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Chief Administrative Officer

## **Public Statement**

Today, the Council for the Municipality of the District of Guysborough has rejected a 'Letter of Intent' and the terms contained within, as proposed by the Dept. of Municipal Affairs on March 1, 2017. The Municipality will now move forth to contest the amalgamation of the Town of Mulgrave with our Municipality at a Nova Scotia Utility and Review Board (NSUARB) Hearing scheduled to begin on Monday, March 20, 2017.

Infrastructure studies have been completed by qualified consultants for the Municipality and those have been filed with the NSUARB in advance of the hearing. Those studies show that the infrastructure deficit in Mulgrave is more than \$35 Million. The financial offer contained in the 'Letter of Intent' is inadequate and would not be able to address this significant infrastructure deficit. Other issues remain that have not been resolved to the satisfaction of the Municipality. These include the pending closure of the school and possible future disposition of the building; the inadequate solution to the Province taking over Route 344 that runs through the Town; and the ongoing issues with the new water treatment plant that have been unresolved, plus the escalating water rates paid by residents.

We do understand the financial restraints that the Province faces and we respect their position in this matter. The staff with the Department of Municipal Affairs have been very professional in our dealings with them.

We also have the greatest respect for members of the Mulgrave Town Council and for the residents of Mulgrave. We currently provide waste collection and planning services to the Town and we promote the Town in economic and tourism circles. We will continue to support the Town of Mulgrave in any way possible.

This is a difficult but necessary decision for Guysborough Municipal Council. Our first responsibility is to the residents and ratepayers of the Municipality, and there is no way that we could accept the significant financial and environmental liabilities associated with this potential Amalgamation. When the NSUARB Hearing proceeds, we will vigorously protect the interests of the Municipality.

We will have no further comment on the matter at this time, out of respect for the Mulgrave Town Council, the Department of Municipal Affairs, and the process that will unfold.

For further information please contact Barry Carroll, CAO at [bcarrroll@modg.ca](mailto:bcarrroll@modg.ca) or (902) 533-3705 ext. 228