900,000
2. Council may choose any of the other standard term options:
 - Option B: 7-year term for all
 - Option C: 10-year term for all
 - Option D: retain 15-year status quo
3. Council may direct staff to make other changes as deemed appropriate.



Thank You

