



WABUSH

December 19, 2016

Mayor Oldford & Council
Town of Labrador City
317 Hudson Drive
P.O. Box 280
Labrador City, NL A2V 2K5

Mayor Oldford and Council,

Thank you to you and your finance committee for meeting with us on Tuesday, December 13, 2016 and presenting your proposal regarding recreation.

We, the Mayor and Council of the Town of Wabush, recognize the amount of time and energy that has been put into the analysis of the overall spend for recreation in the Labrador West region. There have been significant cost reductions implemented to bring the cost of providing recreation to the region more in-line with what the contribution to recreation should be for a region of our size. We do not disagree with the Town of Labrador City that even with the cost reductions that have been implemented both Towns are still over contributing to recreation. For 2017, we have action items put in place to further reduce the recreation costs which include the purchase of equipment to minimize person hours; implementation of accounting modules to allows online registration, e-billing, and a renewed focus on revenues and sponsorship opportunities.

Upon review of your presentation we, the council of the Town of Wabush, feel the proposed solution takes away from the mandate given to us by our residents. It is important that the Wabush Council remains to have ultimate control of the facilities, services & employees in Wabush. The Council, Staff & Employees in Wabush have shown solid leadership in the last number of years, reducing our Operating Budget by millions of dollars while continuing to offer services that the residents of Labrador West as a whole enjoy. Furthermore, we appreciate the offer of \$300,000 towards a regional committee as proposed by the Town of Labrador City, however, our concern is that this funding would result in the closure of some of the facilities in Wabush in 2017. The \$350,000 requested would have allowed the Town of Wabush to continue to operate all the facilities in 2017.

Town of Labrador City

Page | 2

Within both communities, for quite some time, residents have been asking why we have not amalgamated. While it is uncertain at this time what the advantages and disadvantages would be, we believe the time has come where it would be responsible to explore this option on behalf of our residents in good faith. Once the study, consultation and education work has been completed the ultimate decision must be made by the residents of both communities; this new mandate will provide us as leaders with the tools to make the best decisions for our residents.

If amalgamation is the solution our residents ultimately choose, the newly elected council will have a mandate for all of Labrador West.

We believe that the commitment to study amalgamation in good faith, paired with our success and leadership in cost reduction in all departments along with our plans for 2017, shall present the Town of Labrador City with suffice comfort and confidence needed to forward an operating grant of \$350,000 as requested by the Town of Wabush for 2017.

With a renewed sence of regional cooperation for 2017, we encourage our councils and senior staff to continue to meet on a regular basis to encourage conversation on how we can work together to become more efficient as a region for 2017.

Again, we thank you for your time and we look forward to working with you in the future.

Sincerely,



for Colin Vardy, Mayor
Town of Wabush