

**REGIONAL DISTRICT OF NANAIMO**

**REGULAR BOARD MEETING  
TUESDAY, SEPTEMBER 10, 2002  
7:30 PM**

*(City of Nanaimo Council Chambers)*

**A G E N D A**

- PAGES**
1. **CALL TO ORDER**
  2. **DELEGATIONS**
    - 8 **Helen Sims, re Regional Growth Management Plan.**
  3. **BOARD MINUTES**
    - 9-20 **Minutes of the Board meeting held on Tuesday, August 13, 2002.**
  4. **BUSINESS ARISING FROM THE MINUTES**
  5. **COMMUNICATIONS/CORRESPONDENCE**
    - 21 **Sandra Keddy, Town of Qualicum Beach, re Port Theatre.**
  6. **UNFINISHED BUSINESS**
    - Bylaws For Adoption.**
      - Bylaw No. 1303 - Electoral Area B Parkland Acquisition Security Issuing Bylaw. (All Directors - Weighted Vote)**
      - Bylaw No. 1304 - Electoral Area B Parkland Acquisition Security Issuing Bylaw. (All Directors - Weighted Vote)**
      - Bylaw No. 1305 - Electoral Area B Parkland Acquisition Security Issuing Bylaw. (All Directors - Weighted Vote)**
      - Bylaw No. 1306 - Electoral Area B Parkland Acquisition Security Issuing Bylaw. (All Directors - Weighted Vote)**
      - Bylaw No. 1307 - Electoral Area B Parkland Acquisition Security Issuing Bylaw. (All Directors - Weighted Vote)**
  7. **STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES AND RECOMMENDATIONS**
    - 7.(I) **ELECTORAL AREA PLANNING STANDING COMMITTEE**
      - 22-23 **Minutes of the regular Electoral Area Planning Committee meeting held August 27, 2002. (for information)**

## PLANNING

### DEVELOPMENT PERMIT APPLICATIONS

**DP Application No. 0213 – Dennis/Neufeld – South Lake Road – Area H.**  
(Electoral Area Directors, except EA 'B' - One Vote)

*That Development Permit Application No. 0213, to vary the minimum setback requirements of the Comprehensive Development 9 (CD9) zone of 1.5 metres from the north and south side lot lines to 0.75 metres pursuant to the "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" to legalize the location of an existing recreational residence/deck and generator shed and to permit the construction of a permanent foundation within the Environmentally Sensitive Areas Development Permit Area for the property legally described as Strata Lot 388, District Lot 251, Alberni District, Plan VTS5160, be approved subject to the requirements outlined in Schedules Nos. 1, 2 and 3 and subject to notification provisions of the Local Government Act.*

**DP Application No. 0217 – Rajotte – 791 Miller Road – Area G.** (Electoral Area Directors, except EA 'B' - One Vote)

*That Development Permit Application No. 0217 to construct a dwelling unit in a Sensitive Lands Development Permit Area pursuant to the "Regional District of Nanaimo French Creek Official Community Plan Bylaw No. 1115, 1998" on the property legally described as Strata Lot 2, District Lot 28, Nanoose District, Plan VTS4363 be approved, subject to the conditions outlined in Schedule Nos. 1 and 2 of the corresponding staff report.*

**DP Application No. 0239 – Thompson – 4619 Maple Guard Drive – Area H.**  
(Electoral Area Directors, except EA 'B' - One Vote)

*That Development Permit Application No. 0239 to vary the minimum setback requirements of 18.0 metres from the stream centerline to 6.1 metres pursuant to the "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" to facilitate the construction of a dwelling unit and carport; to recognize existing bank stabilization works and a septic system, and to convert an existing cabin into an accessory building within the Hazard Lands Development Permit Area on the property legally described as Lot 35, District Lot 40, Newcastle District, Plan 16121, be approved subject to the requirements outlined in Schedule Nos. 1, 2 and 3 and subject to notification requirements pursuant to the Local Government Act.*

## OTHER

**Zoning Amendment Application No. 0207 – Northern Star – Anderson Avenue – Area H.** (Electoral Area Directors, except EA 'B' - One Vote)

- That Amendment Application No. 0207, submitted by Peter Mason and Ben Mellin, Agents, on behalf of Northern Star Developments Ltd., to rezone the subject property legally described as Lot 10, District Lot 109, Newcastle District, Plan 30254, from Rural 1 (RU1), Subdivision District 'A' to Rural 1 (RU1), Subdivision District 'D' be approved subject to the conditions outlined in Schedule No. 1.*

2. That "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No. 500.288, 2002" be given 1<sup>st</sup> and 2<sup>nd</sup> reading and proceed to public hearing.
3. That the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No. 500.288, 2002" be delegated to Director Quittenton or his alternate.

**Request for Cash in Lieu of Parkland & Relaxation of 10% Frontage Requirement - Fern Road Consulting/James Deas - Leon Road - Area H.**  
(Electoral Area Directors, except EA 'B' - One Vote)

*That the requests, submitted by Fern Road Consulting Ltd., on behalf of James Deas, for cash-in-lieu of park land dedication be accepted and to relax the minimum 10% frontage requirement for proposed Lots 7 and 8, as shown on the plan of subdivision of Lot 2, District Lot 19, Newcastle District, Plan 32575, be approved.*

**7.(II) COMMITTEE OF THE WHOLE STANDING COMMITTEE**

24-29

Minutes of the regular Committee of the Whole Committee meeting held August 27, 2002. (for information)

**COMMUNICATIONS/CORRESPONDENCE**

**Rob Roycroft, City of Parksville, re Port Theatre Funding.** (All Directors - One Vote)

*That the correspondence received from the City of Parksville with respect to the funding request for the Port Theatre, be received.*

**DEVELOPMENT SERVICES**

**BUILDING INSPECTION**

**Section 700 Filings.** (All Directors - One Vote)

*That a notice be filed against the title of the property listed, pursuant to Section 700 of the Local Government Act and that if the infractions are not rectified within ninety (90) days, legal action will be pursued:*

*The east part of Section 12, Range 2, Cranberry District, as shown on Plan 2030, except parts 13.3 acres and 29.89 acres coloured green on said plan, and except parts covered by Harewood and Overton Lakes, 2724 Extension Road, Electoral Area 'C', owned by Duart Raption.*

**PLANNING**

**Agricultural Land Reserve Regulation Amendments.** (All Directors - One Vote)

*That the staff report on 'Agricultural Land Reserve Regulation Amendment - Implications for the RDN' be received for information and that the staff clarify the key issues arising from the earlier presentation by the Land Reserve Commission.*

## **COMMUNITY SERVICES**

### **OTHER**

#### **RDN Public Consultation Process. (All Directors - One Vote)**

*That the submission from the Northwest Nanoose Residents Association be received and that provision be made for a review of the Public Consultation/Communication Framework Policy in 2003.*

## **CORPORATE SERVICES**

### **ADMINISTRATION**

#### **Revised Voting Structure. (All Directors - One Vote)**

*That the report on the revised voting structure based on the 2001 Census Figures, be received for information.*

#### **Vancouver Island Regional Library Weighted Vote Formula. (Electoral Area Directors - Weighted Vote)**

*That the Regional District of Nanaimo advise the VTRL that it supports the new Weighted Vote formula in which each member jurisdiction receives 1 weighted vote plus 1 additional vote for each ¼ percent of total VTRL tax contributions after the first ¼ percent. Where the formula results in a fraction of a vote, normal rounding will apply.*

#### **Port Theatre Funding Request Bylaws No. 1318, 1319, 1320, 1321 and 1322. (All Directors - One Vote)**

- I. *That the Regional District of Nanaimo proceed to referendum on November 16, 2002, to obtain the assent of electors in Electoral Areas A, B, C, D and E to establish individual Port Theatre Contribution Local Service Areas and that the referendum questions be as follows:*
  - i. *Are you in favour of the "Electoral Area 'A' Port Theatre Contribution Local Service Area Bylaw No. 1318, 2002" which, if enacted, would establish an annual contribution of \$13,900 to contribute towards the operation of the Port Theatre?*
  - ii. *Are you in favour of the "Electoral Area 'B' Port Theatre Contribution Local Service Area Bylaw No. 1319, 2002" which, if enacted, would establish an annual contribution of \$13,915 to contribute towards the operation of the Port Theatre?*
  - iii. *Are you in favour of the "Electoral Area 'C' Port Theatre Contribution Local Service Area Bylaw No. 1320, 2002" which, if enacted, would establish an annual contribution of \$13,820 to contribute towards the operation of the Port Theatre?*
  - iv. *Are you in favour of the "Electoral Area 'D' Port Theatre Contribution Local Service Area Bylaw No. 1321, 2002" which, if enacted, would establish an annual contribution of \$12,440 to contribute towards the operation of the Port Theatre?*

- v. *Are you in favour of the "Electoral Area 'E' Port Theatre Contribution Local Service Area Bylaw No. 1322, 2002" which, if enacted, would establish an annual contribution of \$19,950 to contribute towards the operation of the Port Theatre?*
2. *That the "Electoral Area A Port Theatre Contribution Local Service Area Bylaw No. 1318, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.*
  3. *That the "Electoral Area B Port Theatre Contribution Local Service Area Bylaw No. 1319, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.*
  4. *That the "Electoral Area C Port Theatre Contribution Local Service Area Bylaw No. 1320, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.*
  5. *That the "Electoral Area D Port Theatre Contribution Local Service Area Bylaw No. 1321, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.*
  6. *That the "Electoral Area E Port Theatre Contribution Local Service Area Bylaw No. 1322, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.*

## **FINANCE**

### **Audit Services Contract. (All Directors - Weighted Vote)**

*That the Board appoint the firm of Bestwick & Partners and authorize the Chairperson and General Manager of Corporate Services to enter into a five-year agreement for the provision of external financial audit services commencing with the year 2002 audit.*

*That a letter of appreciation be sent to the firm of McGorman MacLean for their past services.*

### **Fees and Charges Amendment Bylaw No. 944.03.**

*(All Directors - Weighted Vote)*

1. *That "Regional District of Nanaimo Fees and Charges Amendment Bylaw No. 944.03, 2002" be introduced for three readings.*

*(All Directors - 2/3)*

2. *That "Regional District of Nanaimo Fees and Charges Amendment Bylaw No. 944.03, 2002" having received three readings be adopted.*

## **ENVIRONMENTAL SERVICES**

### **LIQUID WASTE**

#### **GNPCC Biosolids Composting.** (All Directors - One Vote)

*That the Board receive the report on the GNPCC biosolids composting contract and tendering process.*

#### **Driftwood Water System Contract Award.** (All Directors - Weighted Vote)

*That the Regional District of Nanaimo award Driftwood Water System Phase I to Chet Construction for the tendered amount of \$171,469.25.*

#### **Pump and Haul Amendment Bylaw No. 975.25.** (All Directors - One Vote)

- 1. That the application for Pump and Haul for the property legally described as Lot 58, DL 78, Plan 14275, Nanoose Land District, be approved;*
- 2. That "Regional District of Nanaimo Pump & Haul Local Service Area Amendment Bylaw No. 975.25, 2002" as amended, be read three times and forwarded to the Inspector of Municipalities for approval.*

### **SOLID WASTE**

#### **Landfill Refuse Compactor Tender Award.** (All Directors - Weighted Vote)

*That the RDN enter into lease through the MFA Leasing program, to finance the acquisition of a CAT 826 landfill refuse compactor from Finning.*

### **UTILITIES**

#### **Request to Impose a Development and Construction Moratorium in the Chartwell Subdivision.** (All Directors - One Vote)

*That the Board direct staff to include \$15,000 in the 2003 French Creek Bulk Water budget to participate in a hydrogeological study for the Englishman River and French Creek watersheds, subject to participation in the study by Qualicum Beach, Parksville and Breakwater Enterprises.*

*That the Board direct staff to include \$3,000 in the 2003 French Creek Bulk Water budget to establish a scope, project plan and cost for a drinking water protection plan for the Arrowsmith watersheds.*

*That the Board direct staff to include \$10,000 in the 2003 French Creek Water Local Service Area budget to investigate the opportunities and costs of acquiring supplemental water supply for the FCWLSA users.*

*That the Board support watering restrictions, including restrictions on lawn sprinkling, as a means to conserve and protect the water supply source in order to meet priority in-home and fire protection requirements.*

*That the Board direct staff to include in the 2003 budget, provisions for increasing water conservation awareness and education and water use patrols for residential and commercial users throughout the RDN regional water systems, to bring forward recommendations regarding water conservation rate*

*structures for the RDN water local service areas and to prepare for the Board's consideration a Water Use Restriction Bylaw that includes penalty mechanisms for non-compliance with RDN water-use restrictions.*

*That a decision on seeking authority to impose a development moratorium be based on the outcome of recommendations 1 to 4.*

**7.(III) EXECUTIVE STANDING COMMITTEE**

**7.(IV) COMMISSION**

**7.(V) SCHEDULED STANDING, ADVISORY STANDING AND SELECT COMMITTEE REPORTS**

**8. ADMINISTRATOR'S REPORT**

- 30-33 Public Consultation Process. (All Directors - One Vote)
- 34-35 RDN Administration Building Expansion Tender Award. (All Directors - Weighted Vote)
- 36-44 City of Parkville/RDN Water Supply Agreement. (All Directors - Weighted Vote)
- 45-48 Community Bond Financing for D69 Multiplex. (All Directors - One Vote)
- Health Permit Appeal. (Report to be circulated) (All Directors - One Vote)

**PRESENTATION**

2003 Strategic Directions Review and Budget Direction - K. Daniels.

9. **ADDENDUM**
10. **BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS**
11. **NEW BUSINESS**
12. **BOARD INFORMATION** (Separate enclosure on blue paper)
13. **ADJOURNMENT**
14. **IN CAMERA**

*That pursuant to Section 242.2(1)(j) of the Local Government Act the Board proceed to an In Camera meeting to consider information which is prohibited from disclosure under Section 16(1)(c) of the Freedom of Information and Protection of Privacy Act.*

**Fern Road Consulting Ltd.**

P. O. Box 405  
Qualicum Beach, B.C. V9K 1S9  
Telephone: (250) 752-9121 Facsimile: (250) 752-9241

**TO:** Maureen Pearce

**COMPANY:** RDN

**FAX:**

**FROM:** Helen Sims

**DATE:** 2002 09 04

No. of Pages      1      (including cover sheet)

File No:

**COMMENTS:**

I would like to address the 10 Sept/02 Board meeting regarding the Regional Growth Management Plan.

Please confirm that I am on the agenda.

Thank you.



REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON  
TUESDAY, AUGUST 13, 2002, AT 7:32 PM IN THE  
NANAIMO CITY COUNCIL CHAMBERS

**Present:**

Director L. McNabb	Chairperson
Director B. Sperling	Electoral Area B
Director E. Hamilton	Electoral Area C
Director D. Haimé	Electoral Area D
Director J. McLean	Electoral Area F
Director J. Stanhope	Electoral Area G
Director R. Quittenton	Electoral Area H
Director J. Macdonald	City of Parksville
Director T. Westbrook	Town of Qualicum Beach
Director D. Rispin	City of Nanaimo
Alternate	
Director R. Cantelon	City of Nanaimo
Director T. Krall	City of Nanaimo
Director L. Sherry	City of Nanaimo
Director B. Holdom	City of Nanaimo

**Also in Attendance:**

C. Mason	Gen. Mgr. of Corporate Services
N. Connelly	Gen. Mgr. of Community Services
J. Finnie	Gen. Mgr. of Environmental Services
D. Trudeau	Manager of Liquid Waste
P. Shaw	Manager of Community Planning
S. DePol	Engineering Technologist
M. Burton	Recording Secretary

**DELEGATIONS**

**Denis Cuerrier, re Composting of Biosolids Contract Awarded to Malaspina College.**

Mr. Cuerrier provided a handout to the Board and outlined his concerns regarding the awarding of the Composting of Biosolids Contract to Malaspina College.

MOVED Director Quittenton, SECONDED Director Sherry, that the delegations be received.

CARRIED

**LATE DELEGATIONS**

MOVED Director Stanhope, SECONDED Director Westbrook, that the following late delegations be permitted to address the Board.

CARRIED

**David R. Thompson, re Notice of Variance to Development Permit Application No. 0239 - Thompson - Lot 35, District Lot 40, Newcastle District, Plan 16121 - Area H.**

Mr. Thompson was not in attendance.

**BOARD MINUTES**

MOVED Director Sherry, SECONDED Director Stanhope, that the minutes of the regular Board meeting held on July 9, 2002 be adopted.

CARRIED

**COMMUNICATIONS/CORRESPONDENCE**

**Jim Thom, North Central Municipal Association, re BC Government Energy Policy Issues.**

MOVED Director Krall, SECONDED Director Sherry, that the correspondence received from Jim Thom, North Central Municipal Association with respect to the BC Government Energy Policy Issues, be received.

CARRIED

**Ross Peterson, Northwest Nanoose Residents Association, re Appointment of Arena Project Monitor.**

MOVED Director Krall, SECONDED Director Sherry, that the correspondence received from Ross Peterson, Northwest Nanoose Residents Association, re Appointment of Arena Project Monitor, be received.

CARRIED

**Ron & Liz Whittaker, re Notice of Variance to Development Permit Application No. 0239 – Thompson – Lot 35, District Lot 40, Newcastle District, Plan 16121 – Area H.**

MOVED Director Krall, SECONDED Director Sherry, that the correspondence received from Ron & Liz Whittaker, re Notice of Variance to Development Permit Application No. 0239, be received.

CARRIED

**DP Application No. 0239 – Thompson – 4619 Maple Guard Drive – Area H.**

MOVED Director Quittenton, SECONDED Director McLean, that Development Permit Application No. 0239, to construct a dwelling unit and to recognize the siting of existing retaining works, accessory building and septic system and to convert an existing cabin to an accessory building within the Hazard Lands Development Permit Area pursuant to the Shaw Hill-Deep Bay Official Community Plan Bylaw No. 1007, 1996, for the property legally described as Lot 35, District Lot 40, Newcastle District, Plan 16121, submitted by David and Sandra Thompson, be deferred back to the August 27, 2002 Committee of the Whole.

CARRIED

**UNFINISHED BUSINESS**

**Bylaw No. 500.286.**

MOVED Director Hamilton, SECONDED Director Stanhope, that "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No. 500.286" be adopted.

CARRIED

**Bylaw No. 1240.01.**

MOVED Director Hamilton, SECONDED Director Cantelon, that "Regional District of Nanaimo Electoral Area 'A' Official Community Plan Bylaw Amendment Bylaw No. 1240.01", be adopted.

CARRIED

**Bylaw No. 1148.02.**

MOVED Director Krall, SECONDED Director Hamilton, that "Regional District of Nanaimo Arrowsmith Benson – Cranberry Bright Official Community Plan Bylaw Amendment Bylaw No. 1148.02", be adopted.

CARRIED

**Bylaw No. 974.02.**

MOVED Director Krall, SECONDED Director Rispin, that "Regional District of Nanaimo Lantzville Official Community Plan Bylaw Amendment Bylaw No. 974.02", be adopted.

CARRIED

**Bylaw No. 1118.03.**

MOVED Director Krall, SECONDED Director Rispin, that "Regional District of Nanaimo Nanoose Bay Official Community Plan Bylaw Amendment Bylaw No. 1118.03", be adopted.

CARRIED

**Bylaw No. 814.07.**

MOVED Director Krall, SECONDED Director Rispin, that "Regional District of Nanaimo Englishman River Official Community Plan Bylaw Amendment Bylaw No. 814.07", be adopted.

CARRIED

**Bylaw No. 1115.02.**

MOVED Director Westbrook, SECONDED Director Sherry, that "Regional District of Nanaimo French Creek Official Community Plan Bylaw Amendment Bylaw No. 1115.02", be adopted.

CARRIED

**Bylaw No. 1007.03.**

MOVED Director Westbrook, SECONDED Director Stanhope, that "Regional District of Nanaimo Shaw Hill – Deep Bay Official Community Plan Bylaw Amendment Bylaw No. 1007.03", be adopted.

CARRIED

**Bylaw No. 500.283.**

MOVED Director Hamilton, SECONDED Director Stanhope, that "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No.500.283", be adopted.

CARRIED

**Bylaw No. 1299.**

MOVED Director Stanhope, SECONDED Director Sperling, that "Regional District of Nanaimo Electoral Area 'B' Parkland Acquisition Security Issuing Bylaw No. 1299, 2002", be adopted.

CARRIED

**Bylaw No. 1089.02.**

MOVED Director Stanhope, SECONDED Director Sherry, that "Regional District of Nanaimo French Creek Bulk Water Local Service Area Development Cost Charge Boundary Amendment Bylaw No. 1089.02, 2002", be adopted.

CARRIED

**Bylaw No. 1255.01.**

MOVED Director Macdonald, SECONDED Director Sperling, that "Driftwood Water Service Area Boundary Amendment Bylaw No. 1255.01, 2002", be adopted.

CARRIED

**Bylaw No. 791.04.**

MOVED Director Westbrook, SECONDED Director Sherry, that "Rural Streetlighting Local Service Area Boundary Amendment Bylaw No. 791.04, 2002", be adopted.

CARRIED

**Bylaw No. 1050.02.**

MOVED Director Stanhope, SECONDED Director Sherry, that "French Creek Bulk Water Supply Local Service Area Boundary Amendment Bylaw No. 1050.02, 2002", be adopted.

CARRIED

**Bylaw No. 889.21.**

MOVED Director Westbrook, SECONDED Director Stanhope, that "Regional District of Nanaimo Northern Community Sewer Local Service Area Boundary Amendment Bylaw No. 889.21, 2002", be adopted.

CARRIED

**STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES AND RECOMMENDATIONS**

**ELECTORAL AREA PLANNING STANDING COMMITTEE**

MOVED Director Hamilton, SECONDED Director Stanhope, that the minutes of the regular Electoral Area Planning Committee meeting held July 23, 2002, be received for information.

CARRIED

**PLANNING**

**DEVELOPMENT PERMIT APPLICATIONS**

**DP Application No. 0239 – Thompson – 4619 Maple Guard Drive – Area H.**

This item was deferred back to the August 27, 2002 Committee meeting.

**DP Application No. 0240 – PG Thomson on behalf of Hunt – 2399 Andover Road – Area E.**

MOVED Director Hamilton, SECONDED Director Quittenton, that Development Permit Application No. 0240 submitted by PG Thomson, on behalf of G. and B. Hunt, to construct a portion of a new dwelling unit, attached deck, and landscape works within a Watercourse Protection Development Permit Area on the property legally described as Lot 55, District Lot 78, Nanoose District, Plan 47638, be approved, subject to the conditions outlined in Schedules No. 1 and 2 of the corresponding staff report.

CARRIED

**DP Application No. 0242 – Stesco – 3478 Grilse Road – Area E.**

MOVED Director Hamilton, SECONDED Director Quittenton, that Development Permit Application No. 0242, submitted by Steven Stesco and Roberta Stesco, to legalize the existing stairway and deck structure within a Watercourse Protection Development Permit Area, and vary the minimum permitted setback from the top of a slope from 8.0 metres to 0.0 metres for the property legally described as Lot 69, District Lot 78, Nanoose District, Plan 15983, be approved, subject to the conditions as outlined in Schedule Nos. 1, 2 and 3 and subject to notification requirements pursuant to the Local Government Act.

CARRIED

**DP Application No. 0243 – Gibson & Brosz – Horne Lake Caves Road – Area H.**

MOVED Director Hamilton, SECONDED Director Quittenton, that Development Permit Application No. 0243 to vary the minimum setback requirements of the Comprehensive Development 9 (CD9) zone of 8 metres from the natural boundary of Horne Lake to a minimum of 0 metres for the stairs, and a minimum of 2.0 metres for the deck and recreational residence, to legalize the location of an existing recreational residence and other existing and proposed construction within an Environmentally Sensitive Areas Development Permit Area on the property legally described as Strata Lot 60, District Lot 251, Alberni District, Plan VISS160, be approved and that the application be referred back to staff to develop conditions of approval.

CARRIED

**DP Application No. 0230 – Ryan – Horne Lake Caves Road – Area H.**

MOVED Director Hamilton, SECONDED Director Quittenton, that Development Permit Application No. 0230, submitted by Dennis and Florence Ryan, to vary the maximum floor area of the main floor of the recreational residence from 70 m<sup>2</sup> to 78 m<sup>2</sup> pursuant to the Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987, to permit the structural alteration to construct a permanent foundation of an existing recreational residence and deck within the Environmentally Sensitive Areas Development Permit Area on the property legally described as Strata Lot 93, District Lot 251, Alberni District, Plan VISS160, be approved, subject to the requirements outlined in Schedules No. 1, 2 and 3.

CARRIED

**DEVELOPMENT VARIANCE PERMIT APPLICATIONS****Development Variance Permit Application No. 0215 – Mengual – 2955 Anchor Way – Area E.**

MOVED Director Hamilton, SECONDED Director Stanhope, that Development Variance Permit Application No. 0215, to relax the minimum rear lot line setback requirements from 2.0 metres to 0.0 metres to accommodate the construction of a retaining wall and to relax the minimum front lot line setback requirement from 8.0 metres to 0.0 metres to accommodate the construction of two driveway entrance pillars, as shown on Attachment No. 1 be approved, subject to the conditions outlined in Schedule Nos. 1, 2 and 3 and the notification requirements pursuant to the Local Government Act.

CARRIED

**Development Variance Permit Application No. 0216 – Buffie – 6293 West Island Highway – Area H.**

MOVED Director Hamilton, SECONDED Director Quittenton, that Development Variance Permit Application No. 0216 to vary the minimum setback requirement from 18.0 metres horizontal distance from the stream centerline of the back channel of Nash Creek to a minimum of 8.7 metres and to vary the minimum setback distance from 18.0 metres horizontal distance from the stream centerline of the main channel of Nash Creek to 16.9 metres for a building envelope to locate a dwelling unit for the property legally described as Lot 10, District Lot 21, Newcastle District, Plan 11567 be approved as outlined in Option B of the staff report subject to the requirements outlined in Schedules No. 1, 2 and 3.

CARRIED

**COMMITTEE OF THE WHOLE STANDING COMMITTEE**

MOVED Director Stanhope, SECONDED Director Hamilton, that the minutes of the Committee of the Whole meeting held July 23, 2002, be received for information.

CARRIED

**COMMUNICATIONS/CORRESPONDENCE**

**Gerald Berry, City of Nanaimo, re Firefighting Coverage for Properties Outside of Municipal Boundaries.**

MOVED Director Stanhope, SECONDED Director Sherry, that the correspondence received from the City of Nanaimo with respect to firefighting coverage for properties located outside Municipal boundaries, be received.

CARRIED

**Rob Roycroft, City of Parksville, re Port Theatre.**

MOVED Director Stanhope, SECONDED Director Sherry, that the correspondence received from the City of Parksville with respect to the Port Theatre's funding request, be received.

CARRIED

**Sandra Keddy, Town of Qualicum Beach, re Port Theatre.**

MOVED Director Stanhope, SECONDED Director Sherry, that the correspondence received from the Town of Qualicum Beach with respect to the Port Theatre's funding request, be received.

CARRIED

**DEVELOPMENT SERVICES**

**BUILDING INSPECTION**

**Section 700 Filings.**

MOVED Director Stanhope, SECONDED Director Krall, that a notice be filed against the title of Lot 7, Block 6, Section 16, Range 1, Plan 2041, Cedar Land District, 2151 Holden Corso Road, Electoral Area 'A', owned by W. Taylor & R. Kulai, pursuant to Section 700 of the Local Government Act and that if the infractions are not rectified within ninety (90) days, legal action will be pursued.

CARRIED

MOVED Director Sperling, SECONDED Director McLean, that the Section 700 filing against the title on Lot 26, Section 18, Plan 21586, Gabriola Island, Nanaimo Land District, 661 Gallagher Way, Electoral Area 'B', owned by R. Pitre, be postponed until the end of 2002.

CARRIED

**PLANNING**

**Community Identification Sign – Qualicum River Estates – Corcan Road – Area F.**

MOVED Director Stanhope, SECONDED Director Rispin, that the request to recognize the 'Qualicum River Estates' name and area as a "distinct community" within the Regional District for the purpose of meeting Ministry of Transportation criteria to place an entrance sign within the Corcan Road right-of-way be supported.

CARRIED

**COMMUNITY SERVICES**

**RECREATION & PARKS**

**Beach Access Improvements – Area G.**

MOVED Director Stanhope, SECONDED Director Macdonald, that the Regional Board direct staff to proceed with the permit application to Ministry of Transportation for a 0.65 ha waterfront property (identified as road on Plan No. 22290, registered in 1969) in Columbia Beach, and the subsequent improvements outlined in the report.

CARRIED

**Project Monitor Agreement with City of Nanaimo for District 69 Multiplex Arena.**

MOVED Director Stanhope, SECONDED Director Krall, that the Board approve entering into an agreement with the City of Nanaimo to use Mr. Lyle Percevault as Project Monitor for the District 69 Multiplex Arena Project.

A recorded vote was requested.

The motion was CARRIED with Directors Hamilton, Quittenton, Westbroek, Sherry, Haime, Sperling, Macdonald, Holdom, McNabb, Krall, Cantelon, Rispin, and Stanhope voting in the affirmative and Director McLean voting in the negative.

**Gabriola Island Regional Park – Name Change – Descanso Bay Regional Park.**

MOVED Director Sperling, SECONDED Director Haime, that the new regional park on Gabriola Island be named "Descanso Bay Regional Park".

CARRIED

**TRANSIT****Nanaimo City Centre Transit Exchange Review.**

MOVED Director Stanhope, SECONDED Director Krall, that the report on the Nanaimo City Centre Transit Exchange Review be received for information.

CARRIED

**Malaspina College/Downtown Nanaimo Transit Linkage.**

MOVED Director, Cantelon, SECONDED Director Krall, that Nanaimo Regional Transit provide a shuttle between downtown Nanaimo and Malaspina University College from August 16th to December 20th 2002.

CARRIED

MOVED Director Cantelon, SECONDED Director Krall, that the marketing costs for the development of this shuttle will primarily be the responsibility of the Downtown Nanaimo Partnership.

CARRIED

**OTHER****Green's Landing Wharf – Lease Extension.**

MOVED Director Stanhope, SECONDED Director Sperling, that the Regional District of Nanaimo requests from Public Works & Government Services Canada an extension of the temporary lease of the Green's Landing Wharf from September 30, 2002 to March 31, 2003.

CARRIED

**CORPORATE SERVICES****ADMINISTRATION****2002 Local Government Elections – Appointment of CEO & DCEO.**

MOVED Director Stanhope, SECONDED Director Krall, that Carol Mason, General Manager, Corporate Services, be appointed as the Chief Election Officer and Maureen Pearse, Manager of Administration Services, be appointed as the Deputy Chief Election Officer for the purpose of conducting the November 16, 2002 local government elections and referendums.

CARRIED

**SPECIAL EVENT/SPECIAL OCCASION APPLICATIONS****Status Reports.**

MOVED Director Rispin, SECONDED Director McLean, that the Special Event/Special Occasion Application Status Report be received for information.

CARRIED

**PAGE**  
**15**

**COMMISSION, ADVISORY & SELECT COMMITTEE**

**District 69 Recreation Commission.**

MOVED Director Stanhope, SECONDED Director Quittenton, that the minutes of the District 69 Recreation Commission meeting held July 11, 2002, be received for information.

CARRIED

MOVED Director Stanhope, SECONDED Director Quittenton, that the recommendations stated in the Recreation and Parks 2003 Fees and Charges report be referred back to staff to investigate a phasing in option in consultation with the Parksville Golden Oldies Sports Association.

CARRIED

MOVED Director Stanhope, SECONDED Director Quittenton, that all recommendations brought forward from the District 69 Recreation Commission's meeting of July 11, 2002, be referred back to staff.

CARRIED

**BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS**

**Concept Plan Proposal – Block 564 - Texada Land Corporation.**

MOVED Director Stanhope, SECONDED Director Macdonald, that staff be directed to bring forward a report to the next Board meeting (August 13, 2002) outlining the necessary amendments to the Growth Management Plan to consider a proposal submitted by Texada Land Corporation for Block 564.

CARRIED

**Proposed Amendments to Board Remuneration.**

MOVED Director Stanhope, SECONDED Director Krall, that the report with respect to proposed amendments to Board Remuneration be received.

CARRIED

**Bylaw No. 1078.**

MOVED Director Stanhope, SECONDED Director Rispin, that the following recommendations of the Board Remuneration Committee with respect to Bylaw No. 1078 be approved as presented:

**Base Remuneration**

- (a) That the base remuneration be defined as remuneration for up to 5 meetings per month.
- (b) That the base rate of remuneration remain at \$7,940 for the next three years.
- (c) That the Chairperson's allowance be adjusted by 2% for 2003, and by the Vancouver CPI as at November 30th (effective in December) in 2004 and 2005.

**Mileage reimbursements**

- (d) That Section 5(b)(vi) be amended to read: Attendance at meetings pursuant to a request from Regional District staff when the meeting occurs outside the member's jurisdiction.

**Meeting per diems**

- (e) That a rate of \$100 be established for "Other Business" meetings which last more than half a day.
- (f) That the definition of Committee Chair for the purposes of Scheduled Standing Committee per diem rates include the Chairperson of a Public Hearing or Public Information Meeting.

**Travel per diems**

- (g) That a flat daily per diem allowance of \$60 be paid for attendances at UBCM, AVICC and FCM. No meal per diems will be paid for these conference attendances.

A recorded vote was requested.



The motion was CARRIED with Directors Hamilton, Quittenton, Westbroek, Sherry, Haime, Sperling, Macdonald, Holdom, McNabb, Krall, Cantelon, Rispin and Stanhope voting in the affirmative and Director McLean voting in the negative.

MOVED Director Stanhope, SECONDED Director Sperling, that the "Regional District of Nanaimo Board and Committee Member Remuneration, Expenses and Benefits (All Directors) Amendment Bylaw No. 1078.04, 2002" be introduced for first three readings.

CARRIED

MOVED Director Stanhope, SECONDED Director Krall, that the "Regional District of Nanaimo Board and Committee Member Remuneration, Expenses and Benefits (All Directors) Amendment Bylaw No. 1078.04, 2002" having received three readings be adopted.

CARRIED

**Bylaw No. 1317.**

MOVED Director Stanhope, SECONDED Director Sperling, that the following recommendations of the Board Remuneration Committee with respect to Bylaw No. 1317 be approved as presented:

**Regional Allowance**

- (a) That the base allowance be increased by \$200 for 2002/3.
- (b) That the base allowance be adjusted by the Vancouver CPI as at November 30th (effective in December) in 2003/4 and 2004/5.
- (c) That a rate of .45 per capita be calculated for populations exceeding 5,000 and that the per capita adjustment be fixed until the next census

MOVED Director Stanhope, SECONDED Director Hamilton, that "Regional District of Nanaimo Board Remuneration and Expenses (Electoral Areas Only) Bylaw No. 1317, 2002 be introduced for first three readings.

CARRIED

MOVED Director Stanhope, SECONDED Director Hamilton, that "Regional District of Nanaimo Board Remuneration and Expenses (Electoral Areas Only) Bylaw No. 1317, 2002 having received three readings be adopted.

CARRIED

**SCHEDULED STANDING, ADVISORY STANDING AND SELECT COMMITTEE REPORTS**

**G. Holme, re Board Appointment to the Project Committee for the Vancouver Island Generation Project.**

The General Manager of Corporate Services advised that the Chairperson has appointed Director Elliott to the Project Committee for the Vancouver Island Generation Project.

**Project Committee for the Vancouver Island Generation Project - Director Elliott.**

Director Elliott was not in attendance.

## ADMINISTRATOR'S REPORT

### Operating Results to June 30, 2002.

MOVED Director Sherry, SECONDED Director McLean, that the summary report of financial results from operations to June 30, 2002 be received for information.

CARRIED

### Contravention of Unsightly Premises Regulatory Bylaw No. 1073 – Pitre – 661 Gallagher Way - Area B.

This item was dealt with under the 700 filings and postponed until the end of 2002.

### Development Permit Application No. 0243 - Gibson and Brosz - Horne Lake Caves Road - Area H.

MOVED Director Quittenton, SECONDED Director Stanhope, that Development Permit Application No. 0243 to vary the minimum requirements of the Comprehensive Development 9 (CD9) zone of 8.0 metres from the natural boundary of Horne Lake to a minimum of 0.0 metres for the stairs, and a minimum of 2.0 metres for the deck and recreational residence, to legalize the location of an existing recreational residence and other existing and proposed construction within an Environmentally Sensitive Areas Development Permit Area on the property legally described as Strata Lot 60, District Lot 251, Alberni District, Plan VIS5160 be approved, subject to the requirements outlined in Schedule Nos. 1, 2 and 3.

CARRIED

### Approach Path Zoning for the Nanaimo Airport - Area A.

MOVED Director Hamilton, SECONDED Director Stanhope, that the Regional District participate in the establishment of an approach path zoning initiative with the Nanaimo Airport Commission, subject to all related costs, including legal costs associated with the preparation of the agreement with Transport Canada, and the subsequent bylaw and all public meetings and hearing costs, being borne by the Nanaimo Airport Commission.

CARRIED

### Vancouver Island Generation Project and Environment Assessment Review.

MOVED Director Hamilton, SECONDED Director Stanhope, that the report with respect to the Vancouver Island Generation Project and Environment Assessment Review be received.

CARRIED

### Regional Growth Strategy Bylaw No. 1309 – Texada Land Corporation Block 54 Development Proposal.

MOVED Director Stanhope, SECONDED Director Macdonald, that the report with regard to Regional Growth Strategy Bylaw 1309 and the Texada Land Corporation Block 564 Proposal be received.

CARRIED

MOVED Director Stanhope, SECONDED Director Macdonald, that 1<sup>st</sup> and 2<sup>nd</sup> reading for "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309, 2002" be rescinded.

A recorded vote was requested.

The motion CARRIED with Directors Quittenton, Macdonald, Krall, Cantelon, Rispin, Stanhope and McNabb voting in the affirmative and Directors Hamilton, Westbrook, Sherry, Haime, Holdom and McLean voting in the negative.

MOVED Director Stanhope, SECONDED Director Macdonald, that "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309, 2002" be amended as described in Schedule 1.

A recorded vote was requested.

The motion CARRIED with Directors Quittenton, Macdonald, Holdom, Krall, Cantelon, Rispin, Stanhope and McNabb voting in the affirmative and Directors Hamilton, Westbrook, Sherry, Haime, and McLean voting in the negative.

MOVED Director Stanhope, SECONDED Director Cantelon, that "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309, 2002" be granted 1<sup>st</sup> and 2<sup>nd</sup> reading.

A recorded vote was requested.

The motion CARRIED with Directors Quittenton, Macdonald, Holdom, Krall, Cantelon, Rispin, Stanhope and McNabb voting in the affirmative and Directors Hamilton, Westbrook, Sherry, Haime, and McLean voting in the negative.

MOVED Director Stanhope, SECONDED Director Krall, that "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309, 2002" proceed to public hearing.

CARRIED

MOVED Director Stanhope, SECONDED Director Rispin, that the holding of the public hearing with respect to "Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309, 2002 as amended be delegated to Board Chair Director Holme, Board Deputy Chair Director McNabb, Committee of the Whole Chair Director Stanhope, or their alternates.

CARRIED

#### **BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS**

##### **Biosolids Contract Award.**

MOVED Director Krall, SECONDED Director Quittenton, that staff be directed to review the matter of Composting/Biosolids contract awarded to Malaspina University College, and refer any environmental and health concerns to the Ministry and report the findings to the Board.

CARRIED

#### **NEW BUSINESS**

##### **Chartwell/Sandpiper Water Supply - Director Stanhope.**

MOVED Director Stanhope, SECONDED Director Rispin, that staff prepare a report regarding the placement of an immediate moratorium on new construction and outline a plan for improving water quality and quantity in Chartwell/ Sandpiper water supply system.

CARRIED

##### **Representation at Meetings - Director Sperling.**

MOVED Director Sperling, SECONDED Director Haime, that staff be instructed to inform all Directors, who wish notification, of all meeting dates on issues affecting their areas.

CARRIED

**IN CAMERA**

MOVED Director Sherry, SECONDED Director Stanhope, that pursuant to Sections 242.2(1)(a), (e) and (j) of the *Local Government Act* the Board proceed to an In Camera meeting to consider matters concerning a personnel issue and information that is prohibited from disclosure under Section 16(1)(c) of the Freedom of Information and Protection of Privacy Act.

CARRIED

**ADJOURNMENT**

MOVED Director Sherry, SECONDED Director Stanhope, that this meeting terminate.

CARRIED

TIME: 9:04 PM

\_\_\_\_\_  
CHAIRPERSON

\_\_\_\_\_  
GENERAL MANAGER, CORPORATE SERVICES



# TOWN OF QUALICUM BEACH

*Celebrating our 60th Anniversary  
1942 to 2002*

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P.O. Box 130  
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August 20, 2002

The Port Theatre  
125 Front Street  
Nanaimo, BC V9R 6Z4

Attention: **Sandra Thomson, General Manager**

Dear Ms. Thomson

**Re: Request for Support**

Thank you for your correspondence of July 23<sup>rd</sup>, 2002, addressed to Mayor and Council regarding the aforementioned.

Please be advised that Council, at their Regular meeting held Monday, August 12<sup>th</sup>, 2002, ratified the following motion:

**MOVED and SECONDED** that Council not support the request by the Port Theatre to proceed to referendum to ask voters if they will agree to make an annual contribution to the Port Theatre as a regional facility.

**CARRIED**

Should you require any clarification concerning the above please do not hesitate to contact the undersigned.

Yours truly

**S.J. (Sandra) Keddy  
Deputy Corporate Administrator  
Town of Qualicum Beach**

File: 0470-20-RDN  
F: Letters/02/Port Theatre.11

**REGIONAL DISTRICT OF NANAIMO**

**MINUTES OF THE ELECTORAL AREA PLANNING COMMITTEE  
MEETING HELD ON TUESDAY, AUGUST 27, 2002, AT 7:00 PM  
IN THE CITY OF NANAIMO COUNCIL CHAMBERS,  
455 WALLACE STREET, NANAIMO, BC**

**Present:**

Director E. Hamilton	Chairperson
Director L. Elliott	Electoral Area A
Director G. Holme	Electoral Area E
Director J. McLean	Electoral Area F
Director J. Stanhope	Electoral Area G
Director R. Quittenton	Electoral Area H

**Also in Attendance:**

P. Shaw	Manager of Community Planning
N. Torn	Recording Secretary

**MINUTES**

MOVED Director Holme, SECONDED Director Stanhope, that the minutes of the Electoral Area Planning Committee meeting held Tuesday, July 23, 2002 be adopted.

CARRIED

**PLANNING**

**DEVELOPMENT PERMIT APPLICATIONS**

**DP Application No. 0213 – Dennis/Neufeld – South Lake Road – Area H.**

MOVED Director Quittenton, SECONDED Director McLean, that Development Permit Application No. 0213, to vary the minimum setback requirements of the Comprehensive Development 9 (CD9) zone of 1.5 metres from the north and south side lot lines to 0.75 metres pursuant to the "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" to legalize the location of an existing recreational residence/deck and generator shed and to permit the construction of a permanent foundation within the Environmentally Sensitive Areas Development Permit Area for the property legally described as Strata Lot 388, District Lot 251, Alberni District, Plan VIS5160, be approved subject to the requirements outlined in Schedules Nos. 1, 2 and 3 and subject to notification provisions of the *Local Government Act*.

CARRIED

**DP Application No. 0217 – Rajotte – 791 Miller Road – Area G.**

MOVED Director Stanhope, SECONDED Director Holme, that Development Permit Application No. 0217 to construct a dwelling unit in a Sensitive Lands Development Permit Area pursuant to the "Regional District of Nanaimo French Creek Official Community Plan Bylaw No. 1115, 1998" on the property legally described as Strata Lot 2, District Lot 28, Nanoose District, Plan VIS4363 be approved, subject to the conditions outlined in Schedule Nos. 1 and 2 of the corresponding staff report.

CARRIED

**DP Application No. 0239 – Thompson – 4619 Maple Guard Drive – Area H.**

MOVED Director Quittenton, SECONDED Director Stanhope, that Development Permit Application No. 0239 to vary the minimum setback requirements of 18.0 metres from the stream centerline to 6.1 metres pursuant to the "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" to facilitate the construction of a dwelling unit and carport; to recognize existing bank stabilization works and a septic system, and to convert an existing cabin into an accessory building within the Hazard Lands Development Permit Area on the property legally described as Lot 35, District Lot 40, Newcastle District, Plan 16121, be approved subject to the requirements outlined in Schedule Nos. 1, 2 and 3 and subject to notification requirements pursuant to the *Local Government Act*.

CARRIED

**OTHER**

**Zoning Amendment Application No. 0207 – Northern Star – Anderson Avenue – Area H.**

MOVED Director Quittenton, SECONDED Director McLean,:

1. That Amendment Application No. 0207, submitted by Peter Mason and Ben Mellin, Agents, on behalf of Northern Star Developments Ltd., to rezone the subject property legally described as Lot 10, District Lot 109, Newcastle District, Plan 30254, from Rural 1 (RU1), Subdivision District 'A' to Rural 1 (RU1), Subdivision District 'D' be approved subject to the conditions outlined in Schedule No. 1.
2. That "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No. 500.288, 2002" be given 1<sup>st</sup> and 2<sup>nd</sup> reading and proceed to public hearing.
3. That the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Bylaw Amendment Bylaw No. 500.288, 2002" be delegated to Director Quittenton or his alternate.

CARRIED

**Request for Cash in Lieu of Parkland & Relaxation of 10% Frontage Requirement – Fern Road Consulting/James Deas – Leon Road – Area H.**

MOVED Director Quittenton, SECONDED Director Holme, that the requests, submitted by Fern Road Consulting Ltd., on behalf of James Deas, for cash-in-lieu of park land dedication be accepted and to relax the minimum 10% frontage requirement for proposed Lots 7 and 8, as shown on the plan of subdivision of Lot 2, District Lot 19, Newcastle District, Plan 32575, be approved.

CARRIED

**ADJOURNMENT**

MOVED Director Holme, SECONDED Director Stanhope, that this meeting terminate.

CARRIED

TIME: 7:09 PM

\_\_\_\_\_  
CHAIRPERSON

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE COMMITTEE OF THE WHOLE  
MEETING HELD ON TUESDAY, AUGUST 27, 2002, AT 7:30 PM  
IN THE CITY OF NANAIMO COUNCIL CHAMBERS,  
455 WALLACE STREET, NANAIMO, BC

**Present:**

Director J. Stanhope	Chairperson
Director L. Elliott	Electoral Area A
Director B. Sperling	Electoral Area B
Director E. Hamilton	Electoral Area C
Director D. Haime	Electoral Area D
Director G. Holme	Electoral Area E
Director J. McLean	Electoral Area F
Director R. Quittenton	Electoral Area H
Director J. Macdonald	City of Parksville
Director T. Westbrook	Town of Qualicum Beach
Alternate	
Director T. Beech	City of Nanaimo
Director T. Krall	City of Nanaimo
Director B. Holdom	City of Nanaimo
Director L. McNabb	City of Nanaimo

**Also in Attendance:**

K. Daniels	Chief Administrative Officer
C. Mason	General Manager of Corporate Services
J. Finnie	General Manager of Environmental Services
N. Connelly	General Manager of Community Services
P. Shaw	Manager of Community Planning
D. Trudeau	Manager of Liquid Waste
S. DePol	Engineering Technologist
G. Garbutt	Senior Planner
N. Tonn	Recording Secretary

**DELEGATIONS**

**Richard Johnston, Malaspina University-College, re Bio-Solids Project.**

Mr. Johnston presented an overview of the University College's size, financial status and past accomplishments within the Regional District and noted that the Malaspina Woodlot is run independently and is not subsidized in any way.

Paul Lucas, Woodlot Manager, also provided a short history of the Malaspina Woodlot and the biosolids forest fertilization project of 1992. Mr. Lucas also distributed information to the Directors with respect to the current biosolids project.

**LATE DELEGATIONS**

MOVED Director Haime, SECONDED Director Hamilton, that the following late delegations be permitted to address the Committee.

CARRIED



**Linda Westby, re Bio-Solids Project.**

Ms. Westby requested that the Board cancel its present contract with Malaspina College-University citing concerns about fish habitat and residential drinking water and the use of biosolids as a Class B compost for forest fertilization. Photographs were distributed to Committee members for their perusal.

**Carl Westby, re Bio-Solids Project.**

Mr. Westby spoke in opposition to the biosolids forest fertilization project and the contract between the RDN and Malaspina University-College to provide the project with biosolids from the NWPCC. Mr. Westby raised concerns with the safety level of the biosolid storage area at the Malaspina Woodlot.

**Donna Goodall, re Bio-Solids Project.**

Ms. Goodall noted that residents in the Lantzville/Pleasant Valley area were not notified prior to the commencement of the Malaspina Woodlot biosolids forest fertilization project and raised her concerns with respect to potential health hazards of the project.

**Arthur Lightburn, Northwest Nanoose Residents Association, re RDN Consultation Process.**

Mr. Lightburn responded to the August 15, 2002 memorandum from the General Manager of Community Services regarding the public consultation process and suggested inaccuracies in the staff report and flaws in the RDN Multiplex consultation process.

**MINUTES**

MOVED Director Krall, SECONDED Director Holme, that the minutes of the Committee of the Whole meeting held on Tuesday, July 23, 2002 be adopted.

CARRIED

**COMMUNICATIONS/CORRESPONDENCE**

**Rob Roycroft, City of Parksville, re Port Theatre Funding.**

MOVED Director Krall, SECONDED Director McNabb, that the correspondence received from the City of Parksville with respect to the funding request for the Port Theatre, be received.

CARRIED

**DEVELOPMENT SERVICES**

**BUILDING INSPECTION**

**Section 700 Filings.**

The Chairperson listed each filing and asked that any property owner in the audience wishing to address the Committee come forward when their name was called.

MOVED Director Holme, SECONDED Director Hamilton, that a notice be filed against the title of the property listed, pursuant to Section 700 of the *Local Government Act* and that if the infractions are not rectified within ninety (90) days, legal action will be pursued:

- (a) The east part of Section 12, Range 2, Cranberry District, as shown on Plan 2030, except parts 13.3 acres and 29.89 acres coloured green on said plan, and except parts covered by Harewood and Overton Lakes, 2724 Extension Road, Electoral Area 'C', owned by Duart Rapton.

CARRIED

## PLANNING

### Agricultural Land Reserve Regulation Amendments.

MOVED Director Krall, SECONDED Director Holdom, that the staff report on 'Agricultural Land Reserve Regulation Amendment - Implications For the RDN' be received for information and that the staff clarify the key issues arising from the earlier presentation by the Land Reserve Commission. CARRIED

## COMMUNITY SERVICES

### OTHER

#### RDN Public Consultation Process.

MOVED Director Holme, SECONDED Director Westbrook, that the submission from the Northwest Nanoose Residents Association be received and that provision be made for a review of the Public Consultation/Communication Framework Policy in 2003. CARRIED

## CORPORATE SERVICES

## ADMINISTRATION

### Revised Voting Structure.

MOVED Director Holme, SECONDED Director Macdonald, that the report on the revised voting structure based on the 2001 Census Figures, be received for information. CARRIED

### Vancover Island Regional Library Weighted Vote Formula.

MOVED Director Krall, SECONDED Director McNabb, that the Regional District of Nanaimo advise the VIRL that it supports the new Weighted Vote formula in which each member jurisdiction receives 1 weighted vote plus 1 additional vote for each ¼ percent of total VIRL tax contributions after the first ¼ percent. Where the formula results in a fraction of a vote, normal rounding will apply. CARRIED

### Port Theatre Funding Request Bylaws No. 1318, 1319, 1320, 1321 and 1322.

MOVED Director Holdom, SECONDED Director Hamilton,:

1. That the Regional District of Nanaimo proceed to referendum on November 16, 2002, to obtain the assent of electors in Electoral Areas A, B, C, D and E to establish individual Port Theatre Contribution Local Service Areas and that the referendum questions be as follows:
  - i. Are you in favour of the "Electoral Area 'A' Port Theatre Contribution Local Service Area Bylaw No. 1318, 2002" which, if enacted, would establish an annual contribution of \$13,900 to contribute towards the operation of the Port Theatre?
  - ii. Are you in favour of the "Electoral Area 'B' Port Theatre Contribution Local Service Area Bylaw No. 1319, 2002" which, if enacted, would establish an annual contribution of \$13,915 to contribute towards the operation of the Port Theatre?
  - iii. Are you in favour of the "Electoral Area 'C' Port Theatre Contribution Local Service Area Bylaw No. 1320, 2002" which, if enacted, would establish an annual contribution of \$13,820 to contribute towards the operation of the Port Theatre?
  - iv. Are you in favour of the "Electoral Area 'D' Port Theatre Contribution Local Service Area Bylaw No. 1321, 2002" which, if enacted, would establish an annual contribution of \$12,440 to contribute towards the operation of the Port Theatre?

- v. Are you in favour of the "Electoral Area 'E' Port Theatre Contribution Local Service Area Bylaw No. 1322, 2002" which, if enacted, would establish an annual contribution of \$19,950 to contribute towards the operation of the Port Theatre?
2. That the "Electoral Area A Port Theatre Contribution Local Service Area Bylaw No. 1318, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.
3. That the "Electoral Area B Port Theatre Contribution Local Service Area Bylaw No. 1319, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.
4. That the "Electoral Area C Port Theatre Contribution Local Service Area Bylaw No. 1320, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.
5. That the "Electoral Area D Port Theatre Contribution Local Service Area Bylaw No. 1321, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.
6. That the "Electoral Area E Port Theatre Contribution Local Service Area Bylaw No. 1322, 2002" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.

CARRIED

**FINANCE**

**Audit Services Contract.**

MOVED Director McNabb, SECONDED Director McLean,:

1. That the Board appoint the firm of Bestwick & Partners and authorize the Chairperson and General Manager of Corporate Services to enter into a five-year agreement for the provision of external financial audit services commencing with the year 2002 audit.
2. That a letter of appreciation be sent to the firm of McGorman MacLean for their past services.

CARRIED

**Fees and Charges Amendment Bylaw No. 944.03.**

MOVED Director Macdonald, SECONDED Director Holdom,:

1. That "Regional District of Nanaimo Fees and Charges Amendment Bylaw No. 944.03, 2002" be introduced for three readings.
2. That "Regional District of Nanaimo Fees and Charges Amendment Bylaw No. 944.03, 2002" having received three readings be adopted.

CARRIED

**ENVIRONMENTAL SERVICES**

**LIQUID WASTE**

**GNPCC Biosolids Composting.**

MOVED Director Holdom, SECONDED Director Krall, that the Board receive the report on the GNPCC biosolids composting contract and tendering process.

CARRIED

MOVED Director Haime, SECONDED Director McLean, that this item be addressed In Camera.

CARRIED

**Driftwood Water System Contract Award.**

MOVED Director Holme, SECONDED Director Westbroek, that the Regional District of Nanaimo award Driftwood Water System Phase I to Chet Construction for the tendered amount of \$171,469.25.

CARRIED

**Pump and Haul Amendment Bylaw No. 975.25.**

MOVED Director McLean, SECONDED Director Holme,:

1. That the application for Pump and Haul for the property legally described as Lot 58, DL 78, Plan I4275, Nanoose Land District be approved.
2. That "Regional District of Nanaimo Pump & Haul Local Service Area Amendment Bylaw No. 975.25, 2002" as amended, be read three times and forwarded to the Inspector of Municipalities for approval.

CARRIED

**SOLID WASTE**

**Landfill Refuse Compactor Tender Award.**

MOVED Director Holme, SECONDED Director McLean, that the RDN enter into lease through the MFA Leasing program, to finance the acquisition of a CAT 826 landfill refuse compactor from Finning.

CARRIED

**UTILITIES**

**Request to Impose a Development and Construction Moratorium in the Chartwell Subdivision.**

MOVED Director Westbroek, SECONDED Director Holme,:

1. That the Board direct staff to include \$15,000 in the 2003 French Creek Bulk Water budget to participate in a hydrogeological study for the Englishman River and French Creek watersheds, subject to participation in the study by Qualicum Beach, Parksville and Breakwater Enterprises.
2. That the Board direct staff to include \$3,000 in the 2003 French Creek Bulk Water budget to establish a scope, project plan and cost for a drinking water protection plan for the Arrowsmith watersheds.
3. That the Board direct staff to include \$10,000 in the 2003 French Creek Water Local Service Area budget to investigate the opportunities and costs of acquiring supplemental water supply for the FCWLSA users.
4. That the Board support watering restrictions, including restrictions on lawn sprinkling, as a means to conserve and protect the water supply source in order to meet priority in-home and fire protection requirements.

5. That the Board direct staff to include in the 2003 budget, provisions for increasing water conservation awareness and education and water use patrols for residential and commercial users throughout the RDN regional water systems, to bring forward recommendations regarding water conservation rate structures for the RDN water local service areas and to prepare for the Board's consideration a Water Use Restriction Bylaw that includes penalty mechanisms for non-compliance with RDN water-use restrictions.
6. That a decision on seeking authority to impose a development moratorium be based on the outcome of recommendations 1 to 4.

CARRIED

**IN CAMERA**

MOVED Director Holme, SECONDED Director McLean, that pursuant to Section 242.2(1)(j) of the *Local Government Act* the Committee proceed to an In Camera meeting to consider information which is prohibited from disclosure under Section 16(1)(c) of the *Freedom of Information and Protection of Privacy Act*.

CARRIED

**ADJOURNMENT**

MOVED Director Holme, SECONDED Director Quittenton, that this meeting adjourn to allow for an In Camera meeting.

CARRIED

TIME: 8:50 PM

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CHAIRPERSON



REGIONAL DISTRICT OF NANAIMO			
SEP - 4 2002			
CHAIR		GMCrs	
CAO		GMDS	
GMCm3		GMES	
		<i>B.A.</i>	<input checked="" type="checkbox"/>

**MEMORANDUM**

**TO:** Kelly Daniels  
Chief Administrative Officer

**FROM:** Neil Connelly  
General Manager, Community Services

**SUBJECT:** RDN Public Consultation Process

**DATE:** September 3, 2002

**FILE:** 5330-20-TWIN

**PURPOSE**

To receive and provide for a response to a letter from the Qualicum Beach Residents Association.

**BACKGROUND**

An August 23, 2002 letter from the Executive of the Qualicum Beach Residents Association (QBRA) indicates their support of the July 30, 2002 submission from the Northwest Nanoose Residents Association. The letter, which is attached, states that with respect to the public consultation process the "RDN has failed to meet the requirements in the planning for the Ice Arena Project." Further reference is made to the May30th Qualicum Beach Open House Meeting on the arena referendum and questions regarding capital and operating costs for the multiplex project.

The staff report on the RDN public consultation process for the arena referendum that was considered by the Board Committee of the Whole at their August 27<sup>th</sup> meeting, provided perspectives on the public consultation / communication framework policy and the arena project process. With respect to questions on capital and operating costs for the arena project, staff provided specific numbers at the meeting based on the information and cost and revenue projections that had been prepared for the referendum process. Information was provided to the public in both summary form as well as in more detailed report form, when requested. As a result of public input at the Qualicum Beach meeting, additional summary information on costs was provided for in the subsequent meetings and project communications.

**ALTERNATIVES**

1. Receive the Qualicum Beach Residents Association letter for information.

**FINANCIAL IMPLICATIONS**

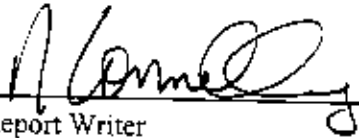
None.

**SUMMARY**

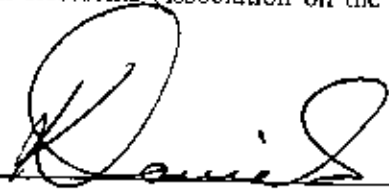
A letter from the QBRA on the RDN public consultation process for the arena project indicates their support for the submission by the Northwest Nanoose Residents Association on the same topic.

**RECOMMENDATION**

That the August 23, 2002 letter from the Qualicum Beach Residents Association on the RDN public consultation process for the arena project be received.



Report Writer



CAO Concurrence

COMMENTS:

# QUALICUM BEACH RESIDENTS ASSOCIATION



• Qualicum Beach, B.C. •

REGIONAL DISTRICT OF NANAIMO			
AUG 26 2002			
CHAIR	<input checked="" type="checkbox"/>	GMCrs	
CAO	<input checked="" type="checkbox"/>	GMDS	
EMCmB	<input checked="" type="checkbox"/>	GMES	
<i>Full report &amp; recommendations for Sept Bd</i>			

August 23, 2002

Regional District of Nanaimo Board  
Regional District of Nanaimo  
6300 Hammond Bay Road  
Nanaimo, B.C.  
V9T 6N2

Members of the Board;

Re: RDN Public Consultation Process.

The executive of the Qualicum Beach Residents Association is in full support of the Northwest Nanoose Residents association submission, regarding the public consultation process. We are also in full support of the French Creek Residents Association Statement of Facts. And further, we state that the RDN has failed to meet the requirements in the planning for the Ice Arena Project. For example, in the presentation made at Qualicum Beach, Mr. Daniels, when asked by our executive for specific numbers relating to capital and operating costs, he was unable to produce such cost figures.

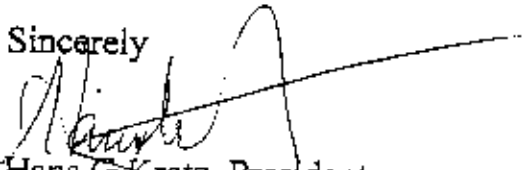
We wish the Board of the RDN would insure that the staff of the RDN, since they are paid for by our taxes, work for the citizens of the RDN and not corporations.

During the plebiscite it was obvious that the staff supported the R&G Proposal. They should, by law, have been neutral



The executive of the Qualicum Beach Residents Association feels that the whole plebiscite procedure was flawed. We are aware of the judicial review provisions under parts 24 and 29 of the B.C. Local Government Act, to address this type of grievance, however, we will await the Board of the RDN to right the wrong, committed by the process, used in the plebiscite.

Sincerely



A handwritten signature in cursive script, appearing to read 'Hans G. Kratz', is written over a horizontal line. The signature is fluid and somewhat stylized.

Hans G. Kratz, President



REGIONAL DISTRICT OF NANAIMO			
SEP - 4 2002			
CHAIR		GMCrS	
CAO		GMDS	
GMCmS		GMES	
Bid			✓
		DATE:	

# MEMORANDUM

**TO:** K. Daniels  
Chief Administrative Officer

**FROM:** C. Mason  
General Manager, Corporate Services

**SUBJECT:** RDN Administration Building Expansion Tender Award

September 4, 2002

## PURPOSE:

To consider the bid put forward by Windley Contracting Ltd. for the construction of an addition to the RDN Administration Building.

## BACKGROUND:

Last fall the Board authorized staff to proceed with preparing a tender for the construction of an addition to the RDN Administration Building to address the need for more office and meeting space at the current location. The following resolutions were approved by the Board at the October 9, 2001 meeting:

1. *That the Board approve the construction of an addition to the RDN Administration Building which includes a Board Room with a seating capacity for an audience of 50 persons and direct staff to prepare the necessary tenders to undertake this project; and*
2. *That staff be directed to prepare the reserve fund expenditure bylaws to approve the release of funds from the Building Addition Reserve Fund to proceed with this project.*

Only one company, Windley Contracting Ltd., submitted a bid for the construction tender that met the project specifications. The bid was approximately 30% higher than the budget allocated for the building construction and staff met with the District's project architects to discuss the Windley proposal. Following negotiations with Windley Contracting, the project architects have revised the design specifications and prepared an amendment to the bid documents. Windley Contracting has resubmitted its bid to undertake the project for a cost of \$1,099,779.84 (excluding GST). The architects retained by the Regional District to oversee the construction of the addition are recommending awarding the contract to Windley Contracting Ltd.

## ALTERNATIVES:

1. Award the tender contract to Windley Contracting Ltd. to undertake the construction project.
2. Re-tender the construction project based on the revised tender specifications

## FINANCIAL IMPLICATIONS:

Although eight tender packages were picked up by firms interested in bidding on the RDN Expansion project, only one bid was received that met the tender specifications, most likely due to the high volume of building activity currently occurring in the market place. In discussions with the project architect,

design specifications for the building addition have been modified. While the overall architectural design remains the same, changes related to the HVAC specifications, roof truss system and framing requirements have reduced the projected overall construction costs. Based upon these revisions, Windley has resubmitted its bid to undertake the project. Their bid fits within the budget allocated and will be funded by Reserve Funds on hand.

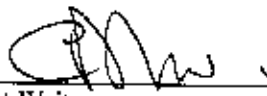
If the Board directs staff to re-tender the project, additional costs will be incurred in preparing new tender documents, in increased staff time and in related consulting costs. It is not anticipated that a revised tender would result in any additional bids being received or in receiving bids of lower cost than has been submitted by Windley Contracting.

#### CONCLUSIONS:

Only one valid bid has been received for the construction tender of an addition to the RDN Administration Building. Following negotiations with Windley Contracting Ltd., they have submitted a bid of \$1,099,779.84 which falls within the budget allocated for this project. Staff and the Regional District project architect recommend awarding the contract to Windley Contracting for a tender price of \$1,099,779.84 (excluding GST).

#### RECOMMENDATION:

That the Chairperson and General Manager of Corporate Services be authorized to sign the agreement between the Regional District of Nanaimo and Windley Contracting Ltd. for the construction of an addition to the RDN Administration Building for a contract price of \$1,099,779.84 excluding GST.

  
\_\_\_\_\_  
Report Writer

  
\_\_\_\_\_  
C.A.O. Concurrency

#### COMMENTS:

*The revisions made to the construction drawings to bring the project within budget represent different construction approaches that do not jeopardize the structural integrity of the building in any way. CAO*



REGIONAL DISTRICT OF NANAIMO	
SEP 3 - 2002	
CHAIR	GMCrs
CAO	GMDS
GMCms	GMES
	BIA
DATE:	

MEMORANDUM

TO: Kelly Daniels  
Chief Administrative Officer

August 28, 2002

FROM: John Finnie, P. Eng.  
General Manager  
Environmental Services

FILE: 2240-20-PWS

SUBJECT: Water/Bulk Water  
City of Parksville/Regional District of Nanaimo Water Supply Agreement

PURPOSE

To obtain Board approval to execute a water supply agreement between the City of Parksville (COP) and the Regional District of Nanaimo (RDN) for the exchange of water between the COP and the RDN Nanoose water systems.

BACKGROUND

The RDN has constructed a water supply line along Northwest Bay Road in Nanoose (the "Northwest Bay Road Interconnector" (NWBRI)) to facilitate the interconnection of RDN water local service areas in Nanoose and to provide for the transmission of Englishman River water to the Nanoose water local service areas. This supply line was conceived as part of the original Arrowsmith Water Service (AWS) bulk water system and it was intended that the line be used, as needed, to benefit both the COP and Nanoose by conveying Englishman River water to Nanoose in the summer months and Nanoose water to the COP in the winter.

Eventually, upon construction of a new AWS water intake on the river, it is anticipated that all water local service areas in Nanoose will benefit from bulk water supply from the river by way of the NWBRI. In the interim, there is capacity in the existing COP intake on the river to provide a limited seasonal supply of river water through the COP water system to the NWBRI and initially supplement supply to the Madrona Water Local Service Area. A successful trial of this arrangement has been in effect for about the past year and the RDN and COP now wish to formalize the arrangement by way of an agreement.

Water conveyed to the RDN via the COP intake and distribution system is considered to be part of the RDN's share of AWS bulk water from the Englishman River. The agreement, however, is primarily a vehicle of cooperation and sharing of facilities between RDN and Parksville and therefore does not directly implicate the AWS Joint Venture or the Town of Qualicum Beach. The COP intake normally operates between May and October, which coincides with the period during which the RDN systems may require additional water. In return, and as originally intended, the COP has requested the agreement provide for reciprocal supply from the RDN Nanoose system to the COP during the winter months when the COP intake is not operating. The proposed agreement provides for a supply from the COP to the RDN of 200 gpm until April 30, 2005 and 500 gpm thereafter (May to October), and a supply of 200 gpm from the RDN to the COP (November to April). If required, the RDN system can accommodate this supply quantity.

The agreement provides for interruption of supply in emergency situations and for charges for the conveyance of water to either party. The proposed commencement date of the agreement is November 1, 2002.

Both parties' solicitors have reviewed the agreement, a copy of which appended hereto as Attachment A.

#### ALTERNATIVES

1. Execute the agreement.
2. Provide staff with alternate direction.

#### FINANCIAL IMPLICATIONS

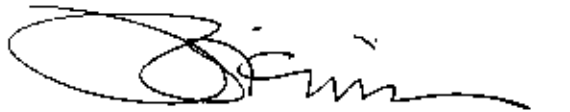
Charges for conveyance of water are laid out in the agreement. Both the COP and RDN will pay equivalent rates for water supplied.

#### SUMMARY/CONCLUSIONS

A water supply agreement between the COP and the RDN has been prepared for the purposes of conveying water between the COP and RDN Nanoose water systems. This arrangement was conceived as part of the original AWS bulk water strategy. Conditions for supply, operational responsibilities and charges for conveyance of water are embodied in the agreement, which has been reviewed and agreed to by COP and RDN staff and their solicitors.

#### RECOMMENDATION

1. **That** the Board direct staff to execute the City of Parksville/Regional District of Nanaimo Water Supply Agreement with the City of Parksville.



Report Writer



CAO Concurrence

COMMENTS:

**City of Parksville and Regional District of Nanaimo**

**WATER SUPPLY AGREEMENT**

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_, 2002

BETWEEN:

CITY OF PARKSVILLE  
P.O. Box 1390  
100 E. Jensen Avenue  
Parksville, BC  
V9P 2H3

(the "City")

AND:

REGIONAL DISTRICT OF NANAIMO  
6300 Hammond Bay Road  
Nanaimo, BC  
V9T 6N2

(the "RDN")

WHEREAS:

- A. The City operates a water distribution system.
- B. The RDN operates a local service for the supply and distribution of water in the Nanoose area of the Regional District.
- C. The City and the RDN and the Town of Qualicum Beach have entered into an agreement for the development of the Arrowsmith Dam and associated water supply and distribution works (the "Joint Venture").
- D. The Joint Venture Agreement contemplates the construction of a new intake facility on the Englishman River (the "Intake").
- E. Until the Intake is constructed and in operation
  - i) the City is prepared to supply water to the RDN through the City's existing intake, (during periods when that intake is operating) and through the City's water distribution system for use in the Nanoose water service areas, subject to the terms of this Agreement;

- ii) the RDN is prepared to supply water to the City from the Nanoose water distribution system for use in the City, subject to the terms of this Agreement.

THEREFORE in consideration of the terms and conditions in this Agreement, the City and RDN agree as follows:

Definitions

1. In this Agreement:

- a) "Commencement Date" means the date on which the City or the RDN begin to provide water to the other party at the Connection Point under this Agreement.
- b) "Connection Point" means the point on the City's water distribution system shown in Schedule "A" to this Agreement.
- c) "Existing Intake" means the Water Intake Facility located at the east end of Turner Road on the Englishman River, which is owned and operated by the City of Parksville.

Conditions of Water Supply

2. This Agreement provides:

- a) for the conveyance of water that belongs to the Joint Venturers through the City's distribution system to the RDN;
- b) for the conveyance of water that belongs to the RDN, through the RDN's Nanoose water distribution system to the City.

3. The water that is supplied to the RDN under this Agreement shall be taken into account as part of the RDN's bulk water allocation under the Joint Venture Agreement.
4. The RDN will supply water to the City upon receipt of 90 days written notice from the City to the RDN, and upon the City making the required modifications at the Connection Point to facilitate such provision.
5. Pursuant to this Agreement, the parties shall convey water to each other until the earlier of October 31, 2007 or the date 60 days after the Intake is placed into operation.

### Construction of Nanoose Interconnector

6. The RDN has constructed a watermain (the "Nanoose Interconnector") along Northwest Bay Road from Nanoose to the Connection Point.
7. The Nanoose Interconnector is and shall continue to be equipped with a pressure sustaining device, a flow control device and a flow meter or flow meters for measuring the volume of water that passes the Connection Point.
8. Before undertaking any works or modifications to the works at the Connection Point to the City's Water Distribution System, the RDN shall advise the Director of Engineering and Operations, who shall (acting reasonably) approve the works.
9. The City shall be responsible for all works and related costs to modify the Connection Point and/or make any other changes necessary to facilitate the supply of water from the RDN to the City.
10. Before undertaking any works or modifications to the works at the Connection Point to the City's Water Distribution System, the City shall advise the Manager of Engineering & Utilities, who shall (acting reasonably) approve the works.
11. The RDN shall carry out all works required to construct, operate and maintain the connection to facilitate the supply of water from the City to the RDN at its expense, including any inspection costs incurred by the City in relation to the connection.
12. The Commencement Date will be November 1, 2002.

### Supply of Water

13. From the Commencement Date, the City shall endeavour to make available the following maximum volumes of water to the RDN:
  - a) 200 imperial gallons per minute ("igpm") from the Commencement Date to and including April 30, 2005;
  - b) 500 igpm from May 1, 2005 until the termination of this Agreement;provided that the City may reduce the volume of water which is supplied to the RDN during any emergency conditions in the City affecting or requiring a supply of water, during any period when the flow of water through the City's existing intake on the Englishman River is limited or halted, or during any general shortage in the supply of water available within the City. During a general shortage in the supply of water available, the reduction in supply to the RDN shall be in proportion to the reduction that the City is required to bear.
14. Upon receipt of 90 days notice from the City, the RDN shall endeavor to make available the following maximum volume of water to the City:



- a) 200 imperial gallons per minute ("igpm") from the Commencement Date until the termination of this Agreement,

provided that the RDN may reduce the volume of water which is supplied to the City during any emergency conditions in the RDN affecting or requiring a supply of water, or during any general shortage in the supply of water available within the RDN. During a general shortage in the supply of water available, the reduction in supply to City shall be in proportion to the reduction that the RDN is required to bear.

15. The RDN acknowledges that water will only be made available from the City under the terms of this Agreement from May to October each year, which is the normal operating period of the Existing Intake.
16. The City acknowledges that water will only be made available from the RDN under the terms of this Agreement from November to April each year, which is the normal period the City's Existing Intake is shut down.
17. **Interruption of Water Supply**
  - (a) In the case of an emergency interruption of the supply of water, the party supplying water will endeavour to provide as much notice as is practicable to the party receiving the water, given the circumstances, prior to the interruption.
  - (b) In the case of a non-emergency temporary interruption of the supply of water, the party supplying the water will endeavour to provide the party receiving the water with a minimum of 14 days advance notice of the interruption.
18. The City and the RDN recognize that either party may obtain the desired water volumes reflected in Clause 13 and Clause 14 from any available source, including groundwater and surface water supplies, and both parties will develop, operate and maintain their own independent supplies as they deem appropriate.

#### Charges for Conveyance of Water

19. In consideration of the RDN's use of the City's existing intake on the Englishman River and the City's piping infrastructure from the existing intake to the Connection Point, the RDN shall pay the City the percentage of the City's operation and maintenance and capital depreciation costs for the City's existing intake and piping infrastructure that is equivalent to the percentage of water taken from the existing intake that is supplied to the RDN. The City's costs generally include:

**Variable Costs**

- a) operating and maintenance costs associated with the existing intake and pump house, including electrical, chlorination, repair, labour and material;
- b) pipe flushing for the piping infrastructure from the existing intake to the Connection Point;

**Fixed Costs**

- c) capital cost depreciation of the existing intake and pump house;
- d) capital cost depreciation of the pipe network from the existing intake to the Connection Point;

**Administration Costs**

- c) an administration fee of 7.5% of the total variable and fixed costs charged to the RDN.

- 20. All variable costs are to be based on 'actual' costs incurred.
- 21. In consideration of the City's use of the RDN's water from the Nanoose water distribution system, the City shall pay the RDN at a rate per unit of water supplied equivalent to the calculated rate per unit of supply paid by the RDN to the City for water supplied during the preceding billing period.
- 22. The City and the RDN shall arrange to read the water meter(s) in the Nanoose Interconnector and forward a semi-annual usage statement to the RDN or the City, as appropriate.
- 23. The amounts payable to either party under Section 19 and Section 21 shall be paid within 30 days of the date of the Invoice, based on a statement to be provided by the City or the RDN, as the case may be, by January 15 and July 15 of each calendar year. Interest at the rate one percent (1%) per month, compounded annually, shall accrue on any unpaid amounts.

System Operation

- 24. The City shall maintain its Water Distribution System to the Connection Point, including the existing intake. The RDN shall maintain the Nanoose Interconnector and the Connection Point between the two systems.

Repair Responsibilities

- 25. The RDN shall not be responsible for the construction, repair, operation or maintenance of any part of the City's system except as set out in this Agreement.

26. The City shall not be responsible for the construction, repair, operation or maintenance of the Nanoose Interconnector and any water distribution lines or facilities located in the Nanoose area and which are constructed to serve the residents of the Nanoose water service areas.

Early Termination

27. Despite Section 5, either party may terminate this Agreement on not less than 90 days notice in writing to the other party, provided that in such a case the party terminating the Agreement shall pay the costs of disconnecting the Nanoose Interconnector from the other parties water distribution system.

No Assignment

28. This Agreement shall not be assigned by either party.

Further Documents

29. The parties shall execute all further documents and do all further acts as may be necessary to give effect to this Agreement. This Agreement shall not serve to replace or defer the construction or operation of infrastructure or works contemplated under the Arrowsmith Water Service Joint Venture Agreement.

Corporate Acts

30. The parties warrant to each other that they have taken all necessary corporate acts, including any procedural steps required by the *Local Government Act*, in order to authorize the entry of this Agreement.

No Agency

31. Nothing in this Agreement creates any agency relationship, partnership or further joint venture between the parties.

Time of the Essence

32. Time is of the essence in this Agreement.

Entire Agreement

33. This Agreement sets out the entire agreement between the parties with respect to its subject matter and there are not collateral agreements, representations or warranties between the parties.

Notice

34. All notices to the City under this Agreement shall be delivered in writing to the City of Parksville's Director of Engineering and Operations. All notices to the RDN under this Agreement shall be delivered in writing to the RDN's General Manager of Corporate Services.

The Corporate Seal of the City of Parksville )  
was hereunto affixed in the presence of: )

\_\_\_\_\_) )  
Mayor: )

\_\_\_\_\_) )  
Clerk: )

C/S

The Corporate Seal of the Regional District )  
of Nanaimo was hereunto affixed in the )  
presence of: )

\_\_\_\_\_) )  
Authorized Signatory: )

\_\_\_\_\_) )  
Authorized Signatory: )

C/S



REGIONAL DISTRICT OF NANAIMO	
SEP - 5 2002	
CHAIR	GMCrs
CAC	GMDS
GMES	GMES

## MEMORANDUM

**TO:** C. Mason  
General Manager, Corporate Services

**DATE:** September 4, 2002

**FROM:** N. Avery  
Manager, Financial Services

**FILE:**

**SUBJECT:** Community Bond Financing for D69 Multiplex

### PURPOSE:

To discuss options for financing the D69 Multiplex including the use of community bonds.

### BACKGROUND:

At the July 9<sup>th</sup> Board meeting, Mr. Scott Tanner of the District 69 Recreation Commission presented an overview of community bonds as an alternative method for financing some of the cost of the new arena multiplex. Staff were directed to prepare a report on the financing options for the multiplex, including community bonds.

The general steps to financing any major capital project are as follows:

1. Where long term debt is required to finance the project, adopt a loan authorization bylaw -- in this case Bylaw 1313 was adopted June 25<sup>th</sup>, 2002 following a successful referendum.
2. Prior to long term debt being issued (usually during the construction period), utilize short term borrowing to provide cash flow to the project. The Municipal Finance Authority (MFA) offers this type of financing to local governments.
3. Upon project completion, authorize the MFA to issue long term debt in the bond market under the terms of the loan authorization bylaw.

Short term borrowing (that is, at Step 2) can be utilized for up to five years under the *Local Government Act* without elector assent. With short term interest rates particularly low at this time, there is an opportunity to use the MFA short term borrowing facility to reduce debt costs for up to five years. There are no administrative costs to secure MFA short term financing, interest only payments are required and funds can be converted to long term debt at any time without penalty. MFA short term borrowing interest rates are set at 1.25% below prime -- about 3.235% at present. The long term rate for 25 year debt contemplated for this project is presently at about 6.25%.

### **Community Bonds**

A community bond arrangement also offers an opportunity to reduce the cost of debt. The interest rate paid on a community bond is typically lower than what might be available in the commercial market – in fact the local government has complete flexibility to set the rate to its advantage. As was explained in the previous presentation, local citizens close the loop of the financing circle. The community bond may pay a somewhat lower rate than other kinds of investments, but that lower rate also allows the local government to potentially reduce the taxation, which would otherwise be required to repay commercial debt. This kind of initiative will be successful where community interest in a project is strong,

Generally, the bonds are issued as 5 or 10 year locked in terms and on occasion as a 5 year renewable term. There is a 1% fee paid to the MFA to set up the program. During the term of the bond, sinking fund (ie. a portion of the principal) and interest payments are made. At the end of the five or ten year community bond term, the subscribers would be paid their principal invested amount and the Regional District would convert the outstanding balance to long term debt. Bonds are typically issued in a minimum value of \$1,000 and interest is paid annually to reduce administrative costs. The MFA is the bond issuer, however, bonds can be distributed locally through the Regional District or another agency of the Regional District's choosing.

Community bonds are a supplementary financing method – a mix of MFA short term or long term borrowing and community bonds is entirely feasible.

There are some challenges to using community bonds for the multiplex project. In the current low interest rate environment it may be challenging to get five or ten year commitments with the future direction of interest rates uncertain. To date, community bond initiatives have been used in smaller communities for relatively small projects. Securing the interest and commitment of the District 69 public would require an effort not dissimilar to that expended in the run-up to the referendum.

### **ALTERNATIVES:**

1. That a Steering Committee of District 69 Directors be established to investigate and report back to the Board on the implementation of Community Bonds as a means of financing the Arena Multiplex Facility within District 69.
2. That the report be received for information and no further action be taken.

### **FINANCIAL IMPLICATIONS:**

If the Board wishes to pursue Community Bonds as a means of financing the construction of the Multiplex project, a number of issues need to be confirmed. These considerations include determining the amount of the community bond to be issued, the rate of return to be paid on the bond issue, the scope of the consultation process to solicit community support, and other related issues. Advantages of the community bond approach include the following:

- The local government can reduce its cost of borrowing for some or all of the project cost by fixing an interest rate to its advantage.
- Property owners can avail themselves of a secure investment vehicle.

- Property owners may pay slightly lower taxes related to the project financing for a limited time.

Disadvantages of the community bond approach are:

- Less flexible than short term borrowing in a rising interest rate environment – that is we would be unable to secure long term debt for that portion of costs financed by community bonds until the bonds matured.
- More “expensive” than short term borrowing because principal repayments as well as interest payments are required.
- Requires a further public consultation effort, similar to the referendum, to promote the initiative and secure community commitment.
- In a low interest rate environment it may be challenging to secure sufficient community interest to make the issue worthwhile.

Below is an illustration of the difference in annual cost under various combinations of a community bond and MFA financing:

Financing Alternatives (total borrowing required: \$8.12 M)	Community Bond Issue \$1,060,000	Community Bond Issue \$2,060,000	Community Bond Issue \$3,060,000	Community Bond Issue \$4,060,000	Community Bond Issue \$8,120,000	Short/Long Term Debt \$8,120,000
Total cost per \$100,000 over life of the financing combined with Community Bond Issue	\$451	\$443	\$435	\$425	\$387	\$463
Total savings per \$100,000 based upon value of Community Bond Issue	\$12	\$20	\$28	\$38	\$76	n/a

As shown above, the least expensive alternative to the taxpayer is a five year community bond issue followed by standard long term debt for the full \$8.12 million project cost (\$387).

The most expensive option is to use five year MFA short term borrowing followed by standard long term debt for the full \$8.12 million project cost (\$463).

The extra expense of using a standard borrowing approach arises because no principal would be repaid in the first five years and the project would effectively be financed over a total of 30 years (five year short term and 25 years long term). This alternative however, shifts some of the tax burden forward in anticipation of future development in the area.

As noted in the table above, for every \$1,000,000 in community bond financing, taxpayer costs are reduced by about \$10 to \$12 per \$100,000 over the life of the financing. For instance, the table shows that

if 50% of the project is financed for a five year period with a community bond, the savings over the life of the project would be about \$38 per \$100,000 (\$425 versus \$463). The costs to implement a community bond approach would include printing and mailing public notices, newspaper advertising and hall rentals for community meetings. Board and staff time will also be required to attend the information meetings. Staff estimate a budget of \$5,000 to \$7,000 for these direct costs.


**CONCLUSIONS:**



The Board requested a staff report outlining financing alternatives, including the use of community bonds, for the new District 69 multiplex. This report has shown a combination of borrowing options that the Board may wish to consider. As noted in the report, there are both advantages and disadvantages to using a combination of Community Bonds and MFA short and long term financing.

If the Board wishes to pursue Community Bonds as a financing option, a number of issues need to be confirmed. These considerations include determining the amount of the community bond to be issued, the rate of return to be paid on the bond issue, the scope of the consultation process to solicit community support, and other related issues. Staff propose that a Steering Committee of Board members from District 69 jurisdictions be established to examine these issues in more detail and that recommendations be brought back to the Board for the implementation of community bonds as a financing option.

**RECOMMENDATION:**

That a Steering Committee of District 69 Directors be established to investigate and report back to the Board on the implementation of Community Bonds as a means of financing the Arena Multiplex Facility within District 69.

*fer*   
\_\_\_\_\_  
Report Writer

  
\_\_\_\_\_  
General Manager Corporate Services  
  
\_\_\_\_\_  
C.A.O. Concurrence

**COMMENTS:**