

Trinity Bay North, Little Catalina and the Cabot Loop Municipal Service Sharing Case Study

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on behalf of the Community Cooperation Resource Centre,
Newfoundland and Labrador Federation of Municipalities

With special thanks to all participating communities for sharing their stories

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Municipal Service Sharing¹ Overview

The area now known as Trinity Bay North (TBN) was, until 2004, three individually incorporated municipalities of Catalina,

Melrose and Port Union. Only two to three kilometres (km) to the north, on the Bonavista Peninsula, Little Catalina also shares ties and services with TBN. Within the new municipality of TBN Catalina, Port Union and Melrose are each considered individual wards. TBN is seven km in length from one end to the other.

Sharing has been an ongoing process in the area, beginning with a Fire Department in the 1960s followed by a Joint Council and installation of a regional incinerator in the early 1970s. “Anything we could see as a cost-sharing mechanism for the four towns, right from advertising and anything we could do jointly to benefit the communities, we just held regular meetings and it started from there,” recalls one long-time municipal representative.

Seven types of service sharing arrangements, along with a Joint Council representing all four towns, were in place prior to the amalgamation of TBN and are discussed in this case study. Field research was conducted only six months after the election of TBN’s first Mayor and Council and three months after their official swearing in. To the extent possible given the time frame the case also reflects on the towns’ experiences with what might be considered the most comprehensive sharing arrangement – amalgamation (or joint services as TBN municipal leaders prefer to describe it). Mayor Austin Duffett explains, “We don’t use the term amalgamation. We use joint services instead. It makes residents more comfortable. We want to keep our own identity as towns. That is a big thing we’ve been working on from day one”. Municipal staff and Council refer to the new amalgamated entity as “the municipality of Trinity Bay North, comprised of the towns of Catalina, Melrose and Port Union.”

The case study concludes with general observations and lessons learned. See also Appendix 1 – Service Sharing Summary Table and Appendix 2 - Service Sharing Timeline.



Source: Discovery Tourism and Trail Assoc.

¹ Sharing is defined in this study as the provision of services by one municipality to another or through mutual aid to both, regardless of whether financial payment or formal, legal agreements are involved.

General Characteristics of the Region

The communities of Melrose (known until 1904 as Ragged Harbour) to Little Catalina have been hit hard by the downturn in the fishery. In 1992, the year of the moratorium, one local leader explains, 51 businesses closed their doors in the four towns. Another reports that the closures have now reached 75. The fish plant in Port Union (Fisheries Products International/FPI) once hired 1100-1200 workers year-round from Clarenville to Bonavista, with a weekly payroll of over \$500,000. Today the plant employs 130-150 people 15-17 weeks a year.

Table 1.

	<i>Pop 1991</i>	<i>2001</i>	<i>2005</i>	<i>Res. Tax (mills/min.)</i>	<i>Budget (\$) 2004</i>	<i>Employees 2004</i>	<i>Year of Incorp.</i>	<i>% water service</i>	<i>Road (km)</i>
Catalina (Ward 1)	1205	995		9/\$250	522,046	4	1958	93	15
Port Union (Ward 2)	638	486	500	8/	414,135	4 (2 PT)	1961	96	7
Melrose (Ward 3)	423	316	300- 400	7.5/\$200 ²	116,230	1 (PT)	1968	98	2
Little Catalina	710	528	520	9/\$225	290,481	2 (1 PT)	1965	87	5.3
	2976	2325							

Source: Statistics Canada Community Profiles, 2005 population and employee numbers from municipal representatives, budget, taxation and servicing information from Dept. of Municipal and Provincial Affairs

Some places, such as Little Catalina, have been affected more by groundfish moratoria and outmigration than others (see Table 1). Overall the area lost 22% of its population between 1991 and 2001. Catalina and Port Union report that they have had people move to their communities in recent years. Nevertheless, by 2002 years of declining population made the cost of retiring long-term capital debt unmanageable for remaining residents. Debt arrears for each of the four towns ranged from \$324,852 to \$856,850, together totalling more than \$2.4 million (Randall 2002). Changing demographics and fiscal pressures have encouraged service sharing as a method of coping with economic and population declines, but population fluctuations have also made it difficult to utilize per capita calculations in fees for shared services (described further below).

The four towns are connected in many ways. Although the trail has not been kept up, a historic trail used to connect Little Catalina and Catalina. Before the cod moratorium the majority of the area's residents' incomes were derived, directly or indirectly, from the Port Union FPI plant. Even today the plant remains a major employer. "We're intertwined by family and friends. Most of us worked side by side at the plant," says Little Catalina Fire Chief Jeff Dalton "we're all concerned with our people."

² With the exception of Catalina these 2004 rates had already increased from the 2002 rates in Randell's report. Melrose rates increased again in 2005 to 8.5 and \$225 in a phased-in process that will bring taxes between the three former municipalities in line with each other.

Little Catalina is also connected to the community of Elliston 15 km to the northeast. A historic trail between the two has been maintained and upgraded in a partnership between the two Towns. Staff are continually sharing information. Elliston Clerk Wendy Baker describes, “There’s the historic link there and the trail is part of that link. There are also marriages between the two communities... I share information with Little Catalina. We’re back and forth all the time.”

The Towns are also increasingly connected with the larger Town of Bonavista (population 4021 in 2001). Bonavista is located 17 km northeast of Little Catalina. Children from TBN and Little Catalina attend highschool and travel to Bonavista to use the hockey arena. The majority of employees in the Port Union fish plant now live in the Town of Bonavista (Randell 2002). With Bonavista fearing the loss of their own fish plant TBN Town Manager Daryll Johnson notes “we’re all facing the same problems now.” Maintenance staff from TBN turn to the Town of Bonavista for water and sewer parts if they need them and then replace them (as Catalina and Port Union used to with each other as well). TBN Town Clerks note that municipalities in the region are generally helpful to one another. “If you run into problems you could always call one another, or Dave in Bonavista, or Clarendville. We used to talk to other Clerks at least once or twice a week”. Johnson adds, “The four communities are practically right together. So there are neighbourhood issues here, but then there are community issues that take in Elliston and Bonavista as well.” The Action Committee for Tourism (see below) has coined this larger set of communities on the northern half of the Bonavista Peninsula “the Cabot Loop.” The four towns used to have joint meetings with Bonavista and discussed the possibility of sharing municipal services “but Bonavista didn’t want to” recalls one long-time TBN staff member. While cooperation does exist, representatives suggest there is some animosity between Bonavista and the smaller surrounding towns.

Shared Services

1. Amalgamation (joint services/administration)

The new municipality of Trinity Bay North (TBN) came into existence on January 1, 2005. TBN’s first elections were held on Nov. 30, 2004 and on Jan. 10, 2005 Municipal Affairs Minister Jack Byrne swore in the new Council. All seven elected Council members previously served on one of the three former councils, including former Mayor of Catalina, now Mayor of TBN Austin (Tym) Duffett. Three Councillors are elected for the three different wards. Four members are elected at-large and Council elects a Mayor. Duffett says the amalgamation was many years coming, dating at least back to 1993. Other previous Councils have tried, “I guess it was just the right time for it to happen. There were people in the past, especially the older people in Catalina, afraid Port Union was going to come in and take over our history and the same fears were in Port Union. There was a little animosity here through the years.” But things are changing, as reflected by the majority vote (in Catalina) to join forces as TBN. “It just seemed to have blown by the wayside and that is not an issue that was brought up this time around at all.”

The process was initiated with a letter sent in 2001 by each Town to its residents. The letter, which included a self-addressed envelope, sought their opinion on the sharing of services and administration. The letter was chosen over a public meeting as a method of gathering input. An election ballot was considered too costly because only two of the four Towns had elections

scheduled for that year. Little Catalina residents were not in favour. Catalina voted in favour and Melrose and Port Union were divided on the issue (50/50). The Towns then contacted Municipal and Provincial Affairs about conducting a study on the idea. Johnson describes the Province's role as supportive but not pushy. "The Province did it the best way they could, arm's length. They said when you're ready come and meet with us and we'll see what we can do".

A study was conducted in 2002 by Commissioner Clarence Randell to examine the feasibility of forming one local government administration for the four communities. While the other Towns were largely supportive, particularly if their debt arrears and a portion of their debt charges were forgiven, Little Catalina representatives voiced concerns about the proposed new arrangement. In the end, the study recommended that the three Towns of Melrose, Catalina and Port Union be combined into one municipal entity, but that Little Catalina remain independent at this time due to their opposition.



Little Catalina Town Hall

"Little Catalina would not join for fear of losing their Fire Department and Town Hall. We discussed the possibility of keeping the building open as a recreation centre, as well as housing a station of the Fire Department, but they were afraid we wouldn't hold to it," says Duffett. The Town wanted a written commitment that the building (which is also used as a community centre) would be kept open for 99 years, a condition the other Towns felt they could not agree to. Furthermore, as a satellite station, Little Catalina feared that the TBN Fire Chief "would tell us what to do." A Little Catalina Council member adds, "We share some things we need to and others we're on

our own. It works fine as it is. We need debt relief but I still can't see us being any better off. I don't think anyone can run a Town more efficiently than we can, especially since their maintenance is unionized over there." Little Catalina currently has one full-time Town Clerk and a second part-time Clerk. A local contractor is called for maintenance duties when required. The contractor owns his own equipment, including a backhoe, dumptruck and loader so the Town does not have to purchase it. "Fixing a leak in a pipe costs us \$100. It would cost them five or six times that." Yet another representative adds that there were no figures from the Randell study to work with in comparing the costs of the two scenarios. The Town gave consideration to the proposal throughout 2002, meeting twice with Municipal Affairs Minister Langdon, but in the end decided to opt out of the new municipality.

TBN has been set up so that each community retains some independence as a separate ward of the new municipality. Port Union is central and had a more modern building so it was selected as the TBN Town Hall. The future of the other two former Town Halls is uncertain at this time. "We're going to try to hold on to everything that it is feasible to hold on to". The library and other community groups shared a building with the Town Hall in Catalina in the past. Opened in the 1930s,



“It was the first library outside of St. Johns so there is a lot of history there”.

Issues regarding the future of the three Clerks and the tax structure of the new Town also need to be resolved. Before the election of a new Council a Transition Team consisting of a representative from Municipal and Provincial Affairs along with two former Mayors and the three Clerks was established to tackle these issues. All three Town Clerks were needed initially to pull the information together as the towns “had different set ups”. Melrose did everything manually and had to be entered into the computer system. “Everything has to be merged... It’s been a lot of work trying to bring three communities into one. We didn’t stop for three months,” describes one Clerk. By April (2005) the Town had hired a Town Manager, laid off one of the three former Clerks (with the least seniority) and cut back the hours of a second. Each Town previously had a different tax structure. Tax rates will be brought to consistent levels, changes that will be phased in over several years.

Vale
of T



TBN (formerly Catalina) works yard

The two Towns of Catalina and Port Union have a total of seven unionized staff working outside the office (four full-time, all employees for more than twenty years, and three part-time). Melrose previously contracted their maintenance and services other than administration. According to new Town Manager Darryl Johnson, all Teamsters Union staff will remain employed under a recently negotiated two-year contract. The contract included a raise and \$500 signing bonus. It is an awkward time for the staff, figuring out who does what and who is in charge, with two foremen currently on duty from the two former municipalities of Port Union and Catalina. “There is confusion. We don’t know what the needs in each place are... It needs to be more professional, with work orders filled out for us.” The Town Manager, about to start on the job (April 25th), is expected to assist with sorting out the work schedules. Union Steward Jerry Spurrow says there are no guarantees employees will keep their jobs or their hours in the contract. All seven staff members are wondering how the new arrangement will affect them. “The part-timers are really worried”. They observe that the equipment is also different in each former Town. Catalina owned welders, a snowplow, backhoe and salt truck. Port Union had fewer but similar resources while Melrose had little equipment to contribute. A second snowplow will need to be purchased “unless one of the towns wants to wait three or four hours” for their roads to be cleared. Nevertheless one employee points out “We’re really all one town of Catalina Harbour. Its about time for an attitude change... it will work out”



New booster station

Duffett explains the benefits the towns have already seen. “We’re all in the same situation. We’re all in arrears and have quite a debt. We just couldn’t continue on the way we were going. We had something like 1.9 million written off by Municipal Affairs between the three communities and we are left with only about \$300,000 to repay after we refinance,

plus \$1 million for infrastructure that we wouldn't have gotten otherwise. It has been at least ten years³ since we've received a municipal operating grant. That was all being intercepted. It's a great relief." In total \$928,000 in capital funding has been allocated to TBN, including financing for improvements to the water system, road paving, sewer lift stations, cribbing and road maintenance. Despite the benefits already received some residents remain sceptical, "they promised us a Cadillac water treatment system. They studied it to death and then downsized it to something no better than we had." For many the proof is yet to come.



Building at incinerator/landfill site used as a kennel

2. Animal control

In the late-80s the Towns began to explore the possibility of hiring an animal control officer. "We didn't need a full-time dog catcher for Catalina or for Port Union so we went to a dog catcher between the four Towns. No one community could afford it so the bill was split four ways." The cost split used is the same as that used to calculate incinerator fees, based on a contribution per household (see below). The Town of Catalina agreed to administer the position and invoice the other Towns. An extra building at the incinerator site was converted into a facility for holding the animals in 1990. Due to the cost of

heating the building the facility is only operated from November through April. Unfortunately, animals are dropped off at the site year-round and must be euthanized or sent to a facility in Clarendville if homes are not found immediately in the winter months. The position of dog catcher was outside the bargaining unit and "became a sore spot with the union." The position was unionized in 2003. "It cost us \$6000-7000 and he came back with two dogs for the season." None of the towns were satisfied with the service or the cost. They decided not to employ a dog catcher in 2004 but to look at different solutions. Instead they placed advertisements on the Community Channel reminding residents of the animal bylaws, sent letters to owners and contacted RCMP if necessary. TBN Mayor and Clerks feel this approach is "working pretty well". In addition to cost the Councils have found "the biggest problem is getting the right people for the job". With only a 14-week position, they suggest, commitment to the job is low and turnover high. "The first one was excellent but he got a full-time job." The matter is up for discussion again in 2005 and will be dealt with at the next meeting of the Joint Council. Some representatives feel the Towns should resume the dog catcher position.

3. Economic development/tourism

One TBN representative suggests that there has been very little cooperation in tourism or economic development between the four towns. Each town has its own group working on preservation of historic



Little Catalina to Maberly trailhead

³ Town Clerk Valerie Rogers confirms that their last grant was received in 1991/92.

sites, such as the Coaker Foundation in Port Union and Catalina Historic Society. The Town of Little Catalina, however, has worked together since 1993 with the Town of Elliston and the area's Discovery Trail Tourism Association (DTTA) to develop a 16.5 km historic trail between Little Catalina and Elliston (Maberly). Initial funding came through "moratorium projects." Elliston Clerk Wendy Baker explains: "The trail was there originally 100 years ago to get from one community to the other. The Discovery Trail (DTTA) a few years ago approached us to do it. They paid for it and then both Towns put \$200 into a bank account every year. Our Tourism Committee puts \$100 in (\$500 total) for years down the road when the bridges and woodwork and everything start giving out. If we need repairs done the two communities get together and get it done (e.g. with students from each). The two of us are involved with the DTTA and they do the marketing. The minutes are about all that is in writing. We're a pretty informal bunch". Little Catalina Councillor Ambrose Butt adds, "We've always had a good relationship with Elliston."



The Cabot Loop is home to many significant heritage sites and properties

Several area organizations, including DTTA and heritage associations, have some involvement in tourism and economic development. Unlike other parts of the province, however, there is no rural development association for the area. The Bonavista Area Regional Development Association is described as inactive and lacking representation from all of the Towns. The six Towns at the tip of the Bonavista Peninsula set up Cabot Resources Inc. in the 1992 to share ideas, facilitate economic development through business ventures and address harmful competition between the towns.

"Dolphins Co. came to put a strip mall in and the towns were competing with one another. As a result it never got done." As for Cabot Resources, "it worked well for a while until the company started getting into things the private sector and government were doing and they didn't want us there," reports one community leader. Another suggests two additional factors: 1) funding dried up in the late 1990s after the moratorium money was gone, and 2) volunteers got burnt out. "It's a job to have economic development in an area that's on the decline, with no dollars. Then when you lose 75 of your businesses ...". One venture attempted was to form a blueberry coop and train social assistance recipients to set up blueberry farms. A feasibility study in Phase 2 of the project suggested it wasn't viable to continue, particularly since productive farms take seven to eight years to develop. The initiative was a precursor to blueberry initiatives ongoing in the province today. One individual in the area later started a 25-acre blueberry farm when he lost his job at FPI. The farm is still in operation. By 2002 Cabot Resources could not cover its expenses and the towns sold off its assets.

TBN and Little Catalina are also part of the Discovery Regional Development Board (DRDB). TBN Town Manager Darryl Johnson is a Director on the DRDB representing small communities. The Discovery Regional Development Board (DRDB, Zone 15) has been pursuing projects in information technology, tourism, fisheries and aquaculture, and agriculture sectors and in business development (DRDB 2004). The challenge is that "the Zone Boards have to look regionally but as a Councillor you have to keep it local. The issues are not the same." Another Councillor suggests, "they haven't done anything."

Today the Towns, along with area businesses, are part of The Bonavista Area Chamber of Commerce. The Chamber was formed in 2002 and has been working on an economic development plan for the tip of the Peninsula. TBN Town Manager and former Port Union Mayor Darryl Johnson is the Chamber President. The group has found it very difficult with only a limited number of businesses remaining in the area, and therefore minimal membership revenues. “You can’t do everything as volunteers, you need core staff to keep things moving in between meetings.” But the Chamber has been told that the DRDB is doing economic development planning and that Industry Trade and Rural Development can provide staff assistance but not funding. Despite funding challenges the group has tried to carry on, holding workshops and forums and looking at agriculture potential for the area. They have invited the DRDB to participate. Funding for the Chamber’s staff person runs out in June 2005 and representatives worry the organization “will fall to the wayside like everything else.”

The DTTA, in collaboration with DRDB and the Towns of the Bonavista Peninsula, undertook a project in from 1999 to 2001 to develop six rest stops/lookouts with interpretive signage along the Peninsula. The lookouts included the Farm Hill Site near Melrose and Maberly Lookout Site at the eastern end of the Little Catalina-Maberly trail. The Town of Melrose administered the construction of the Melrose site and, under a written agreement, all four towns cost-share its yearly maintenance on an equal basis (1/4 of the costs each).

The Towns also participate in the new Bonavista-based Action Committee for Tourism. The Committee was established in 2002 to plan for the development of sustainable tourism on the northern half of the Bonavista Peninsula from Melrose to Bonavista and the Five Coves (ACT 2005). Johnson suggests that while several projects have been attempted, “We’re not as advanced in economic development as Councils should be.” The towns of



Farm Hill rest stop/lookout

TBN had an economic development officer for six months and then the funding ended. “Towns just don’t have the dollars to do it. Try telling someone who’s barely making ends meet that their taxes are going up for economic development.”

4. Fire protection

The community of Catalina formed the area’s first Fire Department in 1961. While none of the other communities contributed financially at the time, the department covered the entire area. The department had only six volunteers and “one guy drove the truck”. A story is told of one fire where the driver showed up and no one else. Things continued to decline until the three towns of TBN realized the need for a joint department. “We all needed fire services so we said why don’t the three communities share the costs?”

The joint department has been a link between the three communities ever since. Beginning in 1984 Catalina and Port Union were first to join forces, using a cost sharing arrangement based on their respective population sizes. “We met with them and made it clear that there had to be a

financial contribution. There was no battle, they willingly paid \$5000.” Melrose was slow to come on side, still getting coverage without making payments until 1994. “We still responded regardless, and told the Towns we would.” With pressure from the other Towns Melrose finally agreed to come on side. They struck a committee to go around and collect the \$20 per household fee.

By 1998 the Towns were once again facing low membership in the Fire Department. A special meeting of Joint Council was held to discuss the seriousness of the issue. The Fire Chief suggested an incentive program for new members such as that in place in the Town of Bonavista, whose Department is given funding to reward regular attendance based on a point system. Another idea suggested was a water/sewer exemption. A point system was drafted but never implemented. At the request of Joint Council the Fire Department wrote a letter to residents explaining the situation, the call once again resulting in some new volunteers. The name of the Department was changed to Catalina-Port Union-Melrose Fire Department (CPUM) to reflect the three-town partnership and foster pride in all communities.

In 2002 impropriety in the Department was detected and a new Chief put in place. Shortly afterwards the Department reported that it was “back on track” with five new members, a smoke free hall (separate smoking room), new safe and procedures for deposit, new radio system, washer for bunker gear, fire proof coveralls for smaller fires and new uniforms. A board table was donated by FPI, 12 sets of breathing apparatus and a safety cage for filling cylinders purchased. An audit was undertaken and Simply Accounting set up for Department use. It was also suggested that the Towns “reactivate their involvement”, establish Council representatives and inform the Department of their appointments.

The current per capita charge for the fire service is \$24, covering the Department’s \$33,000 per year operating budget. The Department presents an annual budget and is then given quarterly payments for their expenses. Payments from all the Towns have been slow, operations financed out of fundraising savings while waiting up to six months for payments to arrive. The Department fundraises for new equipment purchases. An equipment carrier was purchased at a cost of \$60,000 in 1988. In 1994 the Department purchased a new truck for \$170,000 without government funding assistance. They have also purchased a pickup (\$10,000), a thermal imaging machine (\$27,000, 2004), 10-12 breathing apparatus at \$2-3000 each and 25 sets of bunker gear at \$800-1600 each. The Firemen have a bingo, annual auction and ball. The Firettes also do fundraising (including an ‘Is the Price Right?’ game), contributing \$2500-3000 annually. People come from as far away as Bonavista and Port Rexton to participate in fundraisers. When the fish plant was in full operation the Department raised \$45,000 in three nights through a televised auction of donated items. The auction still raises at least \$15,000 annually despite the economic downturn.

The Department donated their 1973 fire truck along with breathing apparatus and cylinders to nearby Port Rexton in the late 1990s. “When we get new stuff we give our old stuff to whoever wants it.” It was suggested that the Port Rexton Department give them something for the cylinders if they could, which they did. Jackets and boots were sold to Five Coves at a fraction of their value when the Department acquired new bunker gear.

The Department meets weekly, three weeks in a month for training and the other as a general meeting. They have 25 firefighters, including female members and seven or eight certified Level One firefighters. The Department owns a smokehouse, which they raised funds to build in the late 1990s with help from a grant for the \$30-50,000 regional training facility. Six Departments of the Bonavista Peninsula use the smokehouse: Five Coves, Bonavista, Port Rexton, Trinity, TBN and Little Catalina. The Department asks for a small financial contribution for its use on an honour system rather than a fixed rate. Most do not pay, but the building is not expensive to maintain.

Fire Chief Bruce Sweetland expects that with the new TBN structure the municipality should be able to take on the administrative responsibility for the department and leave the volunteers available for fire fighting and fundraising. This will create more work for the office staff he points out and strengthen the link between the Town and the Department. Commissioner Randell's 2002 report recommended that ownership of the Fire Hall and other department assets be transferred from the Department to the Town and that the Department be operated as a department of the municipality in the future.

Fear of losing the Little Catalina Fire Department was a number one concern in the debate over amalgamation in TBN and the key reason Little Catalina did not join with the new municipality. Despite reassurances that there was "no interest in removing Little Catalina's Fire Department" and that there was an agreed need for a station in the community, which is several km away while the others "are just a step from each other" Little Catalina worried that they would lose their independence. After spending 25 years on the Department and nearly six years as Chief, Chief Jeff Dalton along with other volunteers would have had to answer to TBN's Fire Chief under the proposed new arrangement. The equipment they had worked hard to buy over the years, representatives suggest, would also come under TBN control.

Little Catalina's Department began in the early 1970s. Having raised the vast majority of the funding to buy their equipment, estimated to be worth close to \$500,000, the Department is very proud of its accomplishments. The Department has a 1991 fire truck with a 500-gallon tank purchased at a cost of \$100,000 and a van worth \$18,000. The Town pays the Department's insurance (\$7500) and gas expenses

(\$600-700) and the Department and Firettes raise money for equipment. The group raised \$2,600 in their annual skidoo run in 2005 and recently bought a new pager system at a cost of \$10,000. Like CPUM, the Department donated their used fire truck to a neighbouring community (Five Coves) when a new one was purchased.



Little Catalina Councillor Ambrose Butt, Fire Chief Jeff Dalton and pumper

Despite the amalgamation debate the two Fire Departments, along with the others on the Peninsula, "work together as one" and cover for each other when needed. The conflict is primarily between the Councils not the Departments say both Chiefs. Chief Sweetland says there could have been more cooperation if the issue had been approached differently. He understands

Little Catalina's desire for independence and appreciates the community's investment in their Department. Further, while the CPUM Department was willing to accept the others "50 plus men would be hard to manage" and sometimes "people on Departments conflict with one another." The agreement between the two is informal, a mutual understanding "just make a call and we're there." In addition to cooperation in training and response Little Catalina has borrowed cylinders from TBN and the two advertise together for Fire Prevention Week in the local paper. "You can never have too much cooperation in a volunteer Fire Department."

A relatively recent addition to the Bonavista Peninsula is an Emergency Response Vehicle purchased in 1993 for responding to car accidents. Meant to cover the area from Charleston to Bonavista it is located at the Bonavista Fire Department, a poor choice some suggest given that Bonavista is at the far end of the Peninsula rather than in a central location. Moving the Vehicle around amongst the Departments was also suggested but "politics were involved. Fred Mifflin was the member and he's from Bonavista." "We can pick it up if we need it but it is the Bonavista Department that's trained," explain representatives. Once again the issue is considered "a Town issue" rather than a Fire Department one. Initially a committee of fire departments was struck and did some fundraising to purchase the vehicle, although "most of the funding came from government". Costs were to be shared by the municipalities on a per capita basis. Little Catalina paid one year, they report, but no one else did so they stopped. Currently Bonavista is covering all costs associated with the emergency response service.

5. Joint Council

The Joint Council was established in the early 1970s and has played a significant role in the services shared by the four member Towns, particularly the incinerator in its early years. "Previously we held Joint Council meetings every four to six weeks where we made decisions on what was going to be shared and what was going to be paid, the portions etc. No one community said this is what we're charging and you're going to pay ... We've had some very interesting meetings to say the least, but you get things hashed out and all in all it works out. We will still hold joint meetings with Little Catalina, but there will be changes".

One TBN Town Clerk describes how the Council's presence led to service sharing and ultimately amalgamation. "Any decisions you'd have to have a meeting. We'd meet to see if we could come together or share. Then they said basically we share most everything except administration and public works, so we might as well join." As well as discussing and developing shared services the Joint Council has written letters and lobbied provincial and federal governments about "everything of concern to all our communities." They have met with representatives of FPI about changes to the local economy, with Newfoundland Power about operations of a dam impacting the Towns' water supply, RCMP and other agencies.

Subcommittees of the Joint Council are formed to deal with specific issues such as waste, water or animal control. Subcommittees meet between Joint Council meetings and then report back to both the individual Councils and the Joint Council as a whole. Responsibility for meetings and minutes are rotated among the four communities.

6. Recreation

A joint Recreation Commission with three representatives from each of the three communities of TBN has recently been formed and will begin to look a how greater cooperation can be achieved in recreation services. Each community will still hold its own festival, such as Melrose Fish and Berry Festival and Catalina Day. Subcommittees are planned for parks, playgrounds and festivals. “It will be a bit of juggling to get the Recreation Committee of the three Towns working together,” says one TBN Councillor. Due to population declines the four communities have already joined up to hold one Santa Claus Parade. They also have one Lion’s Club. Residents of also use the Bonavista stadium, along with teams from as far away as Trinity. There is no cost-sharing arrangement in place for the stadium other than payment of user fees.

7. War memorial

The Catalina Branch of the Royal Canadian Legion erected a war memorial in Catalina. The Legion asked the Towns of Catalina and Port Union to take over responsibility for the memorial in 2000 and they agreed. The two Towns have taken turns cutting the grass and undertaking any other required maintenance, one responsible one year and the other the next.



War memorial erected by the Catalina Legion

8. Waste disposal

In 1973 the four Towns purchased and installed an incinerator, replacing three separate landfill sites.

Funding was received by Port Union but a suitable

location could not be found within the Town boundaries. All four Towns then signed an agreement that Catalina Town Council would own and operate the incinerator, to be located on the outskirts of their community. The costs of operation and maintenance would be shared on a per capita basis. Each Town was responsible for its own garbage collection and non-combustibles. Catalina billed each Town monthly, keeping incinerator funds in a separate bank account. Each Town deposited their monthly payment, ranging from \$400 to 1500, directly into the incinerator account.

Reaching agreement on an appropriate fee structure for waste disposal has been a source of considerable debate over more than a decade. The initial agreement was to divide operating costs



on a per capita basis. The Towns then moved to a fee per household. According to one representative the change represented an agreement by the Towns with more financial capability (and fewer persons per household) to pay more.

Problems then arose because Little Catalina had 30-40 empty households that were not producing garbage. Another issue has been that FPI was dumping a lot through the Town of Port Union (an estimated 25% of total waste when they were in full operation and more than the entire Town of Little Catalina). Port Union, Little Catalina argues, is receiving a grant in lieu of taxes from the company but not paying a disposal fee reflective of their contribution to the waste stream. A similar argument is made

about the Berry Group of stores and the Town of Catalina. Still not able to reach a consensus after much discussion Catalina stepped in and said, as the Town ultimately responsible for the site, they would decide on the fee structure. They set a per household rate in 2002 (based on total costs divided by total number of households) and report there have been no complaints since that time. Little Catalina, however, would like to see the fee changed to a rate per ton. "We'd like to see it be based on what we actually use rather than the number of people," explains Little Catalina Councillor Ambrose Butt. "The only fair way would be to use scales. You can't argue with an amount per ton... but then came along the discussion of changes to waste management." For now the Towns submit a list of liveable households and houses with multiple families in them and adjustments are made accordingly in an attempt to address concerns. The per household fee for incineration is approximately \$43.76 per year based on the last statistics gathered by the towns.

Other communities have also utilized the incinerator site over time. Trinity previously delivered to the site but now uses the closer community landfill site at Port Rexton. Four other communities of the Trinity Bight area (Dunfield, Old and New Bonaventure, and Trouty) now deliver to the TBN incinerator after a dispute over fees in Port Rexton. The towns pay a set fee of \$300 for use of the site, an arrangement in place since 1998. There is no written agreement with these four communities, or any renewed agreement between the original four (of TBN and Little Catalina) since 1973. "Now its mostly a handshake. We sit down to a joint meeting and agree on things." One representative of the Trinity Bight towns is appointed to the Waste Disposal Committee, along with one each from the Towns of Trinity Bay North. The Committee meets to discuss any management issues that arise regarding the incinerator. The group meets fairly infrequently (the last meeting was held six months ago). Minute taking is rotated between the Clerks of the member municipalities.

Together all the communities keep the incinerator going, says Town Clerk Valerie Rogers (formerly of Catalina, now of TBN), including costs for wages, crawler loader and general maintenance totalling approximately \$40,000 per year. Operator John Jeans works 32 hours per week. Major maintenance work required in 2001, at a cost of nearly \$30,000, was shared among the four Towns after removing \$10,000 from an incinerator account surplus. Considerable maintenance has been required on their 1991 crawler, which "is always breaking down," and steel plates in the incinerator need to be replaced regularly to keep it from burning out. Such expenditures are brought forward for discussion at Joint Council, where it has been suggested that incinerator hours be cut back to save money.

However, the operator's hours come under the negotiated union contract and are therefore seen as inflexible. The Province, representatives say, has been very hands-off in terms of the incinerator's operation. One Town Clerk points out that Jeans has won several environmental awards for the cleanliness of the site. Representatives received a letter from the Province saying all incinerators will be closed down in 2007 but have not heard anything since. Perhaps the regional

system will be cheaper, one representative wonders hopefully....



Metals landfill at the incinerator site

Each Town was initially responsible for their own garbage collection but over the years they have experimented with sharing this service as well. Catalina, Little Catalina and Port Union started to contract out their garbage collection in 1999 “at quite a savings from union employee pick-up” reports one representative. The cost was \$550 per week. Each Town submitted their share of the contract fee (based on per capita at that time) to the incinerator account and Catalina paid the contractor. Little Catalina has been in and out of the contract arrangement over the years, currently tendering on their own at what they report to be a cheaper price using the same contractor as Bonavista. Melrose joined Catalina and Port Union in the garbage contract in 2004. Johnson does not believe the rates were reduced any further under joint contracting between the three Towns (rather than two) but “it used to take four days to pick up the garbage,” reports Mayor Austin, “the contractor is doing it in one”.

9. Water supply

All four communities are part of a shared industrial water system put in to serve a new fresh fish plant (FPI) in 1957. The industrial system is one of approximately 35 set up by the Province, often for fish plants. Today only eight provincially operated water systems remain. The system was extended to provide for area residents, starting with Port Union. A pumphouse was installed across from the fish plant. Service reached Catalina in the late 60s/early 70s, Melrose in the mid-70s and finally Little Catalina in 1979 (now 87% serviced), moving out from Port Union as funds became available and the population grew to justify the expense. The Department of Municipal and Provincial Affairs currently owns the main line and pumphouses but the Towns acquired debt to install their ancillary pipes and installation, a major component of the debt load that led to the TBN amalgamation.

Responsibility for monitoring the system and water quality was transferred to the Town of Port Union in 1992 before FPI closed down due to the cod moratorium. Each Town and major industry (the fish plant in Port Union and seal plant in Catalina) is metered. Port Union (now TBN) staff are responsible for reading metres, billing each Town and for maintenance and repair of the system (provincially owned components as well as their own). The Town then bills the Province for their services (\$1000-1100 per month). Each Town is responsible for water quality testing and maintenance of the pipes within their own boundaries, although they often share equipment such as snakes and other tools along with the experience of their maintenance staff.

Beginning in 2002 the Province began providing the Towns with funding to upgrade the system, with the agreement that once it brought up to a mutually agreed upon standard the municipality(ies) would take over ownership. The Province first met with the Joint Council about taking over the supply in 1997, suggesting that at approximately \$180,000 per year the system was too costly for the Province to operate. The Towns were initially given a 1999 deadline for assuming responsibility. Problems with the water supply, including high THM levels, were identified along with the need for boosters to get suitable amounts of chlorine to Melrose and Little Catalina and upgrades to electrical and chlorine systems. The first phase of current upgrades is underway at a cost of \$110,000. The second contract will cost \$369,000 (for new screens, clean and swab). Some work had already been done prior to TBN’s amalgamation. In total the investment in the system will be approximately \$2.5 million for cleaning and upgrading

(vs. 3.8 million to build a water treatment plant). TBN expects to be full owner of the system in approximately five years and anticipates Little Catalina will be part owners as well. “I can’t see them not being part of it jointly rather than just being charged for the water.” Price increases for water supply have been put into effect in anticipation of operating costs. The price of water was increased to \$1.03 from 55 cents per 1000 gallons in 2005 and will double again to over \$2 in 2006.

Lessons Learned

Municipal representatives from TBN and Little Catalina share lessons learned from their service sharing experiences:

Benefits

Reduced administration

Joint contracting of garbage collection, incinerator and water supply operations have meant that only one Clerk in the four communities has to administer these services. After the creation of TBN administration responsibilities will be even further reduced: “We won’t have to do separate billings and cheques any more for the three towns.”

Cost savings

In the past the Towns saved a lot on water. “It was already developed.” In addition significant upgrades have been made to the system, which will then be turned over to the Towns as a jointly operated service. Another points out “It’s cheaper to operate the incinerator than own a landfill with a worker and fill,” particularly if each Town had to operate its own. Savings have also been achieved through joint advertising and sharing of specialized equipment and facilities such as the Emergency Response Vehicle and smokehouse for Fire Department training.

Debt relief

Two million dollars in debt relief is the largest single benefit to date from the creation of one municipality of TBN, in addition to one million dollars received for infrastructure.

Favour and voice with government

“We need to improve as an area and all four Towns joining together will solve a lot of problems of the area and give us a bigger voice when approaching government.” Since it is provincial policy to encourage and support service sharing it is the belief of communities in Newfoundland and Labrador that if they share services, and even amalgamate, the Province will look favourably upon them. This favour, they believe, will then be reflected in funding decisions. This belief was also present in TBN prior to amalgamation and has held true in implementing the new combined municipality. Today representatives suggest that the Province is ready to support the new Town because “they want to show that amalgamation can work.”

Challenges

Economic/financial

Clearly the biggest challenge faced by the area is economic decline and resulting population loss. While shared services are a response to declines they are also challenged by these circumstances. Despite the urgent need for economic development, for example, representatives lament a lack of ongoing funding for local economic development efforts such as Cabot Resources and the Bonavista Chamber of Commerce, suggesting that regional efforts at scales larger than the tip of the Peninsula, while helpful, are too large to meet local development needs. Area business closures represent a challenge for both volunteer recruitment in development and raising funds within the area to support local development efforts.

Economic decline has also made determining a fair system of allocating costs of shared services an even more difficult challenge in the midst of economic tension and strain. One TBN Council member explains, “There’s a fairly good tax structure in Catalina and then you go to Melrose and they have hardly any businesses and you run into people saying ‘you guys have businesses paying taxes in your Town, you should be paying more than us because we’ve only got our residents to depend on.’”

Reconciling different ways of operating

Yet another challenge has been reconciling different ways of operating, for example union and non-union workforces. Those not unionized worry that joining forces with a unionized Town will mean higher wage costs. In the case of incineration it has also meant that the Joint Council and Incineration Committee have less flexibility in attempting to reduce their service costs, on the other hand providing security for a valued employee who has been with the Town for thirty years. Inconsistencies in tax structures, administration methods, and equipment are also challenges the towns are struggling with as they work towards merging three systems into one under the new municipality of TBN. Achieving greater cooperation in recreation and deciding the fate of existing staff and buildings are further issues to be addressed.

Other- resources, animosity

Other challenges raised included problems with cost and staffing in animal control and getting sufficient volunteers for the CPUM Fire Department. Little Catalina representatives feared they would have faced the same challenge had they joined the other Towns in TBN. Currently the active Department is a source of considerable pride. Nearby Elliston had to shut down their Fire Department due to lack of volunteers and joined Bonavista in the early 1990s. Finally, animosity between the Town of Bonavista and the smaller communities that surround it is seen as a barrier to further cooperation on the tip of the Bonavista Peninsula. The Towns have had to work to overcome similar animosities (historic and political) amongst themselves.

Success factors

Necessity

One municipal leader suggests “in the early days we met as four individual Towns but in the last seven to eight years it’s been more as a joint body, looking at what’s good for the whole region instead of thinking ‘if its no good for me its no good at all’.” Why? “The times, the economy. It’s

a necessity. You have to look at the big picture. Ten jobs in another community are as good as ten in yours.” Another adds of amalgamation: “By the late 90s and early 2000s the debt had become unmanageable, a debt we acquired when the Town was the most prosperous in Newfoundland.” Churches in the area have been similarly affected by declining populations and prosperity. Catalina and Little Catalina United Churches now combine efforts for many events.

The Joint Council – a vehicle for dialogue

“It started with water, then incinerator, then fire. There’s always been a level of cooperation in the area, but communities are growing together”. While some of this growing together has been by the force of necessity, the presence of a forum where relationships among the communities can grow and mature has also been a factor in the successes achieved. The Joint Council structure, with subcommittees for specific issues, appears to have been a highly effective vehicle for facilitating sharing arrangements and working out differences of opinion through dialogue. It provides a voice for all participating communities and associated responsibilities such as minute-taking and hosting meetings are shared. “Sure we have arguments. We always do, but you work it out, discuss it” explains Ambrose Butt of Little Catalina. “We basically have a good rapport, nothing you couldn’t walk out of and say see you tomorrow!”

Formal vs. informal agreements

Several interview respondents felt a comfort level such that, with meeting minutes and strong relationships, formal written agreements among the communities are seen as unnecessary. “I don’t think there’s any difference. Contracts have escape clauses too.”

Fee for use

Services where usage can be calculated and costs shared based on use rather than population or household numbers is seen as the most equitable financial arrangement. However, in the case of garbage the cost of weigh scales is prohibitive for small communities, particularly when the proposed new waste management system discourages investment in existing facilities.

Persistence

“Try and meet as often as possible and just, if you run into a roadblock don’t get frustrated and walk away. Cool down and let things... You get a little hot under the collar and you think that one community may be out to pull something over another’s eyes, but usually when you look it over you say ‘those guys do have a point there’. Just give it a second glance, don’t be too harsh in condemning anything. Nine times out of ten there is something there for you. Just work, work, work at it,” suggests Mayor Duffett. Town Manager Darryl Johnson adds, after 25 years in municipal government in the area, “the will has to be there and here it is. You have to think outside the box, look at the whole picture and not be afraid to try something”. After 12 years of discussing amalgamation/joint services, adds Duffett, persistence and commitment has paid off.

Sense of community

“Catalina always figured Port Union didn’t deserve anything. There was always conflict but when it comes down to the crunch people pull together. It’s no distance. We are closely related and it’s all like one town.” The influence of community relations, historic and developed, is particularly evident in the sharing of the Elliston/Maberly-Little Catalina trail. One representative points out that even these two Towns were once rivals (“it used to be like a border line in

between”). Both cases suggest that historic relations can be helpful but that old rivalries are far less important than good working relationships and positive service sharing experiences.

Supportive provincial role

Finally, the role of Municipal and Provincial Affairs as supportive but not forcing the issue of amalgamation was described as a factor in the success of forming the municipality of TBN.

Future Directions

Areas of future service sharing potential previously discussed through the Joint Council include snowclearing, policy for donations and advertising in local papers and the possibility of hosting one big festival instead of competing among Towns. TBN’s main focus over the years to come will be working through the amalgamation transition, sorting out issues of staffing, tax structure, equipment needs, making joint recreation and other town subcommittees work and establishing a new relationship between TBN and Little Catalina. As one long-time staff member suggests, “You’re capturing the before picture but it’s too early for the after”.

Information Resources

Documents available through the CCRC

- Garbage contracts between contractors and participating towns (2000 and 2002)
- Four town incinerator agreement, 1973
- Feasibility Report In the Matter To Establish One Local Government Administration For the Towns of Catalina, Little Catalina, Port Union and Melrose

Websites

Discovery Regional Development Board (DRDB): www.discoveryboard.nf.ca

Discovery Trail Tourism Association (DTTA): www.thediscoverytrail.org

Action Committee for Tourism (ACT): www.cabotloop.com

Bonavista Area Chamber of Commerce: www.bacc.ca

Trinity Bay North (TBN): www.trinitybaynorth.com

Port Union: www.historicportunion.com

Contacts

TBN: Austin (Tym) Duffett, Mayor (P. 469-2571), Valerie Rogers, Town Clerk
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Little Catalina: Gladys/Annie Johnson, Mayor (P. 469-2062), Ambrose Butt, Councillor
(ambrosebutt@yahoo.ca), Marilyn Reid, Town Clerk (P./F. 469-2795)

Elliston: Wendy Baker, Clerk (468-2649, wbaker2004@hotmail.com)

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Action Committee for Tourism (ACT). 2005. Website.

Discovery Regional Development Board (DRDB). 2004. Economic Prospector - A Newsletter of the DRDB. May 2004. Issue 1.

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Appendix 1- Trinity Bay North/Little Catalina Service Sharing Summary Table

<i>Service Shared</i>	<i>Partners</i>	<i>Legal Agreement</i>	<i>Financial Arrangement</i>	<i>Administration/ Delivery</i>	<i>Year Started</i>
Amalgamation – joint services and administration	Catalina, Port Union and Melrose (now TBN)	Yes (legislation)	Working on reconciling tax structures, debt relief from Province	Town of Trinity Bay North	2005 - discussion throughout 1990s 2002 feasibility study, 2004 election
Animal control	Catalina, Port Union and Melrose and Little Catalina	Minutes of Joint Council	Split the bill four ways (operates Nov.-April)	Formerly Town of Catalina	
Economic development	Cabot Resources Inc. – six towns	Bylaws, meeting minutes	No longer operating	Separate entity managing its own affairs, communities represented on Board of Directors	1992 - 2002
	Discovery Trail Tourism Assoc.	Bylaws, meeting minutes	Membership Fee \$75.00 per year	Separate entity managing its own affairs, communities represented on Board of Directors	
	Discovery Regional Development Board	Bylaws, meeting minutes	None	Separate entity managing its own affairs, communities represented on Board of Directors	1995/96
	Bonavista Area Chamber of Commerce	Bylaws, meeting minutes	Membership Fee \$50.00 per year	Separate entity managing its own affairs, communities represented on Board of Directors	2002
	Action Committee for Tourism		None		2002
	Little Catalina and Elliston	Minutes of Trail Assoc. and Town Councils	Each pay \$200/yr + \$100 from Elliston Tourism Committee into a maintenance fund	Discovery Trail Tourism Association	1993

	Farm Hill site - Catalina, Port Union and Melrose and Little Catalina, DTTA and DRDB	Written agreement	Four town shared costs equally to maintain the site	Town of Melrose administered	1999-2001
Fire protection	Catalina, Port Union and Melrose (now TBN) - if needed with Little Catalina	Minutes of Joint Council	Per capita	Catalina administered (with the department), volunteers from all communities	1961 - joint department 1984 (with Port Union), 1994 (with Melrose)
Joint Council	TBN and Little Catalina	No – meeting minutes	Rotating meetings	Rotating responsibility for minutes	Early 1970s
War memorial	Formerly Catalina and Port Union		Share costs and responsibilities for maintenance (rotating years)		2000
Waste disposal (incinerator)	TBN and Little Catalina	Yes	Tried different approaches, now rate per household (total costs/total households)	Formerly owned and operated by the Town of Catalina	1973
Water	TBN and Little Catalina	Minutes of Joint Council	\$1.03 per 1000 gallons (2005)	Port Union	Late 60s/early 70s
<i>Services no longer shared: Animal control (as of 2004, to be revisited)</i>					

Appendix 2 - TBN/Little Catalina Municipal Service Sharing Timeline

1957	Industrial water system installed at Port Union
1961	Town of Catalina forms fire department
Late 60s/early 70s	Water supply reaches Catalina
1970s	Joint Council formed
1973	Four towns purchase incinerator
Early 1970s	Little Catalina Fire Department formed
1979	Regional water supply reaches Little Catalina
1984	Catalina Fire Department joins with Port Union (cost-shared)
1990	Kennel facility constructed at incinerator site for animal control
1992	Cod moratorium, Cabot Resources established to facilitate economic development among the six towns at the tip of the Bonavista Peninsula
1993	Town of Little Catalina works with the Town of Elliston and the Discovery Trail Tourism Association (DTTA) to develop a historic trail between Little Catalina and Elliston (Maberly) Emergency Response Vehicle purchased for the region
1994	Melrose begins to make payments to joint fire service
1990s	Discussion on amalgamation/joint services throughout the decade (particularly post-cod moratorium)
1995/96	Discovery Regional Development Board established
1997	Discussions begin with Province about taking over the water supply
1998	Name changed to Catalina-Port Union-Melrose Fire Department
1999	Towns start contracting out garbage collection, often together
2000	Towns of Catalina and Port Union agree to jointly maintain war memorial
2001	Letter sent to residents of four towns seeking their opinion on further sharing of services and administration
2002	Feasibility study on combined local government administration conducted by Commissioner Randell Cabot Resources folds, Bonavista Area Chamber of Commerce and Action Committee for Tourism formed Waste disposal fees changed from per capita to per household
2004	First Trinity Bay North elections Dog catcher arrangement discontinued
2005	New municipality of Trinity Bay North (TBN) formally comes into existence