

REGIONAL DISTRICT OF NANAIMO

**COMMITTEE OF THE WHOLE
TUESDAY, APRIL 22, 2003
7:30 PM**

(RDN Board Chambers)

A G E N D A

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CALL TO ORDER

DELEGATIONS

- 4-7 **Peter Wainwright & Ivo Van Bastaelere** re Proposed Nanoose Sewage Treatment System.
- 8 **Jan Thomas, Chartwell Residents' Association,** re French Creek Water System.

MINUTES

- 9-15 Minutes of the special and regular Committee of the Whole meetings held on Tuesday, March 25, 2003.

BUSINESS ARISING FROM THE MINUTES

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UNFINISHED BUSINESS

COMMUNITY SERVICES

- 16-19 **Green's Landing Wharf Lease Extension – Area B.**

RECREATION AND PARKS

- 20-24 **Purchase of Old Errington School – Area F.**
- 25-29 **Surcharge Policy for Non-Tax Contributing Users of the Ravensong Aquatic Centre.**

TRANSIT

- 30-32 **Southern Community Transit Services Area Amendment Bylaw No. 1230.01.**

CORPORATE SERVICES

ADMINISTRATION

33-45 Adoption of the 2003-2005 Board Strategic Plan

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46-61 Operating Results to March 31, 2003.

62-67 Driftwood Water Supply Security Issuing Bylaw No. 1301.

68-70 Morningstar Streetlighting LSA Requisition Limit Amendment Bylaw No. 869.02.

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SPECIAL EVENT/SPECIAL OCCASION APPLICATIONS

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BUILDING INSPECTION

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86-88 Engineering Services Contract – Liquid Waste Department.

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94-105 Driftwood Water Supply Service Area Rates & Regulations Bylaw No. 1334.

106-126 Water LSA Rates & Regulations Bylaws No. 524.12, 619.08, 700.09, 726.09, 727.09, 764.12, 815.07, 886.06 and 1097.04.

127-136 French Creek Water Local Service Area – Water Supply & Quality Issues.

137-143 French Creek Water Local Service Area – Resident Committee Options.

COMMISSION, ADVISORY & SELECT COMMITTEE

District 69 Recreation Commission.

144-146 Minutes from the District 69 Recreation Commission meeting held April 10, 2003. (for information)

That the District 69 Recreation Commission approve the short list of five names as stated in the minutes of the Multiplex Arena Naming Committee for April 2, 2003 as follows:

1. *Brant Centre*
2. *Arrowsmith Centre*
3. *Oceanside Centre*
4. *Chinook Centre*
5. *Orca Centre*

And that the name "Chinook Centre" be selected as the official name for the District 69 Arena Multiplex.

Transit Business Plan Update Select Committee.

147-154 Minutes from the Transit Business Plan Update Select Committee meeting held April 10, 2003. (for information)

That the report on the Parksville/Qualicum Beach Community Bus Proposal be received for information and be forwarded to the Plan Update 2003-2005 public consultation process.

155-180 Minutes from the Transit Business Plan Update Select Committee meeting held April 15, 2003. (for information)

That the proposed District 68 Transit service adjustments for June 29, 2003 and seasonal service reductions be approved and forwarded to the public consultation process for the Transit Business Plan Update.

That the 2003/2004 Annual Operating Agreement (AOA) with BC Transit (BCT) be approved and that BCT allow for the full expenditure of their cost sharing commitment as outlined in the AOA.

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

BOARD INFORMATION (Separate enclosure on blue paper)

ADJOURNMENT

IN CAMERA

April 8, 2003

:

April 22, 2003, Committee of the Whole

Delegation re Open House on proposed Nanoose sewage treatment system.

Peter Wainwright, Environmental Scientist with I.G.L Limited

Ivo Van Bastaelere, Senior Engineer for the outfall design with Komex International Limited.

Snaw-Naw-As (Nanoose) First Nation Sewage Treatment Plant

Land and Water BC File # 1409912

The Snaw-naw-as (Nanoose) First Nation is being proactive in solving a serious health and environmental problem on the Reserve. Many of their septic fields are chronically failing and open sewer is running in the ditches and emerging in backyards. Their children are at risk and the ocean is being polluted.

Project Summary

Nanoose proposes to construct a new sewage treatment system to service the Indian Reserve only. The project will encompass the design, construction and operation of the following:

- Approximately 1 km of gravity sewer
- A sewage pump station
- Approximately 400 metres of sewer forcemain
- An advanced wastewater treatment plant
- A marine outfall discharging outside the mouth of Nanoose Harbour.

The project is subject to CEAA review. A Licence of Occupation is required for the marine outfall. An Environmental Outline was completed in February 2002 and accepted by Government. A public consultation process has been initiated for the Licence of Occupation and preparation of the Environmental Assessment Report for CEAA. Subject to regulatory approval, construction would be initiated in 2003.

Rationale for Project

Conventional on-site systems (septic fields) are currently the only method of sanitary waste treatment for the Reserve. However, soil conditions are not adequate and there has been a chronic, high rate of failure of systems on the Reserve. This situation is aggravated by a high rate of failure of systems in adjacent areas. Failing on-site systems are common throughout the Lantzville area.

Contaminated groundwater is surfacing at various locations on the Reserve. This poses a chronic risk to human health. Contaminated runoff is entering the Harbour near shellfish beds which are a traditional food resource. Some shellfish beds are already closed to harvesting. The major beds adjacent to the Reserve are considered threatened.

In March 1998 Health Canada advised that no further in-ground systems would be approved on the Reserve.

Investigation of Alternatives

All potential alternatives solutions have been considered including:

- Potential connection to the Regional District of Nanaimo's (RDN) Greater Nanaimo Pollution Control Centre - This request was initially rejected by the RDN in August and September of 1997. Further discussions in 1998 and 1999 revealed that it would be unlikely that an agreement could be concluded because of costs and because of the RDN's approval would be conditional on controlling land use on the Reserve.

- Advanced treatment with in-ground disposal -- Soils on the Reserve do not meet Provincial criteria for in-ground disposal systems. There was no suitable land available off-Reserve and upgrading soils on-Reserve to meet Provincial criteria was not economically feasible.
- Advanced treatment with recycling of liquid effluent -- While the liquid effluent could meet criteria for irrigation use, there is not enough nearby land requiring irrigation to accommodate the expected volume of effluent, particularly during in winter.

Environmental Aspects

The proposed treatment system will produce a very high quality effluent (10/10 or better with disinfection). The design will have a high level of redundancy and include a SCADA (remote control and monitoring) system. In the event of a plant upset, effluent discharge will cease and liquid waste will be stored until normal operation is restored.

Oceanographic and engineering studies have been completed of the proposed marine outfall. The effluent is expected to trap at depth (never rise to the surface) under all conditions and a minimum 2000:1 dilution will be achieved. Prevailing currents will tend to move the effluent plume away from Nanoose Harbour and into the Strait of Georgia. The proposed terminus location was selected to ensure that it is more than 300 m from waters of less than 20 m depth so there will be no closure of any shellfish beds that are at harvestable depths.

Marine resources in the area include significant intertidal clam beds, extensive eelgrass beds in the nearshore area, and a commercial geoduck bed which is the 3rd largest in the Strait of Georgia. Extensive work including collection of underwater video footage, acoustic mapping and diver surveys were performed to identify and map marine resources and select the outfall route with the least environmental impact.

The initial environmental assessment concludes that (1) there will be no significant effects from the operations of the treatment plant and outfall; and (2) there will be minor unavoidable impacts from construction of the outfall.

The outfall route, design and construction plans have been developed in consultation with the Underwater Harvester's Association (UHA) and Fisheries and Oceans. Special construction techniques such as use of equipment with biodegradable hydraulic fluid, and mitigation and compensation measures are proposed to minimize residual environmental impacts.

Shellfish will be collected from the intertidal area prior to construction and transplanted back to the disturbed area following construction.

Commercial harvesters will harvest geoducks along the outfall route prior to construction. This will ensure these geoducks are not wasted. Proceeds from the sale of these geoducks will go towards geoduck research. A geoduck seeding program will be completed to compensate for losses along the outfall route.

Eelgrass mats will be collected from the outfall route and transplanted back to the disturbed area after construction.

Monitoring of the outfall route will be conducted for several years to monitor the success of mitigation measures and additional mitigation or compensation works will be conducted if required.

Potential Concerns of Nearby Residents

The proposed outfall will not affect beach access and will not be visible after construction is completed. There will be some unavoidable noise and disturbance during construction however this will be of relatively short duration. No construction activity will occur off the Reserve.

The outfall terminus will have no significant effect on water quality or recreation uses.

The treatment system will not serve any off-Reserve areas and therefore should have no effect on development off the Reserve.

Residents are encouraged to contact the project team for more information and to express their concerns. All concerns will be considered in the detailed design and will be considered by Government before any approvals are granted.

Contacts:

For additional information or to provide input or express concerns about the proposal, the public should contact:

Peter Wainwright
LGL Limited
9768 Second St.
Sidney BC V8L 3Y8
250-656-0127

Burgoyne, Linda

From: Jan Thomas [janpiano@shaw.ca]
Sent: Tuesday, April 15, 2003 11:41 AM
To: Burgoyne, Linda
Subject: April 22nd Agenda for COW Meeting

Hello Linda:

I, Jan Thomas, representing the Chartwell Residents' Association would like to be placed on the Agenda of the Committee of the Whole meeting of April 22, 2003. I will be reading a statement which should take no more than 2 or 3 minutes. The topic is "The French Creek Water System"

Please call me (or e-mail) if you need further information. My number is (250) 752-3820.

Jan Thomas

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REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE SPECIAL COMMITTEE OF THE WHOLE
MEETING HELD ON TUESDAY, MARCH 25, 2003, AT 5:00 PM
IN THE CITY OF NANAIMO COUNCIL CHAMBERS,
455 WALLACE STREET, NANAIMO, BC

Present:

Director J. Stanhope Alternate	Chairperson
Director H. Kreiberg	Electoral Area A
Director G. Lund	Electoral Area B
Director E. Hamilton	Electoral Area C
Director D. Haime	Electoral Area D
Director P. Bibby	Electoral Area E
Director L. Biggemann	Electoral Area F
Director D. Bartram	Electoral Area H
Director R. Longmuir Alternate	City of Parksville
Director A. Kruyt	Town of Qualicum Beach
Director I. Sherry	City of Nanaimo
Director G. Korpan	City of Nanaimo
Director T. Krall	City of Nanaimo
Director R. Cantelon	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
N. Connelly	General Manager of Community Services
B. Lapham	General Manager of Development Services
N. Avery	Manager of Financial Services
D. Trudeau	Manager of Liquid Waste
N. Tonn	Recording Secretary

PRESENTATION

2003 District 68 Transit Budget Issues.

The Chief Administrative Officer provided a verbal and visual update of the 2003 District 68 transit memo including tax requisition impacts on the municipalities and electoral areas. He also highlighted the new legislation requiring five year operating budgets, and explained some of the changes between the Provisional and Annual Budget.

The meeting recessed at 5:30 pm for dinner.

The meeting reconvened at 6:05 pm.

2003 – 2008 Financial Plan.

The General Manager of Corporate Services and the Manager of Financial Services presented a visual and verbal overview of the 2003 to 2008 financial plan, including highlights from each budget area.

ADJOURNMENT

MOVED Director Krall, SECONDED Director Bibby, that the meeting be recessed and reconvened immediately following the regular Committee of the Whole meeting.

CARRIED

TIME: 6:56 PM

The meeting reconvened at 9:20 pm.

The General Manager of Corporate Services summarized the 2003 to 2008 financial plan overview.

ADJOURNMENT

MOVED Director Sherry, SECONDED Director Holdom, that the meeting adjourn to allow for the reconvening of the Special Board meeting.

CARRIED

TIME: 9:33 PM

CHAIRPERSON

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REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE COMMITTEE OF THE WHOLE
MEETING HELD ON TUESDAY, MARCH 25, 2003, AT 7:48 PM
IN THE CITY OF NANAIMO COUNCIL CHAMBERS,
455 WALLACE STREET, NANAIMO, BC

Present:

Director J. Stanhope Alternate	Chairperson
Director H. Kreiberg	Electoral Area A
Director G. Lund	Electoral Area B
Director E. Hamilton	Electoral Area C
Director D. Haime	Electoral Area D
Director P. Bibby	Electoral Area E
Director L. Biggemann	Electoral Area F
Director D. Bartram	Electoral Area H
Director R. Longmuir Alternate	City of Parksville
Director A. Kruyt	Town of Qualicum Beach
Director L. Sherry	City of Nanaimo
Director R. Cantelon	City of Nanaimo
Director T. Krall	City of Nanaimo
Director G. Korpan	City of Nanaimo
Director L. McNabb	City of Nanaimo
Director B. Holdom	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
B. Lapham	General Manager of Development Services
P. Shaw	Manager of Community Planning
S. Schopp	Manager of Inspection and Enforcement
N. Tonn	Recording Secretary

DELEGATIONS

Mike Proudfoot and Dave Bing, Ministry of Transportation, re Rights-of-Way and Rest Area Commercialization.

Mr. Proudfoot and Mr. Bing presented an overview of the proposed accommodation of smaller vending and service concessions at various rest areas within the Province and commented that the private sector will be invited to put forward their proposals for small scale, seasonal and/or temporary vendors at rest stops.

French Creek Residents Association:

Michael Jessen, re Sandpiper/Chartwell Water System – Pressure, Volume, Storage.

Mr. Jessen spoke on the present inadequacies in the pressure, volume and storage of water within the French Creek Water Local Service Area, specifically the Chartwell and Sandpiper water systems and urged the Board to find a solution to these problems. Mr. Jessen provided Committee members with a copy of his presentation.

John Gayton, re Sandpiper/Chartwell Water System – Water Quality.

Mr. Gayton addressed the poor water quality within the Sandpiper/Chartwell water system and provided Committee members with a written data summary of a survey distributed to Chartwell residents by the French Creek Residents Association in January, 2002.

Jack Ellison, re Sandpiper/Chartwell Water System – Request to Establish a Water Board.

Mr. Ellison provided a verbal and written chronological background of the ongoing communication between the French Creek Residents Association and the RDN with respect to the Sandpiper/Chartwell water system and urged the Board to approve the formation of a water board.

MOVED Director Haime, SECONDED Director Cantelon, that delegation issues be addressed at this time.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Sandpiper/Chartwell Water System.

The Chief Administrative Officer addressed items which were brought forward during the presentations by members of the French Creek Residents Association and then introduced the Manager of Environmental Services, Mr. Dave Walker of Dayton and Knight and Mr. A. Koers of Koers and Associates to address some of the more serious issues.

MOVED Director Bibby, SECONDED Director Cantelon, that staff prepare a report addressing the concerns raised by the French Creek Residents Association with respect to the Chartwell/Sandpiper water system and report back as soon as possible to the April meeting.

CARRIED

MINUTES

MOVED Director Krall, SECONDED Director Cantelon, that the minutes of the Committee of the Whole meeting held February 25, 2003, be adopted.

CARRIED

COMMUNITY SERVICES

RECREATION AND PARKS

Horne Lake Regional Park – Draft Management Plan.

MOVED Director Bartram, SECONDED Director Biggemann,:

1. That the Horne Lake Regional Park Draft Management Plan be endorsed subject to the following amendments:
 - (a) That the required liability coverage be reduced from \$5,000,000 to \$2,000,000.
 - (b) That items 'B' and 'C', Section 5 of Schedule 4 be deleted.

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2. That staff be directed to negotiate a five year operating contract with the Home Lake Strata Corporation, pursuant to their option to operate the Park, or if declined, to advertise a request for proposal to operate the Park.

CORPORATE SERVICES

CARRIED

FINANCE

2002 Audited Financial Statements.

MOVED Director Korpan, SECONDED Director Krall, that the report on the audited financial statements for the year ended December 31, 2002 be received.

CARRIED

2002 Directors Remuneration and Expenses.

MOVED Director Sherry, SECONDED Director McNabb, that the 2002 report on remuneration and expenses for Board and committee members be received.

CARRIED

HOSPITAL

2002 Audited Financial Statements.

MOVED Director Korpan, SECONDED Director Sherry, that the report on the 2002 audited financial statements of the Nanaimo Regional Hospital District 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 Bartram, SECONDED Director Hamilton, that a notice be filed against the title of the properties 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) Lot 1, Section 1, Nanaimo Land District, Gabriola Island, Plan 42198, 2010 Price Road, Electoral Area 'B', owned by E. Willoughby;
- (b) Lot 13, District Lot 181, Nanoose Land District, Plan 15551, 830 Mariner Way, Electoral Area 'G', owned by H. and B. Osenjak;
- (c) Lot 11, Block 8, District Lot 11, Newcastle Land District, Plan 1223, 1129 Centre Road, Electoral Area 'G', owned by G. and P. Fissler.

CARRIED

BYLAW ENFORCEMENT

Contravention of Unsightly Premises Regulatory Bylaw No. 1073 – Richard Beaven – 3030 Barnes Road – Area A.

MOVED Director Kreiberg, SECONDED Director Bartram, that should the property maintenance concerns not be rectified by April 8, 2003, pursuant to the "Unsightly Premises Regulatory Bylaw No. 1073, 1996", the Board direct the owner of the property legally described as Lot 12, Section 18, Range 5, Cedar Land District, Plan 15220, to remove from the premises, those items as set out in the resolution attached to the staff report within fourteen (14) days, or the work will be undertaken by the Regional District's agents at the owner's cost.

CARRIED

PLANNING

Road Name Change Concerning Ingram Road and Ingram Road East – Area A.

MOVED Director Kreiberg, SECONDED Director Krall,:

1. That this report be received for information.
2. That Ingram Road residents be encouraged to proceed with their application to the Ministry of Transportation to change the name of Ingram Road.

CARRIED

Director Sherry requested that a copy of the staff report be forwarded to the North Cedar Improvement District for information.

ENVIRONMENTAL SERVICES

LIQUID WASTE

Malaspina University-College – GNPCC Biosolids Composting Update.

MOVED Director Korpan, SECONDED Director Holdom, that the Board receive the report on the update of the Greater Nanaimo Pollution Control Centre's biosolids composting contract with Malaspina University-College for information.

CARRIED

SOLID WASTE

Landfill & Transfer Station Yard Waste Composting – Tender Award.

MOVED Director McNabb, SECONDED Director Sherry, that Meadowlark Construction be awarded the contract for composting yard waste from the Regional Landfill and that Qualicum Farms be awarded the contract for composting yard waste from Church Road Transfer Station for \$38.50 and \$29.93 per tonne respectively.

CARRIED

UTILITIES

Nanoose Water Service Area – Enos Creek Watermain Construction – Tender Award.

MOVED Director Cantelon, SECONDED Director Biggemann, that the Regional District of Nanaimo award the Enos Creek Watermain project to Chikangus Enterprises for the tendered amount of \$116,583.87.

CARRIED

French Creek Sewer LSA Capital Charge Bylaw No. 1330.

MOVED Director Krall, SECONDED Director Bartram, that "French Creek Sewer Local Service Area Capital Charge Bylaw No. 1330, 2003" be introduced for first three readings.

CARRIED

MOVED Director Krall, SECONDED Director McNabb, that "French Creek Sewer Local Service Area Capital Charge Bylaw No. 1330, 2003" having received three readings be adopted.

CARRIED

Northern Community Sewer LSA Capital Charge Bylaw No. 1331.

MOVED Director McNabb, SECONDED Director Cantelon, that "Northern Community Sewer Local Service Area Capital Charge Bylaw No. 1331, 2003" be introduced for first three readings.

CARRIED

MOVED Director Cantelon, SECONDED Director Krall, that "Northern Community Sewer Local Service Area Capital Charge Bylaw No. 1331, 2003" having received three readings be adopted.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

Lantzville Parks & Open Space Advisory Committee.

MOVED Director Haime, SECONDED Director Holdom, that the minutes of the Lantzville Parks & Open Space Advisory Committee meeting held February 3, 2003, be received for information.

CARRIED

Electoral Area 'G' Parks & Open Space Advisory Committee.

MOVED Director Hamilton, SECONDED Director Bibby, that the minutes of the Electoral Area 'G' Parks & Open Space Advisory Committee meeting held March 5, 2003, be received for information.

CARRIED

District 69 Recreation Commission.

MOVED Director Bartram, SECONDED Director Longmuir, that the minutes of the District 69 Recreation Commission meeting held March 13, 2003, be received for information.

CARRIED

ADJOURNMENT

MOVED Director Sherry, SECONDED Director Korpan, that this meeting be adjourned and the Special Committee of the Whole meeting be reconvened.

CARRIED

TIME: 9:20 PM

CHAIRPERSON

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REGIONAL DISTRICT OF NANAIMO		
APR 14 2003		
CHAIR		GMCrs
CAO		GMDS
GMCmS		GMES
		<i>Call</i>

MEMORANDUM

TO: Neil Connelly
General Manager, Community Services

DATE: April 14, 2003

FROM: Mike Donnelly
Manager of Transportation Services

FILE: 2240-20-GRLA

SUBJECT: Green's Landing Wharf - Gabriola Island
Lease Extension

PURPOSE

To update the Board on the Regional District of Nanaimo's efforts to gain a long term lease from Public Works and Government Services Canada (PWGSC) for the Green Landing Wharf on Gabriola Island and to obtain a 6 month lease extension to continue from the lease which expired on March 31st 2003.

BACKGROUND

The current short-term lease expired on March 31st, 2003. The RDN has received approval from PWGSC for an extension for a further 6 months (see attached letter). Original discussions concerning the extension of this lease included PWGSC's position that upland owner's consent would be required for this lease extension. They removed that requirement for the purposes of this lease. PWGSC have indicated that they do not wish to extend any lease renewals beyond September 30th and will consider their plans to demolish the facility at that time.

Since April of 2000 when PWGSC announced its intention to demolish the Green's Landing Wharf a concerted effort has been made by the RDN to gain control of the facility for the residents of Gabriola and Mudge Islands. Discussions have taken place with governmental and resident stakeholders to achieve this end and short term leasing arrangements in the name of the RDN have been secured to allow for the wharf's continued operation. As well, basic improvements were made to the wharf to allow for its safe operation in the interim while a final solution was sought.

The main impediment in achieving this goal has been the Land & Water British Columbia requirement that upland owner consent be granted as part of the water lot lease transfer from PWGSC to the RDN. The upland owner noted a number of issues that would have to be rectified before this could be achieved. Those issues include the access road on their property, maintenance of the road and associated cut slopes, compensation for lost use of their property, site safety, and lighting. Without resolution of these issues and with the lack of monetary compensation there is little possibility of obtaining upland owner consent.

The Board sought the assistance of the Minister of Public Works & Government Services Canada on October 9th, 2001 with the following resolution:

That given the community's interests in the Green's Landing Wharf and the dire ramifications to residents on Gabriola Island and Mudge Island if the Federal Government proceeds with plans for wharf demolition after the expiry of the Regional

District's current short term lease at the end of September, Public and Government Services Canada and Land & Water British Columbia be urged to complete a transfer or long term lease arrangement for Green's Landing Wharf with the Regional District of Nanaimo.

This resolution was to assist in the development of a long-term lease from PWGSC for the Green Landing Wharf. The Board Chair forwarded the resolution to the Minister of PW&GS, the Honourable Mr. Alfonso Gagliano. The minister responded by stating:

"The District's interest in entering into a long-term sublease arrangement with PWGSC for the wharf would not accomplish the latter's (PWGSC) objective to divest itself of this facility and would also expose the federal government to possible litigation initiated by the upland owner."

With the rejection by PWGSC of the long-term lease approach no options remain for the RDN to gain control of this wharf facility for the long term without upland owner consent. As this consent would not be provided without compensation and given it would be unlikely that the residents of Mudge and Gabriola Islands would agree to the establishment of a wharf function under those terms the process cannot move forward.

The facility remains the property of PWGSC and as such the issues relating to the long term use of that facility must be determined by that body. PWGSC, working with the Green Wharf Preservation Society and other interested parties, may be able to come to an acceptable solution for the provision of a wharf facility either at Green Wharf or at some alternate location.

ALTERNATIVES

1. Extend the temporary lease for six months and to encourage PWGSC to work with the interested parties to come to a satisfactory solution.
2. Do not extend the temporary lease.
3. Seek alternate direction from the Board.

FINANCIAL IMPLICATIONS

Arrangements have been made with the Municipal Insurance Authority to provide liability protection for the RDN while it leases this facility. The annual costs for that insurance is \$1,045.

CITIZEN IMPLICATIONS

Without the lease extension PWGSC would most likely begin planning for the demolition of the wharf at its earliest opportunity. The extension of the lease would delay that action until the end of September 2003. During that time PWGSC can work with the Green Wharf Preservation Society and other interested parties to come to a solution for the use of Green Wharf.

SUMMARY/CONCLUSION

The Regional District of Nanaimo has, for the last three years, attempted to gain control of the Green's Landing Wharf facility for the residents of Gabriola and Mudge Islands. The inability to satisfy the Land and Water BC requirement to gain upland owner consent allowing the transfer of ownership from PW&GSC to the RDN hinders any further progress on this issue by the RDN.

CHANGE
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PWGSC, as owners of the facility, are in the best position to develop a solution that would see secure, long term access to this wharf.

RECOMMENDATIONS

1. That the Public Works and Government Services Canada's offer to extend the short term lease of Green's Wharf Landing from April 1st, 2003 to September 30th, 2003 to the Regional District of Nanaimo be accepted, and
2. That Public Works and Government Services Canada be encouraged to work with the residents of Gabriola and Mudge Islands and the Regional District of Nanaimo to reach a satisfactory resolution to the future use of the Green's Landing Wharf facility.

Report Writer

General Manager Concurrence

CAO Concurrence

COMMENTS:



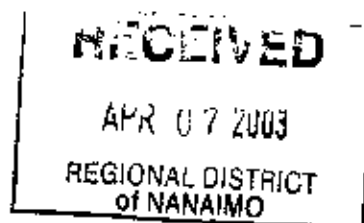
Public Works and
Government Services
Canada

641 - 800 Burrard Street
Vancouver, B.C.
V6Z 2V8

Phone: (604) 775-9342
Fax: (604) 775-9363
E-Mail: dal.fleischer@pwgsc.gc.ca

Travaux publics et
Services gouvernementaux
Canada

600, rue Burrard - Bureau 641
Vancouver (C.-B.)
V6Z 2V8



PRIORITY POST

March 26, 2003

Your File: 2240-20-GRLA
Our File: 9075-G1/5

Mr. Mike Donnelly
Manager, Transportation Services
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, B.C.
V9T 6N2

Dear Sir:

Re: Green's Landing Wharf, Gabriola Island, B.C.

Public Works and Government Services Canada has agreed to extend your Lease Agreement by a further six months, to expire on September 30, 2003.

Accordingly, please find enclosed a 6th Amendment to Lease, in triplicate, for your completion and signature. Once signed, please retain two copies for your records and return the other one to this office at the above address.

We trust you are continuing to work with the upland owners, Mr and Mrs. James, in negotiating the upland consent required for the wharf. We hope to hear from you very soon that this has been successful.

Yours truly,

Dal E. Fleischer
Regional Manager
Real Estate Advisory Services

Encls:

Canada

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REGIONAL DISTRICT OF NANAIMO			
APR 14 2003			
CHAIR		GMCrS	
CAO		GMDS	
CMrS		GMES	
		(Col)	✓

MEMORANDUM

TO: Kelly Daniels
Chief Administrative Officer

DATE: April 14, 2003

FROM: Neil Connelly
General Manager, Community Services

FILE: 6240-20-ERR1

SUBJECT: PURCHASE OF OLD ERRINGTON SCHOOL
ELECTORAL AREA 'F'

PURPOSE

The purposes of this report are:

- to provide an update regarding the state of the old Errington school and the estimated cost of the work required to fix the identified deficiencies; and
- to obtain direction about the purchase of the old Errington School for use as a community park facility in Electoral Area 'F'.

BACKGROUND

On March 11, 2003, the RDN Board passed a resolution to obtain an independent, comprehensive assessment of the old Errington School building, to identify the state of the building and all building deficiencies and the estimated cost of the work required to fix the identified deficiencies to a recognized standard, before making a decision to enter into an agreement with School District No. 69 to purchase the school. In response to this directive, Independent Building Inspection Incorporated (IBII) was contracted to conduct an inspection of the old Errington School building.

Condition of Old Errington School

IBII inspected all visible interior and exterior components of the old Errington School to evaluate the general condition of the building structure and its key components and to estimate the cost of necessary repairs. The report indicates that the building is generally in good condition, but requires some immediate repairs to slow down the rate of building deterioration.

The most serious building deficiency is the roof of the school. The asphalt shingle roofing on the sloped part of the building and sections of the built-up tar and gravel roofing are at the end of their life and need to be replaced. (Two sections of built-up tar and gravel roofing on the flat sections have already been replaced with torched-on membrane roofing and are in satisfactory condition). The flashings at most roof penetrations are damaged and should be repaired to prevent serious damage to the roof structure, and minor leaks in the gutters should be repaired. The estimated cost for this work is \$41,650.

The metal chimney for the oil furnace needs to be replaced and extended to ensure that it is of sufficient height as it currently presents a safety issue. IBII recommends that the furnaces be replaced rather than repaired given the long-term operational cost savings of the higher efficiency newer furnaces, and the fact that a repair would, at best, represent a temporary improvement. IBII also recommends the installation of new above ground tanks for the new furnace. The estimated cost for this work is \$15,247.

Other repairs that should be done to assure proper and reliable function, and their estimated costs, where available, are outlined in the following table:

General Area	Repair Needed	Estimated Cost (\$)
Structure	Repair the substantial amount of roof water leakage that has occurred in some areas of the building.	Can't be estimated until ceiling finishes and insulation removed, and trusses exposed to view.
Exterior	Metal coverings on top of plywood cladding at the rear of the gym area need to be replaced or repaired; as does any of the plywood that has deteriorated from water contact.	200
Exterior	Wood steps leading to the original building entrance are rotting and need to be replaced or repaired.	1000
Exterior	Wood wheelchair ramp leading to the gym area is rotting and should be repaired or replaced.	1000
Electrical	Heat detectors need to be repaired or replaced.	Certified fire alarm service company should be engaged to further evaluate condition of system and provide repair estimate. Such an evaluation would require the relocation of stored materials, to provide access to system and wiring.
Insulation/ventilation	Insulation in the roof system needs to be replaced because it is saturated with water.	See notes under 'structure' above.
Interior	Water damage in the rear classroom (at the south east corner of the building) needs to be repaired, as does access hatches to the roof where roof penetrations have been damaged by vandals.	See notes under 'structure' above.
Interior	Floors that have been damaged by standing water need to be repaired or replaced.	See notes under 'structure' above.
Interior	Broken windows in the corridor between the original building and the gym area need to be replaced, as do broken glass panels in the exterior door at the rear of the building.	1000

The IBII report indicates that there are other aspects of the building that may require repair that will only become evident as a result of ongoing monitoring and or further investigation. Aspects that require monitoring, to determine if remediation works are necessary, include cracks in the building perimeter foundation walls and exterior stucco, prior repairs to the built up roofing, localized damage to stucco on exterior walls, the wood siding on the exterior of the original building, water stains on the exterior eaves, the window infrastructure, the well pump and equipment, the possibility of drainage problems in the crawl space floor (given the presence of a sump), the exit facilities, fire separations, fire dampers and the

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alarm system. Aspects that merit further investigation include: possible mould or mildew in the roof system, possible damage hidden by moss on roof covering, and the presence of asbestos insulation.

The IBII report also identifies other aspects of the property that merit further investigation, in addition to the building related issues discussed above. These items include the condition of the septic tank and disposal field, the status of a buried oil tank, and the quality and quantity of well water and associated equipment.

Operations and Management of Facility

To date, no community groups have expressed interest in assuming responsibility for the management and operation of the old Errington School.

A wide range of operations and maintenance issues would need to be addressed, should the old Errington School be purchased, including such aspects as facility management and staffing, facility rental and use, access, janitorial services, yard maintenance, security, and other utilities.

History

In 2001 School District No. 69 put the old Errington School, located at the corner of Memorial Drive and Grafton Avenue, in the 'heart' of the Errington community, up for sale. The 1.75 acre property is comprised of four properties legally described as Lots 20-22, Block 46, District Lot 139, Nanoose District, Plan 1989, and Lot A, District Lot 139, Nanoose District, Plan 9104, and includes an old school building that is no longer used by the School District for educational purposes. (The two properties owned by the Crown that are adjacent to the school, and that were used by the school for recreational purposes when the school was in operation, are not part of the subject purchase discussion).

In the Fall of 2001, the RDN initiated discussion with School District No. 69 regarding the purchase of the old Errington School property. As a part of this discussion School District No. 69 obtained an independent professional appraisal of the property that values the property at \$198,000, and the RDN subsequently made an offer to purchase the property for \$150,000.

In January of 2002 the RDN Board directed staff to complete the purchase arrangements with School District No. 69 for the school property for \$150,000. The agreement could not be finalized at that time until School District No. 69 obtained approval from the Minister of Education.

An agreement for the RDN to purchase the school from School District No. 69 was drafted in response to RDN Board direction. As a part of this draft agreement the School District has agreed to sell the property to the RDN for \$150,000 and to address specific aspects of the property as a condition of sale. It specifies that the School District will repair the furnace, fix roof leaks, replace the windows and some other minor items, protect all windows with plywood to ensure that further damage does not occur, and undertake soil testing and a level one environmental assessment of the property to identify any contamination issues. It does not specify that the School District will upgrade the building to meet a particular recognized standard, nor does it commit to any remedial action that might be required once the outcome of the level one environmental assessment of the property is complete.

A Public Information Meeting was held on February 6, 2003 so that the Electoral Area 'F' Director could obtain community feedback about the RDN purchase of the old Errington School, in response to a December 2002 RDN Board directive. Public feedback at the February 6, 2003 event indicated a mixture of support and opposition in Electoral Area 'F' about the RDN purchase of the old Errington School for

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community purposes, with a majority of the participants at the meeting in favour of the purchase. A common theme mentioned by those in support of the idea, and those in opposition to the idea, is concern about the state of the school building and the cost to upgrade it to meet a commonly accepted building standard. Concern was expressed that the RDN does not have detailed information about the condition of the building and the associated cost to upgrade it to a recognized standard. Public feedback also indicated a level of uncertainty regarding whether there is an organized group of citizen volunteers willing to assume responsibility for the management and operation of the school if the RDN purchased it.

ALTERNATIVES

1. Complete the purchase of the old Errington School from School District No. 69 as previously directed.
2. Abandon the purchase of the old Errington School by reconsidering and defeating the January 8, 2002 RDN Board resolution, "That the Regional District complete the purchase arrangements with School District No. 69 for the acquisition of the old Errington school for \$150,000 and under the payment terms outlined in the staff report".

FINANCIAL IMPLICATIONS

1. The old Errington School would be purchased by the RDN for \$150,000. Half of this sum (\$75,000) would come from the Electoral Area 'F' Community Parks Reserve Fund, and the other half (\$75,000) would come from the Electoral Area 'F' Community Parks Budget. The necessary \$75,000 is presently available in the Electoral Area 'F' Community Parks Reserve Fund, and \$50,000 is presently available in the Electoral Area 'F' Community Parks Budget for the purchase. The Electoral Area 'F' Community Parks Budget requisition for 2004 would need to include the final \$25,000 allocation to provide for the purchase.

Based on the IBII report regarding the state of the old Errington School and the cost of the work required to fix it, the Electoral Area 'F' Community Parks Budget requisition would also require an additional increase, beyond the funds required to purchase the facility, to fund the immediately required remediation works. The IBII report indicates that a *minimum* of \$60,000 would be required to replace or fix various aspects of the building prior to occupancy. A level of uncertainty would still exist regarding other necessary repairs and their costs, given that various aspects of the building require ongoing monitoring to detect problems and the full extent of some building issues cannot be determined until remediation work begins.

The Electoral Area 'F' Community Parks Budget would likely also have to be increased by a *minimum* of \$10,000 per year, on an ongoing basis, for the operations and maintenance of the facility.

2. The Area 'F' Community Parks Reserve Fund would not be reduced by \$75,000 and the Area 'F' Community Parks Budget would not need to be increased to fund the purchase, repair, operation and maintenance of the facility.

PUBLIC CONSULTATION IMPLICATIONS

Residents of Electoral Area 'F' were provided an opportunity to comment about the RDN purchase of the old Errington School prior to a purchase deal being finalized at a Public Information Meeting on February 6, 2003. Community feedback indicates a mixture of opposition and support for the purchase. One of the

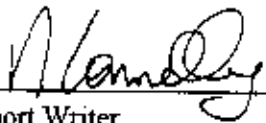
key areas of concern was the state of the building and the potential cost to fix it. The IBI report was obtained to respond to this concern.

SUMMARY

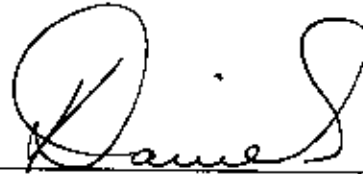
Information was obtained regarding the state of the old Errington School building and the estimated cost to complete any necessary repairs, and is provided for the Board's information, as per the Board's March 11, 2003 directive. The information indicates that, although the building is generally in good condition, there are a number of repairs or works required that have a significant cost component. The information also indicates that there is a fair amount of uncertainty regarding various aspects of the building and the property that warrant continued monitoring and could require additional financial resources to remediate.

RECOMMENDATION

That the report regarding the state of the old Errington School and the estimated cost of work required to fix the identified deficiencies be received for information.



Report Writer



CAO Concurrance

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REGIONAL DISTRICT OF NANAIMO			
APR 14 2003			
CHAIR		GMCrS	
CAO		GMDS	
GMCmB		GMES	

MEMORANDUM

TO: Tom Osborne
Manager of Recreation and Parks

FROM: Tony Toriglia
Aquatics Supervisor

SUBJECT: **Surcharge Policy for Non-Tax Contributing
Users of the Ravensong Aquatic Centre**

DATE: April 14, 2003

FILE: 7900-01-RAAQ

PURPOSE:

To review the recommendations of the District 69 Recreation Commission in regards to the surcharge policy for non-tax contributing users of the Ravensong Aquatic Centre.

BACKGROUND:

At the Regular Meeting of the District 69 Recreation Commission on July 11, 2002 the following resolutions were made:

"That the non-resident pool surcharge be removed from the Ravensong Aquatic Centre."

"That Electoral Area 'E' be approached to contribute a fair and reasonable amount to the Ravensong Aquatic Centre."

The intent of the Recreation Commission was for these resolutions to be approved by the Regional Board and that should the second resolution not be approved, the first resolution still be considered.

At the Regional Board's Committee of the Whole Regular Meeting on October 1, 2002 the Board passed a resolution that the Commission's recommendations be referred to staff for further information.

In 1995 the Recreation Commission recommended a policy, which was approved by the Regional Board, whereby non-tax contributing users are charged a twenty percent (20%) surcharge to use the Ravensong Aquatic Centre. This was in response to Electoral Area 'E' opting out of the pool referendum at the formation of the District 69 Aquatic Function. To administer the surcharge users had to be identified and an identification card program was implemented, through which residents from Electoral Areas 'F', 'G' and 'H' and the municipalities of Qualicum Beach and Parksville were provided with resident cards. Since the opening of the facility the staff have processed well in excess of 10,000 resident cards.

Over the past few years, the Commission and the Regional Board endorsed the following changes and exemptions to the original surcharge policy in response to operational needs:

- October 1997 - the language used to describe the surcharge was changed to reflect a 20% discount to District residents.
- November 1998 - a surcharge exemption was granted for all out-of-benefiting area users for aquatic leadership programs.
- May 2002 - a surcharge exemption was granted for all children / youth who are visiting relatives or under the guardianship of residents living within the tax contributing areas of the Ravensong Aquatic Centre.

In monitoring the surcharge impact, it has been observed that the amount of revenue generated by the surcharge has been minimal compared to the costs associated with loss of revenue associated with reduced seasonal tourist use and regional resident usage as well as the costs of administering the surcharge.

Ravensong is one of only two aquatic facilities left on the island to have a non-resident surcharge fee for out-of-area residents. Port Alberni is the only other municipality that has an additional charge for out-of-district pool users. Over the past two years, the city of Port Alberni has removed the surcharge for two of the four Electoral Areas within the Alberni-Clayoquot Regional District, with intent to work towards inclusion for all. In 1997 the Panorama Leisure Centre in Sidney removed their surcharge and, as a result, increased their public swim admission alone by \$30,000. Increases were also seen in rentals and programs. This is exceptional when considering that the market is extremely saturated and competitive in the Greater Victoria region due to the overabundance of aquatic facilities in close proximity. As a result of the surcharge for out-of-district users, the public swims entrance fees at the Ravensong Aquatic Centre are among the highest on the Island (*see attached survey*).

ALTERNATIVES:

1. The Regional Board approve the two recommendations put forward by the District 69 Recreation Commission as follows:
"That the non-resident pool surcharge be removed from the Ravensong Aquatic Centre."
and
"That Electoral Area 'E' be approached to contribute a fair and reasonable amount to the Ravensong Aquatic Centre."
2. The Regional Board approve the first recommendation of the District 69 Recreation Commission which would rescind the non-resident surcharge at the Ravensong Aquatic Centre and the second recommendation in which Electoral Area 'E' is to be approached to contribute a fair and reasonable contribution to the Ravensong Aquatic Centre be considered as part of Phase II of the Regional Services Review.

FINANCIAL IMPLICATIONS:

In 2002 the total revenue derived from the surcharge was \$1,979.37.

The table below reflects the 20% non-resident surcharge for the period of January 1, 2002 to December 31, 2002. A high percentage of the revenue received from public swim sessions is due mainly from tourists. Electoral Area 'E' (Nanoose Bay) residents contribute the highest amount on registrations; however, some tourists do take advantage of our programs while here on vacation.

Program Type	Amount
Aquafit	81.26
Private Lessons	22.44
Public Swim Lessons	1,227.97
Birthday Parties	38.30
Swim Lessons	609.40
Total	\$1,979.37

Since implementation the surcharge has generated approximately \$4,500 per year in the first five years of operation. In 2002 the surcharge generated only \$1,979 indicating a sharp decline in usage by out of

district users. This is likely due to renovations to some of the older facilities such as Beban Park Pool and the addition of new aquatic facilities in surrounding communities in recent years such as Nanaimo Aquatic Centre and the private pool at Fairwinds in Nanoose Bay.

The District 69 Recreation Commission has also recommended that residents of Electoral Area 'E' make a settlement of fair and reasonable contribution in exchange for the removal of the surcharge. Given that Electoral Area 'E' is the only jurisdiction in the RDN that does not contribute to a public aquatic facility, the Regional Board may want to consider this in further deliberations on the Regional Services Review initiative.

In 2002, the out-of-district revenue represented approximately 0.22% of the total annual revenue of the Aquatic Centre. If the surcharge were abolished, annual revenues would decrease by approximately \$2,000. Expenses associated with the surcharge, i.e. the costs to produce the identification cards and staff resources required to maintain this system, are likely greater than the revenue derived. There is strong speculation that the facility continues to lose out on possible future revenue earnings from non-residents who may choose to use other facilities due to the price point of the Ravensong Aquatic Centre admissions and programs. Over past two years with the recent renovations and additions of aquatic centers in surrounding communities, the market place has dramatically changed. City of Nanaimo marketing directed toward aquatic facility users has been more aggressive since the opening of the Nanaimo Aquatic Centre. Advertising is done in the District 69 area as well as in Port Alberni and the Comox-Strathcona Regional District encouraging residents to use this facility, which has no surcharge in place. With an additional surcharge placed on non-tax contributing customers at the Ravensong facility, the public's choice becomes clear as to where they will spend their disposable dollars. This places Ravensong at a disadvantage within the market place where non-resident use is discouraged by way of the surcharge.

PROGRAM IMPLICATIONS:

The resident cards are used to identify benefiting area users from non-benefiting area users. Processing of each cardholder takes approximately five minutes per customer. This card must be presented for all transactions, admissions, lessons, etc. in order to receive a 20% discount. All customers are asked to present their pass at the front desk whether or not the customer is known to the staff. This policy has been a successful screening system to differentiate between benefiting area residents and non-benefiting residents. If the customer does not have a resident card they are asked to produce a driver's license or similar form of identification to provide proof of residency.

Although successful, the use of the resident card has created some unique operational concerns including:

- Resident cards are subject to renewal after two years. Lost or stolen resident cards are an ongoing problem.
- It is common for resident cardholders to forget to bring their pass, especially in the case of youth and children.

CITIZEN IMPLICATIONS:

The operation continues to experience many public relation incidents during holidays and the summer months when resident cardholders arrive at the front desk with company from outside the district and expect to be charged the discount rate for their guests. Tourists visiting the area are often dismayed at the surcharge rate when the customer in front of them had just paid a lesser value for admission. A common comment from tourists is that their community does not apply a surcharge to tourists visiting their aquatic centre. Approximately 100,000 patrons accessed the Aquatic Centre in 2002. As a result of the volume of transactions taking place, the surcharge process places a heavy burden on the operation by creating awkward and time-consuming public relation situations. From a marketing point of view, it has created a

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deterrent that inhibits positive public relations and literally drives business away. The likelihood of the out-of-district customer returning for a second visit diminishes. The long-term effects of losing these customers under these circumstances may have greater repercussions than just a loss of revenue to the department. The possible economic loss to the region due to the affects of a perceived negative tourism policy may also have significant impacts on the region.

SUMMARY/CONCLUSION:

After eight years of operation, it is clear that there are not a significant number of non-residents using the Ravensong Aquatic Centre facility. With a high volume of patrons accessing the facility yearly, it is evident that the Aquatic Centre is popular with local residents. However, staff resources could be better utilized helping customers and promoting the Aquatic Centre programs rather than monitoring a system that discourages new revenue streams such as tourists and out-of-district customers from accessing the facility.

Ravensong is one of only two aquatic facilities left on the island to have a non-resident surcharge fee for out-of-area residents. Port Alberni is the only other municipality that has an additional charge for out-of-district pool users.

As part of the Strategic Plan for the Regional Board, Phase II of Regional Services Review is to be considered and the Board may wish to further review the financial contributions of municipalities and electoral areas towards public aquatic facilities.

RECOMMENDATION:

That the report on the Surcharge Policy for Non-Tax Contributing Users of the Ravensong Aquatic Centre be received as information.

J. McTurkane

for Report Writer

J. McTurkane

for Manager

Monell

General Manager Concurrence

Daniel

CAO Concurrence

Comments:

Appendix 1

Survey of Vancouver Island Aquatic Centre Admission Fees Conducted: January 2003

Facilities	Surcharge In place	Year Surcharge was dropped	Senior 2003 Rate	Adult 2003 Rate	Youth 2003 Rate	Child 2003 Rate	Family 2003 Rate
Saanich Peninsula	No	1997	3.50	4.50	3.25	2.25	9.00
Saanich Municipality Gordon Head	No	N/A	3.50	4.50	3.50	2.25	9.00
Saanich Municipality SCP	No	N/A	3.75	5.00	3.75	3.00	12.00
City of Victoria	No	N/A	3.50	4.50	3.50	2.50	9.00
Oak Bay	No	N/A	3.60	4.85	3.60	2.35	9.70
Juan de Fuca WSC	No	N/A	3.20	4.50	3.20	2.30	9.10
Sooke CRD	No	N/A	4.00	4.00	3.00	2.00	8.00
Duncan CVRD	No	N/A	2.25	3.50	2.35	1.85	7.50
Ladysmith	No	N/A	3.00	4.25	3.00	2.25	7.50
City of Nanaimo Bebau / NAC	No	2000	3.00	4.50	3.00	2.25	7.75
Courtenay SRD CVSC (25 meter pool)	No	N/A	2.85	3.70	2.25	1.95	7.65
Courtenay SRD Aquatic Centre (wave pool)	No	N/A	3.60	4.65	2.85	2.40	9.60
C-River SRD Strathcona Gardens	No	N/A	3.00	4.75	3.00	2.25	8.50
Gold River	No	N/A	2.75	4.00	2.75	2.50	8.00
Port Hardy	No	N/A	2.00	3.50	2.50	2.00	8.00
Port Alberni <i>* Recently changed to include two neighbouring Electoral Areas with plans to include the other two in the future.</i>	Yes	<i>*Partially Removed</i>	Res 3.00 SC 3.75	Res 4.00 SC 5.00	Res 3.00 SC 3.75	Res 2.25 SC 2.75	Res 7.75 SC 9.75
RDN Ravensong Aquatic Centre	Yes	N/A	Res 3.50 SC 4.20	Res 4.35 SC 5.22	Res 3.30 SC 3.96	Res 2.65 SC 3.18	Res 8.25 SC 9.90
Comparison of average Island admission rate to surcharge rate at the RAC			Res 3.18 SC 3.26	Res 4.30 SC 4.41	Res 3.05 SC 3.13	Res 2.28 SC 2.34	Res 8.61 SC 8.82

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REGIONAL DISTRICT
OF NANAIMO

APR - 2 2003

CHAIR		GMCrs	
CAO		GMDS	
GMCms		GMES	

MEMORANDUM

TO: C. Mason
General Manager, Corporate Services

DATE: April 2, 2003

FROM: N. Avery
Manager, Financial Services

FILE:

SUBJECT: Amendment to the requisition limit for the Southern Community Transit Service Area

PURPOSE:

To introduce "Southern Community Transit Service Area Amendment Bylaw No. 1230.01, 2003" for first three readings.

BACKGROUND:

The 2003 annual requisition approved for the Southern Community Transit Service is \$2,543,435. In preparing the annual requisition staff have calculated that the property tax rate arising from this amount slightly exceeds the original authority under the establishing bylaw. Bylaw 1230 established a maximum property tax rate of \$0.42 cents per thousand dollars of assessment. The 2003 requisition results in a property tax rate of \$0.464.

The 2003 to 2008 financial plan forecasts a requisition in 2008 of approximately \$2,808,160. In anticipation of reaching this limit within the five year planning horizon, Bylaw 1230.01 amends the requisition limits to \$2,808,160 and a maximum property tax rate of \$0.512.

ALTERNATIVES:

1. Approve Bylaw 1230.01 as presented.
2. Reduce the requisition limit and approve Bylaw 1230.01 as amended.

FINANCIAL IMPLICATIONS:

Alternative 1

Bylaw limits are generally forecast for a minimum five year period in order to allow budget changes to be accommodated without the need to make frequent amendments. Under this alternative the establishing bylaw will be consistent with the five year plan projections. It would provide for the Regional District to raise the greater of \$2,808,160 or a property tax rate of \$0.512 per thousand dollars of assessment. This amendment does not impose any obligations on the Regional District to raise the amount permitted in the bylaw – it does provide the ability to consider budgets up to the limits in the bylaw.

Alternative 2


The minimum limit to be consistent with the 2003 annual budget would be \$2,545,000. Given that the 2004 projection forecasts a 2% increase, the bylaw will likely need amending again in 2004. This approach introduces an unnecessary administrative process in the development of the annual budget and therefore, staff recommend the five year planning horizon.

SUMMARY/CONCLUSIONS:

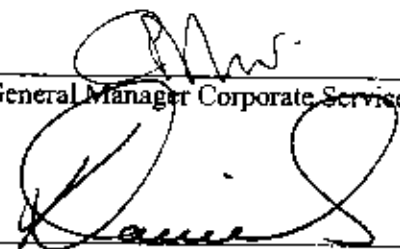
In preparing the final annual requisitions for the 2003 budget, staff have calculated that the Southern Community Transit Service slightly exceeds the original requisition limit of \$0.42 per thousand dollars of assessment. The establishing bylaw must be amended to be consistent with the 2003 approved budget. Staff recommend that the bylaw limits be amended to be consistent with the projections in the five year plan. This approach will provide flexibility for budget planning purposes during that time period. The limits recommended are the greater of \$2,808,160 or a maximum rate of \$0.512 per thousand dollars of assessment.

RECOMMENDATION:

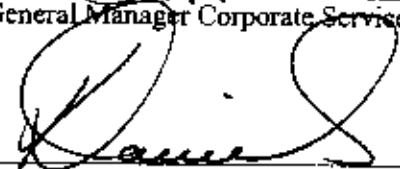
That "Southern Community Transit Service Area Amendment Bylaw No. 1230.01, 2003" be introduced for first three readings and be forwarded to the Ministry of Community, Aboriginal and Women's Services for approval.



Report Writer



General Manager Corporate Services



C.A.O. Concurrence

COMMENTS:

APR 2 2003
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REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1230.01

**A BYLAW TO AMEND THE LIMITS IN THE
SOUTHERN COMMUNITY TRANSIT SERVICE
AREA ESTABLISHMENT BYLAW NO. 1230**

WHEREAS "Southern Community Transit Service Area Establishment Bylaw No. 1230, 2001" established the Southern Community Transit Service Area;

AND WHEREAS the Board wishes to amend the requisition limits in the bylaw to reflect current operating requirements;

NOW THEREFORE the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Section 5 of Bylaw 1230 is hereby deleted and replaced with a new Section 5 as follows:
 5. The maximum amount that may be requisitioned under Section 806 for the annual cost for this service shall be the greater of:
 - (a) the sum of two million, eight hundred and eight thousand, one hundred and sixty dollars (\$2,808,160); or
 - (b) the product obtained by multiplying the net taxable value of land and improvements for hospital purposes within the service area by a property tax value rate of \$.512 per thousand dollars of assessment.
2. This bylaw may be cited for all purposes as "Southern Community Transit Service Area Amendment Bylaw No. 1230.01, 2003".

Introduced and read three times this 6th day of May, 2003.

Received the approval of the Inspector of Municipalities this _____ day of _____, 2003.

Adopted this _____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

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REGIONAL DISTRICT OF NANAIMO	
APR 15 2003	
CHAIR	GMCrs
CAO	GMDS
GMCrs	GMES
DATE: _____	

MEMORANDUM

TO: Board of Directors
FROM: Kelly Daniels
Administrator
SUBJECT: Adoption of the 2003-2005 Board Strategic Plan

April 15, 2003

Purpose:

To present for Board consideration the 2003-2005 Board Strategic Plan.

Background:

In early March the Board met to review the strategic priorities for the next three years and to agree on the specific issues, desired outcomes and potential strategies under consideration. The attached document is the fourth in a series of plans prepared soon after the election of a new Board. Each plan has set the tone, priorities and direction for the upcoming three-year term.

These strategic directions have influenced the priorities placed on the statutory documents approved by the Board, and as well have provided the direction for business plans, budgets and performance management expectations for senior staff and each RDN department.

This plan summarizes the focus and strategic directions of the current Board for the three-year period including 2003, 2004 and 2005. Annual reviews will be conducted to monitor progress and update outcomes and strategies. Although the details will change along the way, it is anticipated that the mission, vision and focus areas will remain in place until the end of the current Board's term of office. Proposed strategies from staff and recommendations to implement various activities to achieve the desired outcomes from various Board Committees will be forthcoming to the Board over the course of the next three years.

Alternatives:

- 1) To adopt the 2003-2005 Board Strategic Plan as presented.
- 2) To refer the 2003-2005 Board Strategic Plan to a special committee of the Board for further review and refinement.

Financial Implications:

The adoption of the plan itself has no direct financial implication for the district. However, the implementation strategies may have significant costs for the region. Approval from the Board will be required for any such initiatives and an opportunity for debate and a review of alternative approaches to implementation will also be provided.

Public Implications:

The attached document represents the Board's thoughts on the strategic priorities that are important for the region to achieve the vision embodied in the document. These strategic priorities include:

- 1) Refocusing the Regional Role
- 2) Growth Management
- 3) Watershed/Drinking Water Protection
- 4) Environmental Protection
- 5) Public Works/Infrastructure
- 6) Governance Process and Communication


The Board has also directed that once the plan is adopted it should be distributed, for comment, to every household in the regional district in a special edition of the Regional Perspectives.

Summary:

The Board of Directors met in early March to establish the strategic priorities for the region for the next three years. These priorities will be implemented through a number of different methods over the next three years including Committee reviews and recommendations, inclusion of some initiatives in departmental work plans and independent reports from staff to the Board. The document, once approved, will be the feature of an upcoming edition of Regional Perspectives.

Recommendation:

That the 2003-2005 Board Strategic Directions Plan for the Regional District of Nanaimo be approved.



K. Daniels, CAO



REGIONAL
DISTRICT
OF NANAIMO

Strategic Directions **2003 - 2005**

***The Strategic Plan of the Board of Directors
of the Regional District of Nanaimo***

April 2003

CONTEXT

This document is the fourth in a series of plans – dated 1994, 1997, 2000, and now 2003 – prepared soon after the election of a new Board. Each plan has set the tone, priorities and directions for the upcoming three year term.

These plans have in turn spawned the Growth Management Plan, related Official Community Plans and statutory agreements, fringe area agreements, operational plans for each major RDN responsibility area, and memoranda of understanding with senior governments. The strategic directions decisions have also been translated into business plans, budgets and performance management expectations for senior staff and each RDN department.

This plan summarizes the focus and strategic directions of the current Board for the three year period including 2003, 2004 and 2005. Annual reviews will be conducted to monitor progress and update outcomes and strategies. Although the details will change along the way, it is anticipated that the mission, vision and focus areas will remain in place until the end of the current Board's term of office.

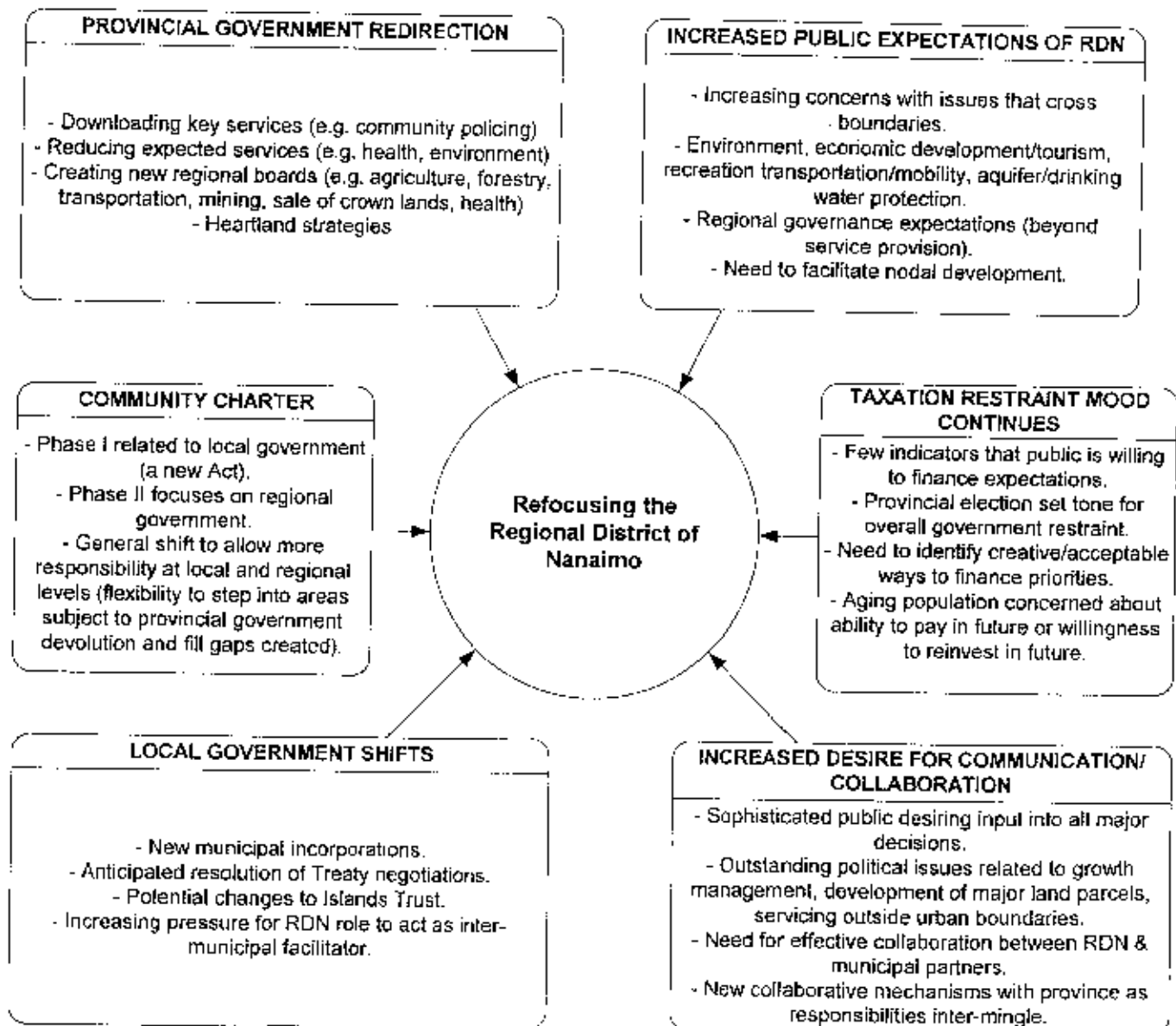
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Preface

This first decade of the new millennium will be remembered as an era of government repositioning in British Columbia. The Regional District of Nanaimo must find creative ways to deal with downloading pressures from senior levels of government, increasing public expectations in a variety of service areas (existing and potential), and a continuing call for taxation restraint.

Board members will face these challenges wearing their traditional two hats: reflecting the local perspective of their immediate constituents AND the increasing need to consider the regional view. The common good depends on 'big picture' decisions related to environmental issues, watershed/aquifer/drinking water protection, economic development, growth management, and the provision of facilities and amenities enjoyed by all.



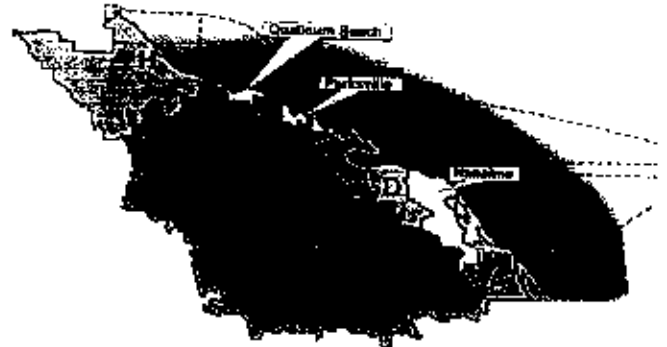
Purpose

To enhance the quality of life and the social, environmental and economic well-being of the people and communities we serve and represent.

The Regional District provides those services that are best delivered on a cooperative, region-wide basis and has the special mandate to ensure access to basic services for residents of unincorporated areas.

Key Roles/ Responsibilities

The RDN has three major roles: a regional governance role that requires it to act in the best interests of all residents, a service provision role related to functions that have been assigned to it, and a facilitation role designed to stimulate and support collaborative action on issues of common interest.



We are mandated to strive for excellence in the following core service areas:

- **planning and development** – regional planning & support for community plans
- **transportation and mobility** – public transportation, trail development and input to other jurisdictions on matters of regional import
- **waste management** – disposal, public education, zero/waste initiatives
- **utilities** – basic water, sewer and rural street lighting in areas not served by municipalities or Improvement Districts
- **leisure services** – District 69, support for electoral district initiatives
- **fire and emergency services**
- **parks and environmental preservation.**

Operating Philosophy

We strive, in our day-to-day operations, to be:

- efficient and effective
- resident-driven and service oriented
- flexible, innovative and proactive
- fair and equitable
- accessible, and
- entrepreneurial.

The Regional District believes in and is committed to:

- professionalism, quality and excellence in all we do
- development of our human resources and provision of a quality work environment
- teamwork and cooperative approaches with other governments, our diverse communities of interest, and the private sector
- stewardship – of both the environment and the Region's capital assets
- minimizing government and supporting community initiative.

The Board of Directors will do its utmost to:

- listen to and respect all points of view prior to decisions being taken
- understand both rural and urban perspectives and effectively govern both
- ensure stakeholder input and involvement in all major decisions that affect the well-being of both residents and the environment.

Vision



Our vision was developed through the complex process of generating consensus and agreement on the Regional Growth Management Plan in 1997. The updated version below emerged during the 5-year GMP review in 2002. This vision has been embraced by the Regional Board and will be endorsed by each of our municipal partners through adoption of the GMP and through accompanying statutory agreements committing governments throughout the RDN to efforts designed to make the vision become our reality.

The vision statement describes the future desired for the region. It frames goals for the region and establishes the context and basic direction for all policies, plans, decisions and action to follow.

RDN VISION

The region will be recognized for its **outstanding quality of urban and rural life** and for its commitment to **environmental protection**. We have committed to working with interested organizations, together achieving:

- **quality residential development** - in safe neighbourhoods with well planned access to nearby workplaces, services, recreation opportunities, and natural areas
- **a strong and sustainable economy** based on our resource assets, our natural appeal to tourists, and the footloose industries and activities of the information age
- **contained urban development**, surrounded by contiguous corridors of open space, protected rural integrity and an end to sprawl
- **reduced dependency on the automobile as mobility options expand**
- **high standards of environmental protection** - that preserves habitat, enhances ecological diversity, and maintains air and water quality
- **efficient, state-of-art servicing**, infrastructure and resource utilization.

... vibrant rural and urban communities in a natural paradise!



Brickyard Community Park

Strategic Priorities

The Regional District has made significant progress since the inception of this strategic planning process in 1994. Many of the priorities and related strategies designated in earlier plans have now become essential components of a new way of doing business in the region; responses to earlier strategic directions related to growth management, the environment, public accountability and communication are now imbedded in public policy, ongoing budget, job descriptions, etc. The priorities are no less important, but many are now dealt with as part of the 'flow' or ongoing work of the corporation. It needs to be emphasized that many of these previous focus area initiatives may not be completed yet and may require resources or policy decisions from the Board to complete. However, new opportunities or issues have been identified by the Board that are critical for the organization to focus on for the next three years to reposition in a changing operating environment and continue to aggressively pursue the regional vision.

In the view of Board members, it is now time for increased and special emphasis on:

Refocusing the REGIONAL ROLE

- reflecting our commitments to providing the best regional government possible, to regular performance evaluation, and to taking a proactive stance to significant shifts in our operating environment

GROWTH MANAGEMENT

- confirming our belief that a strong approach to growth management is the key both to long term, sustainable economic development AND to achievement of our vision that speaks to the quality of both urban and rural life in the region

WATERSHED and DRINKING WATER PROTECTION

- demonstrating our understanding that the future of our region depends on protection of our life-giving waters and collaborative approaches focused on the common good

ENVIRONMENTAL PROTECTION

- committing to doing our part to protect the ecosystems that sustain us, in a shifting government context that reinforces the need for local initiative and stewardship

PUBLIC WORKS/ INFRASTRUCTURE

- ensuring responsible approaches to the generation and management of both liquid and solid wastes and facing the realities of modernizing traditional responses to a growing challenge

GOVERNANCE PROCESS and COMMUNICATION

- determined to provide strong and effective leadership based on meaningful dialogue with our constituents and partners on issue of regional import.



Strategic Priority 1: **REFOCUSING the REGIONAL ROLE**

the ISSUE

- Provincial government redirection and restructuring presents significant challenges for regional government in general:
 - accelerated downloading of services (e.g. policing)
 - service reduction in areas critical to RDN vision (e.g. environment, health)
 - creation of regional boards (decentralized administration of provincial functions) that do not relate to regional government: agriculture, forestry, transportation, mining, sale of crown lands, health)
 - the evolving 'Heartland Strategy'
- the Community Charter affecting the roles of local government – Phase II focus on regional government
- increasing interest in local incorporation shifts RDN role from that of local government for electoral areas to increased inter-governmental facilitation
- anticipated resolution of Treaty negotiations and need to develop a meaningful voice for First Nations in regional affairs
- increased public understanding of issues that cross jurisdictional boundaries and expectations for expanded RDN roles in areas such as environment, economic development/tourism, recreation, transportation/mobility, drinking water and watershed protection
- high municipal interest in Regional Services Review process to ensure optimal service levels, effective management, and equitable cost allocation.

Desired OUTCOMES

- improved public understanding of the regional model and RDN roles/responsibilities
- clarity on how downloaded services will be managed (left unattended, RDN role with appropriate funding, local government role with increased taxation)
- compensation for downloaded responsibilities
- updated assignment of regional functions
- equitable funding for regional park, recreation and arts/culture facilities
- a strong RDN position from which to advocate and negotiate during provincial restructuring exercises (to ensure that our view of appropriate regional roles can be accommodated within the Community Charter and related revisions to legislation)
- clarity on results and impact of Treaty Negotiations and how First Nations will participate in regional policy, planning, decision making, and accountability

STRATEGIES under consideration

- take a strong, proactive role in the Community Charter process
- April 2003 review of the implications and impact of the first round of Regional Services Reviews (after first two years) – Transit, Septage, Recreation/Sports Fields, Regional Parks/Trails
- a customized approach to Phase II of the Regional Services Review to reflect the fact that we will be looking into possible new functions for the RDN – economic development and tourism, policing, watershed/drinking water protection, increased environmental protection (beyond liquid and solid waste management)
 - initial discussions with municipal partners (both political and administrative)
 - development and evaluation of strategic options
 - public input prior to decision
- test all proposals against 'Long Term Operational Budget Model' so that decision makers are aware of financial implications
- use Intergovernmental Advisory Committee to research government restructuring trends and their implications for the RDN
- assist the Provincial Government to understand the incremental implications for regional government of their various initiatives and advocate for increased respect and involvement prior to major decisions being taken (e.g. sale of large tracts of crown land, commercialization of highway corridors, change in health/septic policies)
- develop a special issue of 'Regional Perspectives' to educate public as to complexity of the redefinition challenge and to stimulate high level debate on options and the future of regional government in this area - develop a communications strategy to facilitate further understanding and involvement

the ISSUE

- final approval of the revised Growth Management By-Law was tabled just prior to the last election given the difficulties associated with a major, last-minute proposal
- municipalities require additional discussion/debate on issues that directly affect development near their boundaries (particularly Parksville)
- the delay provides an opportunity to reflect on the impact of recent provincial government initiatives that relate to specific GMP goals (e.g. transportation/mobility, sustainable economic development, environment, inter-jurisdictional collaboration)
- recent Provincial Government decisions that significantly reduce the involvement of urban regional directors in rural planning and development decisions increases the importance of the GMP and Fringe Area Agreement process as the primary vehicle for coordinated planning/development
- need to provide special consideration for Lantzville's newly elected Council – a new incorporated partner in the GMP process

**Desired
OUTCOMES**

- an updated GMP ASAP
- restored municipal confidence in the GMP process and policy
- increased public understanding of the implications and importance of the GMP

**STRATEGIES
under
consideration**

- develop a communications strategy to convince both municipalities and electoral areas of the benefits of growth management
- commit to implementation agreements to address areas where further discussion and refinement is required
 - update Fringe Area Agreement
 - further study into servicing of rural areas and industrial areas
 - water protection as new regional function develops
- identify the type and level of planning and development decisions that must be addressed by the entire RDN Board and make provision for same in Goal 8 (Cooperation Among Jurisdictions)
- adopt Policy 8F that allows the newly incorporated Lantzville to initiate an interim update of the GMP within two years (based on an updated OCP and Regional Context Statement)
- review the Major Land Holdings Study and consider amendments to GMP to ensure that potential development in these areas respects the regional Vision and the policies inherent in the GMP
- development Memorandum of Understanding with the Province related to respect for the RDN GMP – specifically in relation to sale of Crown Lands, commercial development along major road corridors, approval of development on resource lands, ALR reviews, and transportation/mobility issues
- development of a reference practical document to complement the GMP: containing Board supported guidelines related to each Goal (many from first GMP before it was simplified) – to increase public and developer understanding of the implications of the policies and a resource document to help standardize the language of OCP's (where appropriate).

Strategic Priority 3: **WATERSHED/DRINKING WATER PROTECTION**

the ISSUE

- public concern related to both the quantity and quality of drinking water has increased dramatically over the past decade
- recent RDN studies and debates have emphasized the seriousness of groundwater and aquifer issues, inter-jurisdictional management issues, and raised carrying capacity concerns related to growth management
- the pending Drinking Water Protection Act (provincial) and related Drinking Water Action Plan includes measures for developing a regulatory framework to ensure groundwater protection – but will likely place increased responsibility on both local purveyors and local government
- more specific concerns relate to:
 - reduced provincial health monitoring of rural development relying on septic systems & wells
 - expanded 'rural' development near urban areas dependent on the same water supply
 - the long term impact of aging septic systems in areas where dug wells are common
 - the impact of logging and deforestation on aquaculture and water supply
 - anticipated local shortages increasing dependence on water from other jurisdictions
 - the adequacy of current governance structures to deal with comprehensive water supply issues
 - increased appreciation of the need to adopt a watershed based approach to both water supply and overall environmental issues
 - capital and operating costs of providing adequate storage and distribution infrastructure.
 - Requirement for the City of Nanaimo to develop additional water supplies by 2017.

**Desired
OUTCOMES**

- a clearly defined RDN drinking water protection function
- public confidence in the region's drinking water supply (quantity and quality)
- increased understanding of water-related carrying capacity prior to next GMP review
- mechanisms in place to coordinate local water supply planning and decision-making
- equitable, conservation-based management of development decision affecting aquifers and/or watersheds serving two or more jurisdictions

**STRATEGIES
under
consideration**

- continue to advise the Province that watershed protection initiatives are considered to be a provincial responsibility and request initiation of watershed protection plans
- establish a regional function: initial RDN focus on protection (quality) with a more cautious approach to involvement in supply issues
- initiate RDN involvement with an educational phase (bringing in experts, workshop similar to 2001 Nodal Development Workshop)
- develop a partnership agreement or Memorandum of Understanding with the Provincial Government related to watershed protection planning and to approval/monitoring of wells and septic systems as the provincial government restructures and revises related regulations
- investigation of application of Development Permit Areas to put increased onus on developer to demonstrate sustainable water supply and protection of related rights of others in area; and to broaden the framework for evaluating applications (water related)
- modify Goal 8 of the GMP (Cooperation Among Jurisdictions) to provide for more collaboration with Improvement Districts and other water purveyors.

the ISSUE

The region's natural environment is the foundation for our health, our attractiveness to new residents, and our growing tourism industry. Recent studies and sensitive area analyses have identified key issues and areas requiring protection. It is also increasingly understood that environmental issues cross jurisdictional boundaries and a regional perspective is required. Public support for an expanded RDN role is high.

The revised GMP has clearly defined the role of the RDN, in partnership with its member municipalities:

- to protect significant open spaces and natural corridors
- to gain a greater understanding of regionally significant environmentally sensitive areas
- to consider ecological issues in land and resource use decisions
- to protect streams and streamside areas
- to protect the supply and quality of surface water resources and aquatic habitat
- to take measures to identify and protect the groundwater resources of the region
- to preserve or protect remaining natural segments of the coastal zone
- to strive towards 'zero waste'
- to promote measures to maintain good air quality in the region
- to improve coordination in environmental protection and management in the region.

However, while the policy commitment is in place, Directors are concerned with:

- related provincial and federal downsizing in environmental protection capabilities
- proposed changes to the regulation of septic installations
- provincial downloading of regulation and control of floodplains
- the pace of new development and related pressures on the environment
- the rate at which land identified in the Regional Park Plan is being developed or logged – our parks, natural areas and coastlines are arguably the most important foundations of the region's growing tourism industry.
- The financial capacity for local taxpayers to fund these initiatives.

**Desired
OUTCOMES**

- protection of sensitive ecosystems, habitats and species
- clear understanding of roles and responsibilities of each level of government
- key park, open space and environmental assets protected
- appropriate development of newly protected/acquired regional parks to facilitate use and public support for a continued/expanded program of acquisition

**STRATEGIES
under
consideration**

- develop an environmental policy document containing the guidelines that were removed from the GMP in the streamlining process
- obtain a commitment from the Provincial Government that the Memorandum of Understanding developed under the previous provincial government is still valid and supported – negotiate additional clauses as required to deal with new provincial environmental budget and staffing realities
- develop an agreement with the Provincial Government to clarify how development decisions are made on resource lands (agriculture and forestry) and to further refine ALR review and exclusion processes in the region
- evaluate the cost benefit of assuming subdivision approval authority
- include investigation of possible expanded RDN environmental roles/responsibilities in Phase II of the Regional Services Review
- investigate regulatory opportunities to fill void left as Province backs away from its traditional environmental protection mandate
- continue to act on our commitment to reducing greenhouse gas through active participation in the Climate Change Standing Committee
- update Regional Parks Plan and investigate innovative funding mechanisms to facilitate both increased acquisition and priority development for public access
- investigate partnerships with the Natures Trust of BC, the Land Conservancy, Ducks Unlimited Canada and other non-profit groups to leverage regional resources - consider a regional 'Parks Foundation' and/or 'Adopt a Park' program to encourage volunteer and philanthropic involvement.

Strategic Priority 5: **PUBLIC WORKS/INFRASTRUCTURE**

the ISSUE

Water, sewer, and waste management systems are all under intense pressure as:

- urban growth continues (requiring expanded or new facilities and infrastructure)
- public expectations and related standards rise
- older systems age or fail and must be upgraded or replaced
- development occurs on 'remaining lands', always more difficult to service
- older septic based systems (often over large areas) fail and health requirements force unplanned servicing.

The RDN lacks a detailed understanding of the challenges and costs ahead. Yet we realize that adequate infrastructure is a critical foundation to economic development and fundamental to our commitment to environmental protection.

More specific concerns relate to:

- anticipated changes in provincial regulation of septic systems – towards industry self regulation and reduced provincial monitoring
- the question of whether the Nanaimo based RDN treatment facility is best served as a regional facility
- how services will be extended to nodes
- the challenge of determining the conditions that justify extending services beyond the urban containment boundary
- the adequacy of development cost charges to cover the immediate incremental costs, the 'sunk' costs, and the contribution of the proposed development to future upgrading needs
- whether the current strategy of 'exporting' solid wastes once the land fill site is to capacity is sustainable.

**desired
OUTCOMES**

- improved protection of public and environmental health
- identification and adoption of cost effective approaches to solid and liquid waste management
- adequate and equitable financial contributions to expected capital replacement, upgrading and expansion programs.

**STRATEGIES
under
consideration**

- development of agreements (or Memorandum of Understanding) with provincial authorities to ensure that effective approval and monitoring systems are in place for septic systems
- development of a guidelines and strategies for the introduction of community sewer systems into areas where frequency of septic failures is high
- development of fringe area implementation agreements to guide decisions to extend urban servicing infrastructure - criteria, funding formulas, etc. for 'sub urban' areas
- review of all engineering solutions to increase longevity and cost-effectiveness (possibility of reducing disposal cost per ton) of current land fill site
- position strong policies that separate provision of community water and sewer provision from acquisition of additional development rights – address health issue but retain rural status.

Strategic Priority 6: **GOVERNANCE PROCESS and COMMUNICATION**

the ISSUE

The abovementioned issues can only be effectively dealt with in a collegial and open environment where all perspectives are considered and the 'team' consciously pursues the common good. Some have expressed concern that the region could do more to facilitate collaboration and improvement. Specific concerns include:

- the challenges associated with representing one's constituency and also voting from the regional perspective – looking at the 'big picture' and the common good
- the recent Provincial Government directive that significantly reduces the urban voice when rural issues are considered – a pendulum swing related to the ongoing challenge of respecting and blending urban/rural perspectives
- difficulties in negotiating acceptable resolution of fringe area or boundary issues (servicing, water protection, development rights)
- the need for a more balanced approach between rural, urban and regional interests
- the need to complete First Nations treaty negotiations and to find the best way to facilitate a First Nations voice in the regional forum
- the extent to which individual input, advocacy and lobbying can influence major decisions
- a public perception that RDN Directors need to be more involved in policy decisions

Directors also indicated the need for improved communication with the public:

- whenever a major development is proposed to avoid last minute 'surprises' (e.g. Fairwinds land swap/second golf course, Texada)
- so that more information is available during referendum processes
- so that the community planning process is transparent and residents know that their input is respected.

**desired
OUTCOMES**

- Increased respect for the need to balance urban and rural perspectives
- Improved cooperation on matters of regional interest
- a formal First Nations voice on key regional matters
- mechanisms for rapid identification of public perspectives to balance the input of lobbyists and advocates
- improved confidence in and trust of RDN decision-making processes

**STRATEGIES
under
consideration**

- an updated public consultation policy (RDN Public Consultation/ Communications Committee)
- create more opportunities for informal discussion of both issues and views – annual strategic planning workshops, longer 'Ideas and Updates Meetings'
- completion of Treaty negotiations followed by high level meetings between RDN and First Nations representatives to establish optimal mechanisms for involvement in RDN affairs, planning and decision-making processes
- see previous suggestion related to refining GMP Goal 8 (Cooperation Among Jurisdictions) to identify the type and level of planning and development issues that would require involvement of the full Board – issues that are geographically located in rural areas but have significant impact on urban neighbours
- regular monitoring/evaluation of Board performance
- create opportunities for Board to debate merits of a major issue before a final decision is made
- consideration of a 'rapid polling' mechanism to solicit a cross section of views on major issues and balance input from 'dedicated participants' (general public and special interest) in the RDN decision making process.



REGIONAL DISTRICT OF NANAIMO	
APR 15 2003	
CHAIR	GMCrS
CAO	GMDS
GMCmB	GMES
[Signature]	

MEMORANDUM

TO: C.Mason
General Manager, Corporate Services

DATE: April 8, 2003

FROM: N.Avery
Manager Financial Services

FILE:

SUBJECT: Operating Results to March 31, 2003

PURPOSE

To present a summary of the operating results for the period ending March 31st, 2003.

BACKGROUND

Regional District staff prepare and present quarterly operating statements to the Board as part of their commitment to accountability. The statements attached to this report include the period January 1 to March 31, 2003 and include an overall summary for the Regional District and separate summaries for each of the four divisional service areas. The statements primarily reflect 'cash paid or received' transaction except for debt and property taxes, which are recorded monthly. The proportion of revenues and expenditures to date (the 'benchmark') should be approximately 25% of the budgeted amounts for the year.

In response to the Board's request for more detailed information Appendices 2 and 3, immediately after the overall quarterly summary, provide a list at a glance for each function within each division. This list is intended to highlight the overall trend of total revenues and expenditures in the reporting period. Staff have also attached more detailed summaries for each division which show, still at a summary level, expenditures for major budget categories such as professional fees, wages, other operational expenses etc. These further appendices allow a more detailed understanding of line item trends within the overall budget envelope for the function.

Appendix 1

The overall year to date results show revenues at 34% of budget and expenditures at 18% of budget. Revenues will generally be higher than the benchmark in the first quarter because all prior year surpluses are recorded as carried forward in the first quarter. Expenditure timing varies considerably throughout the year. For example, capital purchases and projects tend to be committed after the first quarter and some are dependant on seasonal conditions. Similarly, reserve fund contributions and contract payments to other governments and agencies generally occur in August, after receipt of property tax funds.

Appendices 2 and 3

These two schedules list the services within each division and show the total revenues and expenditures compared to the annual budget. Highlights of the quarterly results are discussed below.

Community Services

Expenditures for the recreation and arena functions are below the benchmark because of the seasonal nature of their activities.

The Gabriola Island Recreation function expenditures are higher than the quarterly benchmark because the second quarterly fee was recorded on the last day of the quarter. This service shows a quarterly deficit, which is a result of timing. Property tax revenues for the second quarter have not been recorded to offset the second quarter grant expenditure.

The Southern Community Transit service shows a quarterly deficit. This is due to recording the prior year deficit as carried forward in this quarter. As the year progresses, the deficit will decline as the balance of operating revenues are earned.

Most of the parks services are below the benchmark due to seasonality. The Area C community park service funds mostly the cost of staff wages and these are at the quarterly benchmark.

Corporate Services

Emergency Planning expenditures do not yet reflect the cost of the new staff position for this service.

D68 E911 expenditures are at 75% of the budget for the year because the annual fee for fire dispatch has been billed and paid in the quarter.

Volunteer fire department expenditures are slightly ahead of the quarterly benchmark because vehicle insurance is fully paid for the year in this quarter. Those departments showing quarterly deficits, do so because of timing. Quarterly grants and vehicle insurance are simply higher in this quarter than the recording of tax revenues on a monthly basis.

Fire protection contract expenditures are below the benchmark because the contracts are payable in August.

Development Services

Building Inspection and Development Planning expenditures are at the benchmark. These departments have a large component for staff wages and this result would be expected.

The Bylaw Enforcement expenditures are below the benchmark because no legal costs have been incurred for enforcement in the quarter.

Environmental Services

Expenditures, with the exception of the Northern Community Wastewater service are less than the quarterly benchmark. This is attributable to the combination of capital and reserve expenditures, which have not yet been committed to or incurred. One capital project is underway in the Northern Community Wastewater function and its year to date expenditures are therefore closer to the benchmark.

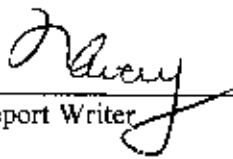
The quarterly deficit in the Solid Waste Collection & Recycling function is due to no revenue yet received from billings for user fees. User fee bills will be delivered and the revenues recorded in the second quarter.

SUMMARY/CONCLUSIONS

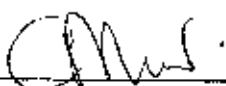
The attached summaries include operating activities recorded up to March 31, 2003. Overall, the results reflect that 34% of total revenues and 18% of expenditures have been recorded or incurred. The lower expenditures reflect the seasonal and project related timing for recreation program costs, capital expenditures and transfers to reserves. The financial results for the first quarter of 2003 as a percentage of budget, substantially matches those achieved for the same period in 2002.

RECOMMENDATION

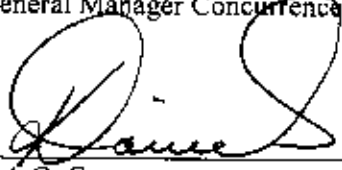
That the summary report of financial results from operations to March 31, 2003 be received for information.



Report Writer



General Manager Concurrence



C.A.O. Concurrence

COMMENTS:

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REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
MARCH 31, 2003

	CORPORATE SERVICES			COMMUNITY SERVICES			DEVELOPMENT SERVICES			ENVIRONMENTAL SERVICES			TOTAL REVENUE FUND		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES															
TAX ACQUISITION	\$896,344	\$3,545,349	25%	\$1,917,792	\$7,671,168	25%	\$263,037	\$1,052,140	25%	\$2,307,849	\$9,231,390	25%	\$5,375,022	\$21,500,047	25%
GRANTS/OPERATING/OTHER	424,074	2,378,030	18%	\$2,081,936	\$7,923,900	25%	239,388	740,685	32%	1,683,553	5,492,927	18%	\$4,428,951	\$20,535,442	22%
RETAINED EARNINGS	1,195,779	1,195,735	100%	\$680,769	\$680,765	100%	990,968	990,970	100%	4,078,511	4,078,493	100%	\$6,946,027	\$6,945,963	100%
TOTAL REVENUES	2,506,197	7,119,114	35%	4,680,497	16,275,733	29%	1,493,393	2,783,795	54%	8,069,913	22,802,810	35%	16,750,000	48,981,452	34%
EXPENSES															
OFFICE OPERATING	\$240,859	\$690,934	35%	\$443,002	\$1,896,706	23%	\$56,228	\$344,360	16%	\$249,429	\$1,056,978	24%	\$989,518	\$3,987,978	25%
COMMUNITY GRANTS	0	49,012		13,226	82,000	16%	0	0		0	0		\$13,226	\$131,012	10%
LEGISLATIVE	49,765	210,515	24%	0	0		0	0		0	0		\$49,765	\$210,515	24%
PROFESSIONAL FEES	4,214	\$31,269	1%	9,040	88,510	10%	43,274	398,625	13%	47,795	810,415	6%	\$104,332	\$1,568,819	7%
BUILDING OPS & MAINT	34,043	242,780	14%	78,979	509,905	15%	10,070	42,000	24%	50,038	297,557	17%	\$173,130	\$1,092,242	10%
VEHICLE OPS & MAINT	12,151	76,595	16%	506,045	2,096,820	24%	6,566	18,535	35%	113,507	965,313	12%	\$638,269	\$3,757,263	20%
OTHER EQUIPMENT OPS & MAINT	8,118	68,684	12%	2,650	74,000	4%	2,872	14,760	19%	0	0		\$13,640	\$157,444	9%
OTHER OPERATING	2,020	16,830	12%	65,423	331,030	20%	15,566	140,005	11%	676,359	6,405,051	11%	\$759,368	\$6,892,916	11%
WAGES & BENEFITS	378,484	1,504,090	25%	2,149,056	7,707,181	26%	363,759	1,352,687	27%	908,421	3,570,410	26%	\$3,799,720	\$14,134,368	27%
RECREATION PROGRAMS	0	0		27,083	233,395	12%	0	0		0	0		\$27,083	\$233,395	12%
CAPITAL EXPENDITURES	125,855	811,534	16%	5,420	1,036,090	1%	0	115,700		122,740	3,285,855	4%	\$254,015	\$5,249,179	5%
DEBT FINANCING-INTEREST	0	0		85,624	410,530	21%	0	0		435,309	1,766,175	25%	\$520,933	\$2,176,705	24%
DEBT FINANCING-PRINCIPAL	0	0		34,679	142,980	24%	0	0		338,916	1,356,675	25%	\$373,595	\$1,488,655	25%
DEBT FINANCING-EXCHANGE	0	0		0	0		0	0		0	0		\$0	\$0	
CONTINGENCY	0	0		0	16,000		0	0		0	0		\$0	\$0	
TRANSFER TO RESERVE FUND	4,830	228,980	2%	6,930	258,940	3%	5,235	5,890	89%	13,055	2,161,707	1%	\$30,050	\$2,655,517	1%
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0		0	0		\$0	\$0	
TFR TO OTHER GOVT/AGENCIES	579,708	2,516,240	23%	26,000	960,320	3%	0	0		0	0		\$605,708	\$3,476,560	17%
TOTAL EXPENDITURES	\$1,440,047	\$6,747,463	21%	\$3,453,166	\$15,843,407	22%	\$503,670	\$2,372,562	21%	\$2,955,569	\$21,675,136	14%	\$8,352,352	\$46,638,568	18%
OPERATING SURPLUS (DEFICIT)	\$1,066,150	\$371,651		\$1,227,331	\$432,326		\$989,823	\$411,233		\$5,114,344	\$1,127,674		\$8,397,648	\$2,342,884	

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REGIONAL DISTRICT OF NANAIMO
SUMMARY OF QUARTERLY OPERATING RESULTS
JANUARY 1 TO MARCH 31, 2003

	Revenues			Expenditures			Surplus	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual
COMMUNITY SERVICES								
District 69 Recreation	1,044,790	309,263	30%	1,009,569	166,920	17%	35,221	142,343
District 69 Arena	1,525,530	490,653	31%	1,605,578	197,280	12%	20,852	302,373
Ravensong Aquatic Center	1,745,450	595,318	34%	1,656,035	375,499	22%	49,425	219,817
Gabriola Island Recreation	61,005	14,819	24%	59,125	28,042	47%	1,880	(13,223)
Southern Community Recreation	667,405	169,352	25%	667,405	9,308	1%	0	160,044
Port Theater	41,635	10,410	25%	41,635	0	0%	0	10,410
Southern Community Transportation	8,555,680	1,863,442	22%	8,555,679	2,340,985	27%	1	(477,523)
D69 Conventional Transit	737,830	235,307	32%	737,830	180,078	24%	0	55,229
D69 Custom Transit	132,895	35,981	27%	126,790	32,676	26%	6,105	3,305
Regional Parks	757,140	419,609	55%	752,139	60,692	7%	5,001	368,917
Community Parks								
A	181,470	143,972	79%	86,031	7,539	11%	115,439	138,433
B	146,155	78,656	54%	78,610	7,496	10%	67,545	71,160
C	18,640	11,888	64%	9,875	2,162	22%	8,985	9,725
D	40,220	32,719	81%	19,065	2,909	15%	21,135	29,810
E	120,000	82,500	69%	58,080	5,891	9%	51,920	78,609
F	80,500	46,308	60%	71,445	2,530	4%	9,055	45,758
G	40,300	18,551	46%	35,980	4,568	13%	4,320	13,983
H	59,935	43,436	72%	30,145	4,386	15%	29,790	39,050
Regional Planning	218,143	87,315	31%	212,471	34,205	16%	5,672	33,110
	<u>15,275,733</u>	<u>4,880,497</u>		<u>15,843,407</u>	<u>3,453,165</u>		<u>432,326</u>	<u>1,227,331</u>
CORPORATE SERVICES								
General Administration	3,775,484	1,527,190	40%	3,557,363	770,350	22%	218,121	758,840
Electoral Areas Only	141,830	83,503	45%	130,155	32,937	25%	11,475	30,566
Emergency Planning	69,430	43,090	62%	34,180	621	2%	35,250	42,469
D68 E911	49,250	16,525	34%	35,020	26,348	75%	14,240	(9,823)
D69 E911	424,815	177,098	42%	333,240	30	0%	91,575	177,068
Fire Protection								
Volunteer Departments								
Coombs-Hilliers	86,000	21,846	25%	86,000	31,708	37%	0	(9,860)
Dashwood	157,335	43,229	27%	157,335	59,573	38%	0	(18,344)
Erimington	343,785	85,823	25%	343,785	106,703	31%	0	(20,880)
Extension	31,920	25,311	31%	31,920	10,631	13%	0	14,680
Nanose Bay	251,550	65,111	26%	251,550	84,683	34%	0	(19,572)
Service Contracts								
Wellington Fire (Area D)	39,575	9,689	24%	39,575	356	1%	0	9,333
Yellowpoint Fire (Area A)	92,265	25,217	27%	91,275	30	0%	990	25,187
Parksville Local (Area G)	57,285	15,873	27%	57,285	30	0%	0	15,643
French Creek Fire (Area G)	251,780	63,089	25%	251,780	30	0%	0	63,059
							0	0
							0	0
Feasibility Studies								
Area B (Sewer)	11,680	1,681	14%	11,680	934	8%	0	747
Area E (Sewer)	25,000	(1,694)	-7%	25,000	0	0%	0	(1,694)
	<u>5,858,774</u>	<u>2,182,381</u>		<u>5,467,123</u>	<u>1,124,962</u>		<u>371,651</u>	<u>1,057,419</u>

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REGIONAL DISTRICT OF NANAIMO
SUMMARY OF QUARTERLY OPERATING RESULTS
JANUARY 1 TO MARCH 31, 2003

	Revenues			Expenditures			Surplus	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual
DEVELOPMENT SERVICES								
Building Inspection	1,152,855	716,555	62%	927,868	194,042	21%	224,987	522,613
Bylaw Enforcement								
Animal Control A,B,C,D	82,585	41,335	50%	62,610	8,865	14%	19,975	32,470
Animal Control E,G,H	83,405	29,722	36%	76,255	13,608	18%	7,150	16,114
Animal Control F	24,765	16,514	67%	15,215	534	4%	9,550	15,980
Noise Control A	9,350	4,969	50%	6,395	521	8%	2,955	4,138
Noise Control B	8,190	5,574	68%	5,395	521	10%	2,795	5,053
Noise Control C	8,195	5,570	68%	5,395	521	10%	2,800	5,049
Noise Control D	8,695	5,320	61%	4,500	521	12%	4,195	4,799
Noise Control E	10,745	5,706	53%	6,395	521	8%	4,350	5,185
Noise Control G	8,880	5,514	62%	5,395	521	10%	3,495	4,993
Unsanitary Premises	32,760	20,371	62%	22,750	2,097	9%	10,010	18,274
Hazardous Properties	8,335	3,400	41%	5,855	513	9%	2,480	2,887
Development Planning	1,323,525	627,677	47%	1,207,034	280,875	23%	116,491	348,802
House Numbering	21,500	5,378	25%	21,500	375	2%	0	5,001
	<u>2,783,795</u>	<u>1,493,993</u>		<u>2,372,562</u>	<u>504,035</u>		<u>411,233</u>	<u>989,358</u>
ENVIRONMENTAL SERVICES								
Southern Community Wastewater	6,658,035	3,507,550	53%	6,313,255	600,584	10%	344,780	2,906,866
Northern Community Wastewater	3,345,145	877,848	26%	3,326,284	795,554	24%	18,864	82,294
Duke Point Wastewater	207,065	123,022	59%	125,987	22,499	18%	81,078	100,523
Solid Waste Disposal Facilities	7,462,905	2,289,015	31%	7,038,133	875,345	12%	426,772	1,413,670
Solid Waste Collection & Recycling	1,696,223	55,229	3%	1,695,841	281,943	15%	382	(206,714)
Water Utilities								
Madrona	166,314	44,756	27%	157,059	29,076	19%	9,258	15,680
Falwinds	369,215	230,507	59%	334,705	34,463	10%	54,510	198,024
Nanoose Bay	602,565	253,470	44%	602,564	83,878	14%	1	170,592
Arbutus Park Estates	120,060	54,713	46%	108,072	11,178	10%	11,988	43,535
West Bay Estates	104,880	34,682	33%	81,870	12,048	15%	23,010	22,636
Driftwood	19,289	4,062	21%	18,507	1,900	10%	782	2,182
San Paraiso	167,375	23,717	14%	166,891	24,200	15%	684	(483)
French Creek	261,080	63,929	24%	250,741	43,634	17%	10,319	20,295
Surfside	27,310	9,802	36%	25,159	4,805	19%	2,151	4,997
Decourcy	7,630	4,507	60%	7,802	879	12%	28	3,728
Morningstar Creek	7,110	6,355	89%	5,791	324	6%	1,319	6,031
Wall Beach	3,949		0%	3,849		0%	0	0
Nanoose Bay Bulk Water	350,250	87,302	25%	331,660	71,221	21%	18,390	16,081
French Creek Bulk Water	101,205	41,931	41%	94,575	13,292	14%	6,850	28,659
Sewer Utilities								
Falwinds	321,139	147,285	46%	254,644	36,464	14%	66,495	110,821
French Creek	663,305	154,011	23%	623,735	20,076	3%	39,570	133,935
Pacific Shores	21,075	8,129	39%	19,425	1,587	8%	1,650	6,542
Surfside Sewer	18,235	8,397	46%	17,170	943	5%	1,065	7,454
MacMillan R. Sewer	3,425		0%	3,425	30	1%	0	(30)
Pump & Haul	15,555	4,947	32%	15,555	226	1%	0	4,721
Streetlighting	62,491	24,528	39%	54,540	9,302	17%	7,951	15,326
	<u>22,802,810</u>	<u>8,060,914</u>		<u>21,675,136</u>	<u>2,855,558</u>		<u>1,127,674</u>	<u>5,114,345</u>

REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
MARCH 31, 2003

	DIST 69 REC.			DIST 69 ARENA			RAVENSONG AQUATIC CENTER		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES									
TAX REQUISITION	200,142	600,570	25%	300,000	1,200,000	25%	286,584	1,146,330	25%
GRANTS/OPERATING/OTHER	47,172	182,270	26%	132,326	359,205	37%	137,002	427,400	32%
RETAINED EARNINGS	61,949	61,950	100%	67,327	67,325	100%	171,730	171,730	100%
TOTAL REVENUES	309,263	1,044,790	30%	499,653	1,626,530	31%	595,316	1,745,460	34%
EXPENSES									
OFFICE OPERATING	\$20,114	\$93,225	22%	\$18,568	\$89,320	21%	\$27,071	\$119,220	23%
PROFESSIONAL FEES	2,181	500	436%	4,658	5,660	82%	2,186	500	437%
BUILDING OP & MAINTENANCE	876	5,400	16%	12,526	170,480	7%	25,554	174,945	15%
VEHICLE OP & MAINTENANCE	1,421	14,005	10%	325	14,700	2%	155	155	100%
OTHER OPERATING COSTS	3,201	22,050	15%	1,454	10,510	14%	3,593	19,440	18%
WAGES & BENEFITS	121,197	556,544	22%	143,467	520,028	28%	191,003	716,415	27%
EQUIP OP & MAINTENANCE	183	2,940	6%	1,491	44,155	3%	567	23,140	2%
COMMUNITY GRANTS	11,144	76,000	15%	65	500	13%	2,017	5,500	37%
RECREATION PROGRAMS	6,448	60,370	11%	9,139	30,220	30%	6,219	35,000	18%
CAPITAL EXPENDITURES	0	9,650		5,432	659,740	1%	0	133,650	
DEBT FINANCING - INTEREST	0	0		0	60,200		83,976	335,900	26%
DEBT FINANCING - PRINCIPAL	0	0		0	0		33,003	132,015	25%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	155	155	100%	155	155	100%	155	155	100%
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0	
TRANSFER TO OTHER GOVTS	0	168,730		0	0		0	0	
TOTAL EXPENDITURES	\$166,920	\$1,009,569	17%	\$197,280	\$1,605,678	12%	\$375,499	\$1,696,035	22%
OPERATING SURPLUS (DEFICIT)	\$142,343	\$35,221		\$302,373	\$20,852		\$219,817	\$49,425	

REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
MARCH 31, 2003

	REGIONAL PLANNING			REG PARKS			COMMUNITY PARKS		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES									
TAX REQUISITION	50,991	203,963	25%	99,999	400,000	25%	75,732	302,930	25%
GRANTS/OPERATING/OTHER	2,143	0	7%	2,825	40,350	7%	0	0	
RETAINED EARNINGS	14,181	14,180	100%	316,785	316,790	100%	384,298	384,290	100%
TOTAL REVENUES	67,315	218,143	31%	419,609	757,140	55%	450,030	687,220	67%
EXPENSES									
OFFICE OPERATING	\$5,395	\$47,250	11%	\$5,983	\$65,950	9%	\$4,726	\$19,536	24%
PROFESSIONAL FEES	0	16,800		50	31,000	0%	(26)	32,250	0%
BUILDING OP & MAINTENANCE	139	8,000	2%	1,258	26,295	5%	794	4,600	17%
VEHICLE OP & MAINTENANCE	350	350	100%	1,016	5,005	20%	0	1,500	
OTHER OPERATING COSTS	107	28,470	0%	4,907	33,200	15%	1,619	4,150	39%
WAGES & BENEFITS	27,864	110,651	25%	35,428	142,299	25%	24,684	101,510	24%
EQUIP OP & MAINTENANCE	0	0		0	0		0	0	
COMMUNITY GRANTS	0	0		0	0		0	0	
RECREATION PROGRAMS	0	0		1,895	23,305	8%	3,382	84,500	4%
CAPITAL EXPENDITURES	0	800		0	122,900		0	107,750	
DEBT FINANCING - INTEREST	0	0		0	0		1,566	12,710	12%
DEBT FINANCING - PRINCIPAL	0	0		0	0		756	5,445	14%
DEBT FINANCING - EXCHANGE CONTINGENCY	0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	350	350	100%	155	252,175	0%	0	0	
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0	
TRANSFER TO OTHER GOVTS	0	0		0	50,000		0	5,000	
TOTAL EXPENDITURES	\$34,205	\$212,471	16%	\$50,692	\$752,139	7%	\$37,501	\$379,051	10%
OPERATING SURPLUS (DEFICIT)	\$33,110	\$5,672		\$368,917	\$5,001		\$422,529	\$308,169	

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REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
MARCH 31, 2003

	GABRIOLA ISL REC.			SOUTHERN COMMUNITY RECREATION & CULTURE			TRANSPORTATION SERVICES			TOTAL COMMUNITY SERVICES		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES												
TAX REQUISITION	15,450	61,795	25%	176,427	705,705	25%	712,467	2,849,875	25%	1,917,792	7,671,168	25%
GRANTS/OPERATING/OTHER	158	0		0	0		1,760,310	6,914,575	25%	2,081,936	7,923,800	26%
RETAINED EARNINGS	(789)	(790)	100%	3,335	3,335	100%	(338,047)	(338,045)	100%	680,769	680,765	100%
TOTAL REVENUES	14,819	61,005	24%	179,762	709,040	25%	2,134,730	9,426,405	23%	4,680,497	16,275,733	29%
EXPENSES												
OFFICE OPERATING	\$206	\$955	22%	\$0	\$0		\$360,939	\$1,460,140	25%	\$443,002	\$1,895,706	23%
PROFESSIONAL FEES	0	0		0	0		0	2,000		9,049	86,510	10%
BUILDING OP & MAINTENANCE	0	0		9,308	24,450	38%	28,524	95,725	30%	78,979	609,905	15%
VEHICLE OP & MAINTENANCE	0	20		0	0		502,778	2,061,085	24%	506,045	2,096,820	24%
OTHER OPERATING COSTS	6	200	3%	0	0		50,536	213,010	24%	65,423	331,030	20%
WAGES & BENEFITS	1,842	5,950	31%	0	0		1,603,571	5,553,784	29%	2,149,056	7,707,161	28%
EQUIP OP & MAINTENANCE	0	0		0	0		409	3,765	11%	2,650	74,000	4%
COMMUNITY GRANTS	0	0		0	0		0	0		13,226	82,000	16%
RECREATION PROGRAMS	0	0		0	0		0	0		27,083	233,395	12%
CAPITAL EXPENDITURES	(12)	0		0	0		0	1,600		5,420	1,036,080	1%
DEBT FINANCING - INTEREST	0	0		0	0		82	1,720	5%	85,624	410,530	21%
DEBT FINANCING - PRINCIPAL	0	0		0	0		920	5,520	17%	34,679	142,980	24%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	16,000		0	0	
TRANSFER TO RESERVE FUND	0	0		0	0		5,960	5,950	100%	6,930	258,940	3%
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0		0	0	
TRANSFER TO OTHER GOVTS	26,000	52,000	50%	0	664,560		0	0		28,000	960,320	3%
TOTAL EXPENDITURES	\$28,042	\$59,125	47%	\$9,308	\$709,040	1%	\$2,553,719	\$9,420,299	27%	\$3,453,166	\$15,843,407	22%
OPERATING SURPLUS (DEFICIT)	(\$13,223)	\$1,880		\$170,454	\$0		(\$418,989)	\$6,106		\$1,227,331	\$432,326	

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REGIONAL DISTRICT OF NANAIMO
TRANSPORTATION SERVICES
MARCH 31, 2003

	D68 CONVENTIONAL			D68 HandyDART			D69 CONVENTIONAL			D69 HandyDART			TOTAL		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES															
TAX REQUISITION	\$635,859	\$2,543,435	25%	\$0	\$0		\$64,155	\$256,625	25%	\$12,453	\$49,815	25%	\$712,467	\$2,849,875	25%
GRANTS/OPERATING/OTHER	1,487,200	5,779,365	26%	183,224	675,720	27%	66,524	376,675	18%	23,262	82,815	28%	1,760,310	6,914,575	25%
RETAINED EARNINGS	(442,841)	(442,840)	100%	0	0		104,528	104,530	100%	265	265	100%	(338,047)	(338,045)	100%
TOTAL REVENUES	\$1,680,218	\$7,879,960	21%	\$183,224	\$675,720	27%	\$235,307	\$737,830	32%	\$35,981	\$132,895	27%	\$2,134,730	\$9,426,405	23%
EXPENSES															
OFFICE OPERATING	\$185,304	\$747,720	25%	\$72,762	\$288,810	25%	\$88,896	\$368,610	24%	\$13,977	\$55,000	25%	\$360,939	\$1,400,140	25%
PROFESSIONAL FEES	0	2,000		0	0		0	0		0	0		0	2,000	
BUILDING OP. & MAINT.	28,524	95,725	30%	0	0		0	0		0	0		28,524	95,725	30%
VEHICLE OP. & MAINT.	462,288	1,814,520	25%	25,409	159,475	16%	13,466	79,690	17%	1,615	7,400	22%	502,776	2,051,085	24%
OTHER OPERATING COSTS	28,354	136,940	21%	21,166	71,200	30%	966	4,200	23%	30	670	4%	50,536	213,010	24%
WAGES & BENEFITS	1,288,607	4,380,015	29%	221,180	824,719	27%	76,730	265,330	27%	17,054	63,720	27%	1,603,571	5,553,784	29%
EQUIP. OP & MAINT	408	3,765	11%	0	0		0	0		0	0		409	3,765	11%
COMMUNITY GRANTS	0	0		0	0		0	0		0	0		0	0	
RECREATION PROGRAMS	0	0		0	0		0	0		0	0		0	0	
CAPITAL EXPENDITURES	0	1,600		0	0		0	0		0	0		0	1,600	
DEBT FINANCING - INT.	0	0		82	1,720	5%	0	0		0	0		82	1,720	5%
-PRINCIPAL	0	0		920	5,520	17%	0	0		0	0		920	5,520	17%
-EXCHANGE	0	0		0	0		0	0		0	0		0	0	
CONTINGENCY	0	16,000		0	0		0	0		0	0		0	16,000	
TRANSFER TO RESERVE FUND	5,960	5,950	100%	0	0		0	0		0	0		5,960	5,950	100%
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0		0	0		0	0	
TRANSFER TO OTHER GOVTS	0	0		0	0		0	0		0	0		0	0	
TOTAL EXPENDITURES	\$1,999,446	\$7,204,235	26%	\$341,519	\$1,351,444	25%	\$180,078	\$737,830	24%	\$32,676	\$126,790	26%	\$2,553,719	\$9,420,299	27%
NET SURPLUS	(\$319,228)	\$675,725		(\$158,295)	(\$675,724)		\$55,229	\$0		\$3,305	\$6,105		(\$418,989)	\$6,105	

REGIONAL DISTRICT OF NANAIMO
CORPORATE SERVICES
MARCH 31, 2003

	ADMINISTRATION			ELECTORAL AREAS			PUBLIC SAFETY			FIRE DEPTS			REGIONAL LIBRARY		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES															
TAX REQUISITION	\$146,460	\$585,838	25%	\$26,670	\$106,680	25%	\$102,270	\$409,065	25%	\$298,206	\$1,192,810	25%	\$315,084	\$1,260,340	25%
GRANTS/OPERATING/OTHER	415,097	2,224,045	19%	1,882	0	0	0	0	0	7,095	118,985	6%	0	0	0
RETAINED EARNINGS	965,633	965,601	100%	34,951	34,950	100%	134,443	134,440	100%	49,687	49,680	100%	0	0	0
TOTAL REVENUES	1,527,190	3,775,484	40%	63,503	141,630	45%	236,713	543,505	44%	354,988	1,361,475	26%	315,084	1,260,340	25%
EXPENSES															
OFFICE OPERATING	\$216,808	\$576,164	38%	\$19,703	\$60,150	33%	\$1,497	\$17,410	9%	\$2,851	\$37,210	8%	\$0	\$0	0%
COMMUNITY GRANTS	0	49,012	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
LEGISLATIVE	45,417	186,000	24%	4,348	24,515	18%	0	0	0%	0	0	0%	0	0	0%
PROFESSIONAL FEES	(1,766)	240,299	-1%	5,046	27,890	18%	0	26,600	0%	0	0	0%	0	0	0%
BUILDING OPS & MAINT	32,755	234,730	14%	0	800	0%	109	750	15%	0	0	0%	0	0	0%
VEHICLE OPS & MAINT	5,344	13,425	40%	0	0	0%	0	1,000	0%	1,179	6,500	16%	0	0	0%
EQUIP OPS & MAINT	5,713	63,869	9%	271	200	135%	1,728	3,615	48%	6,807	62,170	11%	0	0	0%
OTHER OPERATING COSTS	2,020	10,830	19%	0	0	0%	0	0	0%	406	1,000	41%	0	0	0%
WAGES & BENEFITS	378,484	1,503,790	25%	0	0	0%	0	0	0%	0	6,000	0%	0	0	0%
CAPITAL EXPENDITURES	80,745	574,424	14%	3,569	16,800	21%	0	800	0%	41,541	219,510	19%	0	0	0%
DEBT FINANCING-INTEREST	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
DEBT FINANCING-PRINCIPAL	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
DEBT FINANCING-EXCHANGE	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
CONTINGENCY	0	0	0%	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TRANSFER TO RESERVE FUND	4,630	104,820	5%	0	0	0%	0	0	0%	0	124,160	27%	0	0	0%
TRSF TO OTHER GOVT/AGENCIES	0	0	0%	0	0	0%	23,666	352,265	7%	240,968	903,636	27%	0	0	0%
TOTAL EXPENDITURES	\$770,350	\$3,657,363	22%	\$32,937	\$130,155	25%	\$26,999	\$402,440	7%	\$283,742	\$1,360,485	22%	\$315,085	\$1,260,340	25%
OPERATING SURPLUS (DEFICIT)	\$756,840	\$218,121		\$30,566	\$11,475		\$209,714	\$141,065		\$61,246	\$990		(\$1)	\$0	

Appendix 8

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REGIONAL DISTRICT OF NANAIMO
CORPORATE SERVICES
MARCH 31, 2003

	ELECT AREA REFERENDUMS			FEASIBILITY STUDIES			MUNICIPAL DEBT TRANSFERS			TOTAL CORPORATE SERVICES		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES												
TAX REQUISITION	(\$2,910)	(\$11,642)	25%	\$564	\$2,258	25%	\$0	\$0		\$846,344	\$1,545,349	25%
GRANTS/OPERATING/OTHER	0	0		0	35,000		237,362	2,511,030	9%	661,436	4,839,060	14%
RETAINED EARNINGS	11,642	11,642	100%	(577)	(578)	100%	0	0		1,196,779	1,195,735	100%
TOTAL REVENUES	8,732	0		-13	36,680	0%	237,362	2,511,030	9%	2,743,559	9,630,144	28%
EXPENSES												
OFFICE OPERATING	\$0	\$0		\$0	\$0		\$0	\$0		\$240,859	\$690,934	35%
COMMUNITY GRANTS	0	0		0	0		0	0		0	49,012	
LEGISLATIVE	0	0		0	0		0	0		49,765	210,515	24%
PROFESSIONAL FEES	0	0		934	36,680	3%	0	0		4,214	331,269	1%
BUILDING OPS & MAINT	0	0		0	0		0	0		34,043	242,780	14%
VEHICLE OPS & MAINT	0	0		0	0		0	0		12,151	76,596	16%
EQUIP OPS & MAINT	0	0		0	0		0	0		8,118	68,684	12%
OTHER OPERATING COSTS	0	0		0	0		0	0		2,020	16,830	12%
WAGES & BENEFITS	0	0		0	0		0	0		378,484	1,504,090	29%
CAPITAL EXPENDITURES	0	0		0	0		0	0		125,855	811,534	15%
DEBT FINANCING-INTEREST	0	0		0	0		41,520	1,564,025	3%	41,520	1,564,025	3%
DEBT FINANCING-PRINCIPAL	0	0		0	0		46,365	916,305	5%	46,365	916,305	5%
DEBT FINANCING-EXCHANGE	0	0		0	0		0	30,700		0	30,700	
CONTINGENCY	0	0		0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	0	0		0	0		0	0		0	0	
TRASF TO OTHER GOVT/AGENCIES	0	0		0	0		0	0		4,830	228,980	2%
TOTAL EXPENSES	\$0	\$0		\$934	\$36,680	3%	\$67,885	\$2,511,030	3%	\$79,708	\$2,516,240	23%
OPERATING SURPLUS (DEFICIT)	\$8,732	\$0		(\$947)	\$0		\$149,477	\$0		\$1,527,932	\$9,258,493	17%
										\$1,215,627	\$371,651	

REGIONAL DISTRICT OF NANAIMO
DEVELOPMENT SERVICES
MARCH 31, 2003

	PLANNING			HOUSE NUMBERING			BUILDING INSPECTION			BYLAW ENFORCEMENT			TOTAL DEVELOPMENT SERVICES		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES															
TAX REQUISITION	179,469	717,875	25%	5,376	21,500	25%	33,750	135,000	25%	44,442	177,765	25%	263,037	1,062,140	25%
GRANTS/OPERATING/OTHER	55,543	212,985	26%	0	0		180,749	515,700	35%	3,096	12,000	26%	239,388	740,685	32%
RETAINED EARNINGS	392,665	392,665	100%	0	0		502,156	502,155	100%	96,147	96,150	100%	990,968	990,970	100%
TOTAL REVENUES	627,677	1,323,525	47%	5,376	21,500	25%	716,655	1,152,855	62%	143,685	286,915	50%	1,493,393	2,783,795	54%
EXPENSES															
OFFICE OPERATING	\$29,223	\$149,585	20%	\$375	\$21,500	2%	\$19,688	\$121,510	16%	\$6,942	\$51,765	13%	\$56,228	\$344,360	16%
PROFESSIONAL FEES	16,191	115,865	14%	0	0		6,497	63,000	10%	20,586	159,740	13%	43,274	338,625	13%
BUILDING OP & MAINTENANCE	6,044	24,900	24%	0	0		3,276	13,100	25%	750	4,000	19%	10,070	42,000	24%
VEHICLE OP & MAINTENANCE	5,242	5,235	100%	0	0		1,324	13,300	10%	0	0		6,568	18,535	35%
OTHER OPERATING COSTS	9,012	82,080	11%	0	0		6,554	57,925	11%	0	0		15,566	140,005	11%
WAGES & BENEFITS	207,384	776,014	27%	0	0		156,375	574,673	27%	0	0		363,759	1,352,687	27%
EQUIP OP & MAINTENANCE	2,544	7,600	33%	0	0		326	7,160	5%	0	0		2,872	14,760	19%
COMMUNITY GRANTS	0	0		0	0		0	0		0	0		0	0	
PROGRAM COSTS	0	0		0	0		0	0		0	0		0	0	
CAPITAL EXPENDITURES	0	38,500		0	0		0	77,200		0	0		0	115,700	
DEBT FINANCING - INTEREST	0	0		0	0		0	0		0	0		0	0	
DEBT FINANCING - PRINCIPAL	0	0		0	0		0	0		0	0		0	0	
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	5,235	5,235	100%	0	0		0	0		0	0		0	0	
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0		0	0		655	655	
TRANSFER TO OTHER GOVTS	0	0		0	0		0	0		0	0		0	0	
TOTAL EXPENDITURES	\$280,875	\$1,207,034	23%	\$375	\$21,500	2%	\$194,042	\$927,868	21%	\$28,278	\$216,160	13%	\$503,570	\$2,372,562	21%
OPERATING SURPLUS (DEFICIT)	\$346,802	\$116,491		\$5,001	\$0		\$522,613	\$224,987		\$115,407	\$69,755		\$989,823	\$411,233	

REGIONAL DISTRICT OF NANAIMO
 ENVIRONMENTAL SERVICES
 MARCH 31, 2003

	LIQUID WASTE MANAGEMENT			SOLID WASTE MANAGEMENT			GARBAGE COLLECTION/RECYCLING		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES									
TAX REQUISITION	\$1,754,376	\$7,017,500	25%	\$100,575	\$402,305	26%	\$0	\$0	
GRANTS/OPERATING/OTHER	191,506	630,210	30%	1,420,138	6,292,300	23%	78,410	1,719,403	5%
RETAINED EARNINGS	2,552,538	2,562,535	100%	768,302	768,300	100%	(23,181)	(23,180)	100%
TOTAL REVENUES	4,508,420	10,210,245	44%	2,289,015	7,462,905	31%	55,229	1,696,223	3%
EXPENSES									
OFFICE OPERATING	\$83,474	\$372,180	22%	\$109,054	\$432,268	25%	\$29,092	\$119,650	24%
PROFESSIONAL FEES	24,154	403,520	6%	12,104	263,390	5%	0	2,500	
BUILDING OP & MAINTENANCE	24,199	102,500	24%	8,212	77,500	11%	537	2,245	24%
VEHICLE OP & MAINTENANCE	36,757	344,995	11%	65,366	514,841	13%	938	1,785	53%
WAGES & BENEFITS	346,789	1,398,688	25%	388,242	1,464,476	27%	11,443	31,002	37%
OPERATIONAL COSTS	192,328	1,387,015	14%	218,951	2,547,786	9%	219,063	1,537,159	14%
CAPITAL EXPENDITURES	109,621	1,871,575	9%	6,078	976,965	1%	0	630	
DEBT FINANCING - INT	318,690	1,274,755	25%	41,175	184,700	25%	0	0	
DEBT FINANCING - PRINCIPAL	276,525	1,105,105	25%	22,683	90,730	25%	0	0	
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	4,200	1,504,190	0%	3,480	503,477	1%	0	0	
TRANSFER FROM RESERVE FUND	0	0		0	0		870	870	100%
TSFR TO OTHER GOV'T/AGENCIES	0	0		0	0		0	0	
TOTAL EXPENDITURES	\$1,418,737	\$9,765,523	15%	\$875,345	\$7,036,133	12%	\$261,943	\$1,695,841	15%
OPERATING SURPLUS (DEFICIT)	\$3,089,683	\$444,722		\$1,413,670	\$426,772		(\$206,714)	\$382	

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REGIONAL DISTRICT OF NANAIMO
ENVIRONMENTAL SERVICES
MARCH 31, 2003

	WATER SUPPLY			SEWAGE COLLECTION			STREET LIGHTING			TOTAL ENVIRONMENTAL SERVICES		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES												
TAX REQUISITION	\$295,986	\$1,183,940	25%	\$144,441	\$577,760	25%	\$12,471	\$49,885	25%	\$2,307,649	\$0,231,390	25%
GRANTS/OPERATING/OTHER	(10,484)	559,818	-2%	3,983	290,840	1%	0	456		1,683,553	9,492,927	18%
RETAINED EARNINGS	584,350	584,354	100%	174,345	174,334	100%	12,157	12,150	100%	4,078,511	4,078,493	100%
TOTAL REVENUES	869,852	2,328,212	37%	322,769	1,042,734	31%	24,628	62,491	39%	8,069,913	22,802,810	35%
EXPENSES												
ADMINISTRATION	\$20,572	\$101,300	20%	\$6,627	\$30,705	22%	\$610	\$675	70%	\$249,429	\$1,056,978	24%
PROFESSIONAL FEES	10,470	117,300	9%	1,067	23,705	5%	0	0		47,795	810,415	6%
BUILDING OP & MAINTENANCE	13,039	92,927	14%	2,533	10,135	25%	1,518	12,250	12%	50,038	297,557	17%
VEHICLE OP & MAINTENANCE	8,422	72,397	12%	2,024	31,295	6%	0	0		113,507	965,313	12%
WAGES & BENEFITS	125,203	527,755	24%	34,744	148,489	23%	0	0		908,421	3,570,410	25%
OPERATIONAL COSTS	27,619	271,346	10%	11,224	620,330	2%	7,174	41,415	17%	676,359	6,405,051	11%
CAPITAL COST	6,729	428,180	2%	312	8,505	4%	0	0		122,740	3,285,855	4%
DEBT FINANCING - INT	75,444	326,720	23%	0	0		0	0		435,309	1,786,175	25%
DEBT FINANCING - PRINCIPAL	39,706	158,840	25%	0	0		0	0		338,916	1,355,675	25%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0		0	0	
CONTRIBUTION TO OTHER FUNDS	0	0		0	0		0	0		0	0	
CONTRIBUTION FROM OTHER FND	3,710	92,380	4%	795	60,790	1%	0	0		13,055	2,161,707	1%
TRANSFER TO OTHER GOVTS	0	0		0	0		0	0		0	0	
TOTAL EXPENSES	\$330,916	\$2,189,145	15%	\$59,326	\$933,954	6%	\$9,302	\$64,540	17%	\$2,955,569	\$21,675,136	14%
OPERATING SURPLUS (DEFICIT)	\$538,936	\$139,067		\$263,443	\$108,780		\$15,326	\$7,951		\$5,114,344	\$1,127,674	

REGIONAL DISTRICT OF NANAIMO
LIQUID WASTE MANAGEMENT
MARCH 31, 2003

	SOUTHERN COMMUNITY			NORTHERN COMMUNITY			DUKE POINT			TOTAL LIQUID WASTE		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES												
TAX REQUISITION	\$1,010,796	\$4,043,180	25%	\$734,367	\$2,937,485	25%	\$9,213	\$36,855	25%	\$1,754,376	\$7,017,500	25%
GRANTS/OPERATING/OTHER	94,298	212,400	44%	97,208	361,410	27%	0	56,400	30%	191,506	630,210	30%
RETAINED EARNINGS	2,402,456	2,402,455	100%	46,273	46,270	100%	113,809	113,810	100%	2,562,538	2,562,535	100%
TOTAL REVENUES	\$3,507,550	\$6,658,035	53%	\$877,848	\$3,345,145	26%	\$123,022	\$207,065	59%	\$4,508,420	\$10,210,245	44%
EXPENSES												
OFFICE OPERATING	\$47,022	\$205,830	23%	\$33,639	\$153,320	22%	\$2,813	\$13,030	22%	\$83,474	\$372,180	22%
PROFESSIONAL FEES	13,363	346,900	4%	10,058	50,320	20%	733	6,300	12%	24,154	403,520	6%
BUILDING OP & MAINTENANCE	10,428	58,400	18%	13,727	40,400	34%	44	3,700	1%	24,199	102,500	24%
VEHICLE OP & MAINTENANCE	17,596	164,520	11%	18,928	171,425	11%	233	9,050	3%	36,757	344,995	11%
WAGES & BENEFITS	188,811	770,450	25%	144,774	568,196	26%	15,204	62,042	25%	348,789	1,398,688	25%
OPERATIONAL COSTS	108,060	912,670	12%	80,871	442,645	18%	3,407	31,700	11%	192,328	1,387,015	14%
CAPITAL COST	31,699	1,626,815	2%	77,922	244,660	32%	0	100	0%	109,621	1,871,575	6%
DEBT FINANCING - INT	62,310	249,235	25%	256,380	1,025,520	25%	0	0	0%	318,690	1,274,755	25%
DEBT FINANCING - PRINCIPAL	119,010	476,045	25%	157,515	630,060	25%	0	0	0%	276,525	1,106,105	25%
DEBT FINANCING - EXCHANGE	0	0	0%	0	0	0%	0	0	0%	0	0	0%
CONTINGENCY	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TRANSFER TO RESERVE FUND	2,395	1,502,390	0%	1,740	1,735	100%	65	65	100%	4,200	1,504,190	0%
TRANSFER FROM RESERVE FUND	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TRANSFER TO OTHER GOVTS	0	0	0%	0	0	0%	0	0	0%	0	0	0%
TOTAL EXPENSES	\$600,684	\$6,313,255	10%	\$795,554	\$3,326,281	24%	\$22,499	\$125,987	18%	\$1,418,737	\$9,765,523	15%
OPERATING SURPLUS (DEFICIT)	\$2,906,866	\$344,780		\$82,294	\$18,864		\$100,523	\$81,078		\$3,089,683	\$444,722	



REGIONAL DISTRICT OF NANAIMO	
APR 14 2003	
CHAIR	GMCrS
CAO	GMDS
GMCS	GMES

MEMORANDUM

TO: C.Mason
General Manager, Corporate Services

DATE: March 11, 2003

FROM: N. Avery
Manager, Financial Services

FILE:

SUBJECT: Borrowing request for Driftwood Water Service Area

PURPOSE:

To introduce security issuing Bylaw 1301, for the purposes of borrowing for water system construction costs for the Driftwood Water Supply Service Area.

BACKGROUND:

The Driftwood Water Supply Service Area was established in 2001, as an extension of the Nanoose Bay water supply area. Over the course of 2002 the water distribution lines were constructed. The project costs were estimated at \$240,200 and loan authorization Bylaw No.1256 was adopted at the time the service was established.

The project is complete and was on budget. Property owners were offered the opportunity to prepay a proportionate share of the total costs up front, which will relieve them of parcel taxes related to the debt for this particular project. Sixteen of twenty eight property owners have prepaid and the net amount remaining to be borrowed is \$100,614. Security issuing Bylaw 1301 is presented for this purpose.

ALTERNATIVES:

1. Adopt the security issuing bylaw as presented.
2. Do not adopt the bylaw.

FINANCIAL IMPLICATIONS:

Alternative 1

The estimated cost to service the debt to be borrowed is \$785 per parcel. The original estimate, presented to the owners was \$871, assuming the full amount was borrowed.

A parcel tax rate bylaw has been prepared, which establishes a parcel tax rate of \$1,075 - \$785 for the cost of construction debt retirement plus \$290 to reflect an ongoing benefit from the system's attachment to the Nanoose Bay water service area. Those properties, which have prepaid the cost of construction, will be assessed \$290; properties which chose to amortize the amount by borrowing, will be charged \$1,075 per parcel.

Alternative 2

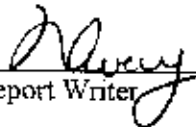
There is no practical alternative to borrowing for the remaining capital costs.


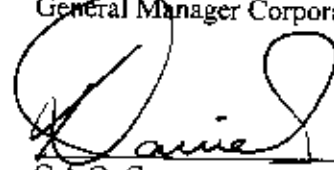
SUMMARY/CONCLUSIONS:

The costs of constructing the Driftwood Water Supply distribution system came in on budget at \$235,996. Fifteen property owners have prepaid a proportionate share of the cost, leaving \$100,614 to be borrowed under the security issuing bylaw presented with this report. An annual parcel tax rate of \$1,075 will be payable by those properties which chose not to prepay the construction costs, \$290 will be payable by those properties which prepaid the construction costs. The amount of \$290 is recognized as the ongoing benefit all of the properties enjoy by being connected to the Nanoose Bay water system.

RECOMMENDATION:

That "Regional District of Nanaimo Driftwood Water Supply Security Issuing Bylaw No. 1301, 2003" be introduced for first three readings and be forwarded to the Inspector of Municipalities for approval.


Report Writer


General Manager Corporate Services

C.A.O. Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1301

A BYLAW TO AUTHORIZE THE ENTERING INTO OF AN AGREEMENT RESPECTING FINANCING BETWEEN THE REGIONAL DISTRICT OF NANAIMO (THE "REGIONAL DISTRICT") AND THE MUNICIPAL FINANCE AUTHORITY OF BRITISH COLUMBIA (THE "AUTHORITY")

WHEREAS the Authority may provide financing of capital requirements for Regional Districts and for their member municipalities by the issue of debentures, or other evidence of indebtedness of the Authority and lending the proceeds therefrom to the Regional District on whose request the financing is undertaken;

AND WHEREAS, pursuant to the provisions of Section 819 the *Local Government Act*, the amount of borrowing authorized by the Loan Authorization Bylaw, the amount already borrowed under the authority thereof, the amount of authorization to borrow remaining thereunder and the amount being issued under the authority hereof by this bylaw is as follows:

Regional District	L/A By-law No.	Purpose	Amount of Borrowing Authorized	Amount Already Borrowed	Borrowing Authority Remaining	Term of Issue (Yrs.)	Amount of Issue
Nanaimo	1256	Driftwood Water	\$240,200	\$ Nil	\$240,200	20	\$ 100,614

Total Financing pursuant to Section 819 \$ 100,614

AND WHEREAS the Regional Board, by this bylaw, hereby requests that such financing shall be undertaken through the Authority;

NOW THEREFORE, the Regional Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. The Authority is hereby requested and authorized to finance from time to time the aforesaid undertakings at the sole cost and on behalf of the Nanaimo Regional District and its member municipalities hereinbefore referred to, in Canadian Dollars or in such other currency or currencies as the Authority shall determine so that the amount realized does not exceed One Hundred Thousand, Six Hundred and Fourteen (\$100,614.00) Canadian Dollars and/or the equivalent thereto and at such interest and with such discounts or premiums and expenses as the Authority may deem consistent with the suitability of the money market for sale of securities of the Authority.
2. Upon completion by the Authority of financing undertaken pursuant hereto, the Chairperson and Manager, Financial Services of the Regional District, on behalf of the Regional District and under its seal shall, at such time or times as the Trustees of the Authority may request, enter into and deliver to the Authority one or more agreements which said agreement or agreements shall be substantially in the form annexed hereto as Schedule 'A' and made part of the bylaw (such agreement or agreements as may be entered into, delivered or substituted hereinafter referred to as the "Agreement") providing for payment by the Regional District to the Authority of the amounts required to meet the obligations of the Authority with respect to its borrowings undertaken pursuant hereto, which Agreement shall rank as debenture debt of the Regional District.
3. The Agreement in the form of Schedule 'A' shall be dated and payable in the principal amount or amounts of money in Canadian Dollars or as the Authority shall determine and subject to the *Local Government Act*, in such other currency or currencies as shall be borrowed by the Authority pursuant to Section 1 and shall set out the schedule of repayment of the principal amount together with interest on unpaid amounts as shall be determined by the Treasurer of the Authority.
4. The obligations incurred under the said Agreement shall bear interest from a date specified therein, which date shall be determined by the Treasurer of the Authority and shall bear interest at a rate to be determined by the Treasurer of the Authority.
5. The Agreement shall be sealed with the seal of the Regional District and shall bear the signatures of the Chairperson and Manager, Financial Services.
6. The obligations incurred under the said Agreement as to both principal and interest shall be payable at the Head Office of the Authority in Victoria and at such time or times as shall be determined by the Treasurer of the Authority.

AGE
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7. If during the currency of the obligations incurred under the said Agreement to secure borrowings in respect of Loan Authorization Bylaw No. 1256, the anticipated revenues accruing to the Regional District from the operation of the said Driftwood Water Function are at any time insufficient to meet the annual payment of interest and the repayment of principal in any year, there shall be requisitioned an amount sufficient to meet such insufficiency.
8. The Regional District shall provide and pay over to the Authority such sums as are required to discharge its obligations in accordance with the terms of the Agreement, provided however that if the sums provided for in the Agreement are not sufficient to meet the obligations, it shall be a liability of the Regional District to the Authority and the Regional District shall make provisions to discharge such liability.
9. At the request of the Treasurer of the Authority and pursuant to Section 13 of the *Municipal Finance Authority Act*, the Regional District shall pay over to the Authority such sums and execute and deliver such promissory notes as are required pursuant to said Section 13 of the *Municipal Finance Authority of British Columbia Act*, to form part of the Debt Reserve Fund established by the Authority in connection with the financing undertaken by the Authority on behalf of the Regional District pursuant to the Agreement.
10. This bylaw may be cited as "Regional District of Nanaimo Driftwood Water Security Issuing Bylaw No. 1301, 2003".

Introduced and read three times this 13th day of May, 2003.

Received the approval of the Inspector of Municipalities this _____ day of _____, 2003.

Adopted this _____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER CORPORATE SERVICES

WAGE
late

Chairperson

General Manager Corporate Services

PROVINCE OF BRITISH COLUMBIA

AGREEMENT

REGIONAL DISTRICT OF NANAIMO

The Regional District of Nanaimo (the "Regional District") hereby promises to pay to the Municipal Finance Authority of British Columbia (the "Authority") at its Head Office in Victoria, British Columbia, the sum of _____ in lawful money of Canada, together with interest thereon from the _____, at varying rates of interest, calculated semi-annually in each and every year during the currency of this Agreement; and payments of principal and interest shall be as specified in the table appearing on the reverse hereof commencing on the _____, provided that in the event the payments of principal and interest hereunder are insufficient to satisfy the obligations of the Authority undertaken on behalf of the Regional District, the Regional District shall pay over to the Authority such further sums as are sufficient to discharge the obligations of the Regional District to the Authority.

Dated at _____, British Columbia, this _____ day of _____, 20__.

IN TESTIMONY WHEREOF and under the authority of Bylaw No. 1301 cited as "Regional District of Nanaimo Driftwood Water Security Issuing Bylaw No. 1301, 2003", this Agreement is sealed with the Corporate Seal of the Regional District and signed by the Chairperson and Manager, Financial Services thereof.

Chairperson

Manager, Financial Services

Pursuant to the *Local Government Act*, I certify that the within Agreement has been lawfully and validly made and issued and that its validity is not open to question on any ground whatever in any Court of the Province of British Columbia.

Dated this _____ day of _____, 20__.

Inspector of Municipalities of British Columbia

CHARGE
167
10/24



REGIONAL DISTRICT OF NANAIMO			
APR 14 2003			
CHAIR		GMCrs	
CAO		GMDS	
GMCrs		GMES	
		DATE:	April 14, 2003
		FILE:	

MEMORANDUM

TO: C. Mason
General Manager, Corporate Services

FROM: N. Avery
Manager, Financial Services

SUBJECT: Amendment to the requisition limit for the Morningstar Streetlighting Service Area

PURPOSE:

To introduce "Morningstar Streetlighting Local Service Area Requisition Limit Amendment Bylaw No. 869.02, 2003".

BACKGROUND:

The 2003 annual requisition approved for the Morningstar Streetlighting Service is \$9,935. In preparing the annual requisition staff have calculated that the property tax rate arising from this amount slightly exceeds the authority under Bylaw 869.01. Bylaw 869.01 established a maximum property tax rate of \$0.18 cents per thousand dollars of assessment. The 2003 requisition results in a property tax rate of \$0.206.

The 2003 to 2008 financial plan forecasts a requisition in 2008 of approximately \$10,970. In anticipation of reaching this limit within the five year planning horizon, Bylaw 869.02 amends the requisition limits to \$10,970 and a maximum property tax rate of \$0.227.

ALTERNATIVES:

1. Approve Bylaw 869.02 as presented.
2. Reduce the requisition limit and approve Bylaw 869.02 as amended.

FINANCIAL IMPLICATIONS:

Alternative 1

Bylaw limits are generally forecast for a minimum five year period to allow budget changes to be accommodated without the need to make frequent amendments. Under this alternative the establishing bylaw will be consistent with the five year plan projections. It would provide for the Regional District to raise the greater of \$10,970 or a property tax rate of \$0.227 per thousand dollars of assessment. Streetlighting budgets cover the cost of electricity and it can be assumed that this commodity rate will rise over the five year time period.

Alternative 2


The minimum limit to be consistent with the 2003 annual budget would be \$9,935. Given that the 2004 projection forecasts a 2% increase, the bylaw will likely need amending again in 2004. This approach introduces an unnecessary administrative process in the development of the annual budget and therefore, staff recommend the five year planning horizon.


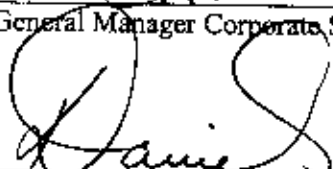
SUMMARY/CONCLUSIONS:

In preparing the final annual requisitions for the 2003 budget, staff have calculated that the Morningstar Streetlighting Service rate slightly exceeds the original requisition limit of \$0.18 per thousand dollars of assessment. The establishing bylaw must be amended to be consistent with the 2003 approved budget. Staff recommend that the bylaw be amended to be consistent with the projections in the five year plan. This approach will provide flexibility for budget planning purposes during that time period. The limits recommended are the greater of \$10,970 or a maximum rate of \$0.227 per thousand dollars of assessment.

RECOMMENDATION:

That "Morningstar Streetlighting Service Area Amendment Bylaw No. 869.02, 2003" be introduced for first three readings and be forwarded to the Ministry of Community, Aboriginal and Women's Services for approval.


Report Writer


General Manager Corporate Services

C.A.O. Concurrency

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 869.02

A BYLAW TO AMEND THE BOUNDARIES
OF THE MORNINGSTAR STREETLIGHTING
LOCAL SERVICE AREA

WHEREAS the Board of the Regional District of Nanaimo has adopted a five year financial plan which includes a 2003 requisition of \$9,935 for the Morningstar Streetlighting Service Area;

AND WHEREAS the rate per thousand for 2003 exceeds the rate per thousand in "Morningstar Streetlighting Local Service Area Boundary Amendment Bylaw No. 869.01, 1996;

AND WHEREAS the Board considers it reasonable to amend the requisition limits to be consistent with the five year financial plan:

NOW THEREFORE, the Board of the Regional District of Nanaimo in open meeting assembled, enacts as follows:

1. Section 3 of Bylaw No. 869 is hereby repealed and the following is substituted therefore:

The maximum amount that may be requisitioned under Section 806 for the local service is hereby established as the greater of:

- (a) \$10,970; or
 - (b) the product obtained by multiplying the net taxable value of land and improvements within the service area by a property tax value rate of \$.227 per thousand dollars of assessment.
2. This bylaw may be cited as the "Morningstar Streetlighting Local Service Area Boundary Amendment Bylaw No. 869.02, 2003".

Introduced and read three times this 13th day of May, 2003.

Received the approval of the Inspector of Municipalities this day of ,2003.

Adopted this day of ,2003

CHAIRPERSON

GENERAL MANAGER CORPORATE SERVICES

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REGIONAL DISTRICT OF NANAIMO	
APR 14 2003	
CHAIR	GMCrS
CAD	GMDS
GMCmS	GMES
DATE: _____	
FILE: _____	

MEMORANDUM

TO: C. Mason
General Manager, Corporate Services

March 31, 2003

FROM: N. Avery
Manager, Financial Services

SUBJECT: Fire Protection Services Agreement for Yellowpoint Fire Service Area

PURPOSE:

To seek approval to enter into an agreement for fire protection services for the Yellowpoint Fire service area with the Cowichan Valley Regional District.

BACKGROUND:

The Regional District contracts with the Cowichan Valley Regional District (CVRD) for basic structural fire protection services in the Yellowpoint Fire service area. The North Oyster Volunteer Fire Department is the operating entity, which delivers the service. The fire services agreement expired in May 2002 and staff have been working to update the agreement.

While the CVRD and its fire department have agreed to enter into a further five year agreement, one particular concern is outstanding. The North Oyster fire service area has a fire season burning bylaw, under which burning permits are issued and the Fire Chief has the authority to manage outdoor burning "during periods of high and extreme wild fire risk". There are no equivalent burning regulations in the Yellowpoint Fire service area. The CVRD believes it would be beneficial to have a consistent set of regulations in the two service areas and at its meeting held February 26th, 2003 adopted the following resolution:

"That the CVRD Board authorize the signing of the Fire Service Agreement as proposed with the proviso that the RDN consider adoption of a Control of Fires during Fire Season Bylaw, within one year."

The resolution provides sufficient time to undertake consultations and review the language of a similar bylaw.

ALTERNATIVES:

1. Authorize the Chairperson and General Manager, Corporate Services to sign a five year agreement for fire protection services with the Cowichan Valley Regional District and direct staff to undertake a review of a fire season burning bylaw in consultation with the Electoral Area Director and the service area constituents.
2. Authorize the Chairperson and General Manager, Corporate Services to sign a five year agreement for fire protection services with the Cowichan Valley Regional District and decline consideration of a burning season bylaw.

FINANCIAL IMPLICATIONS:

The Regional District of Nanaimo raises approximately \$89,000 annually for the purposes of this fire protection service agreement. The formula for calculating the respective service area contributions is unchanged - being a proportionate share of assessed values in each service area.

Without the services of the North Oyster Fire Department, property owners' property insurance premiums would rise significantly. Additionally, the cost to establish a separate firefighting force, hall and equipment would likely be more than the rate property owners currently pay.

There would also be a significant cost to property owners in the North Oyster service area as they would have to make up the \$89,000 which would be lost, should the Regional District of Nanaimo establish an alternative arrangement.

CITIZEN IMPLICATIONS:

Staff has reviewed the CVRD burning season bylaw and find its terms reasonable, given the rural nature of the service area, therefore staff are optimistic that the Regional District of Nanaimo will be able to address the resolution from the CVRD.

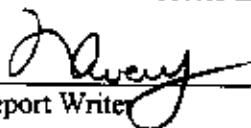
SUMMARY/CONCLUSIONS:

The Cowichan Valley Regional District has agreed to enter into a further five year fire protection services agreement covering the Yellowpoint Fire service area, with the proviso that the Board consider adopting a burning season bylaw equivalent to the bylaw applicable to the North Oyster Fire service area within one year. There is at present no burning regulation within the Yellowpoint Fire service area.

The fire services agreement intent is unchanged - that is, the CVRD agrees to provide the same level of service to the Yellowpoint Fire service area as if those properties were included within the North Oyster fire service area. The formula for calculating the respective service area contributions is also unchanged - being a proportionate share of assessed values in each service area. Staff recommend concluding the agreement in its present form and proceeding to review the implications of a burning season bylaw as outlined in this report.

RECOMMENDATION:

1. That the Chairperson and General Manager, Corporate Services be authorized to sign a five year agreement (2003 to 2008) for fire protection services for the Yellowpoint Fire service area, with the Cowichan Valley Regional District.
2. That staff undertake a review of a fire season burning bylaw in consultation with the Electoral Area Director and the service area constituents.


Report Writer


General Manager Corporate Services


C.A.O. Concurrence

COMMENTS:



March 6, 2003

Mrs. N. Avery
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo BC V9T 6N2

Dear Nancy:

RE: Fire Service Protection Agreement

At the Board meeting of February 26th, 2003 the following resolution was adopted:

" that the CVRD Board authorize the signing of the Fire Services Agreement as proposed with the proviso that the RDN consider adoption of a Control of Fires during Fire Season Bylaw, within one year".

I have enclosed three signed copies of the Agreement and a copy of the Staff Report that accompanied it to the Board meeting. Please have them signed in the appropriate place and return 2 copies to me when your Board approves it.

I have also enclosed a copy of Bylaw No. 2237 and the Staff Report that lead to its adoption. If I can be of any assistance in providing additional background information to you or the RDN Board please feel free to call me. I know that our Fire Department personnel would be most appreciative of your assistance in expediting a similar bylaw prior to fire season.

Please keep us apprised of your progress. While the delay has been cumbersome at times, we are pleased that progress has been made and look forward to the continued support and cooperation of the RDN.

Sincerely,

Jennifer Franssen
Protective Services Manager

Enc: (4)

pc: Director M. Marcotte, Electoral Area H - North Oyster/Diamond
Chief J. DeJong, North Oyster Volunteer Fire Department
North Oyster Fire Protection Service Commission

F:\Fire Department\CVRD\North Oyster\Agreements\RDN\Ln N.Avery March 5 03.doc



COWICHAN VALLEY REGIONAL DISTRICT

MAILING ADDRESS
137 Evans Street
Duncan, BC
V9L 1P5

ADMINISTRATION
Phone: (250) 746-2500
Fax: (250) 746-5612
E-mail: cvrd@cvrd.bc.ca

DEVELOPMENT SERVICES
Phone: (250) 746-2620
Fax: (250) 746-4136
E-mail: ds@cvrd.bc.ca

ENGINEERING SERVICES
Phone: (250) 746-2630
Fax: (250) 746-5678
E-mail: es@cvrd.bc.ca

TOLL FREE
1-800-665-5555
WEBSITE
www.cvrdbc.ca

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FIRE SERVICES AGREEMENT

THIS AGREEMENT made this ____ day of _____, 2003

BETWEEN:

COWICHAN VALLEY REGIONAL DISTRICT
137 Evans Street
Duncan, BC
V9L 1P5

(hereinafter called the "Regional District")

OF THE FIRST PART

AND:

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

(hereinafter called the "Applicant")

OF THE SECOND PART

A. WHEREAS the Applicant is authorized by its Bylaw No. 528 and subsequent amendments, to provide fire protection services to the Yellow Point Fire Specified Area within Electoral Areas 'A' and 'C' (hereinafter called the Specified Area) shown as outlined in heavy black on Schedule 'A' attached to this Agreement;

B. AND WHEREAS it has been agreed that the Regional District will provide fire protection, fire suppression and emergency assistances to the Specified Area through the North Oyster Local Service (Fire Protection) Area on the terms and conditions hereinafter appearing;

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained in this agreement, the parties agree as follows:

1. The Regional District hereby agrees to provide fire protection, fire suppression and emergency assistance services, through the North Oyster Local Service (Fire Protection) Area to the Specified Area, for a period of five (5) years from the date of this Agreement and from year to year thereafter unless earlier terminated by notice in writing to be given at least twelve (12) months prior to the expiration of the term. Termination shall in all cases be no earlier than December 31st of the year following receipt of the notice.
2. The services to be provided by the Regional District to the Specified Area shall be the identical services it would provide if the Specified Area were included and located within the boundaries of the Regional District and subject to "CVRD Bylaw No. 2079 - North Oyster Volunteer Fire Department Establishment Bylaw, 2000".
3. The Regional District will provide firefighters trained to the standard outlined in CVRD Protective Services - Training - Minimum Criteria (October 10th, 2001) a copy of which is attached to and forms a part of this Agreement.
4. The Regional District will ensure that publicity is given in the Specified Area to the location of its fire hall and the phone numbers to be used in order that prompt notification can be given of the occurrence of a fire or other emergency in the Specified Area.
5. The Regional District will, so far as is reasonably practicable, ensure that its fire fighting equipment and services are available and on call to the Specified Area at all times and that such equipment will be sent to the scene of any fire or other emergency in the Specified Area with a sufficient number of firefighters who are at all times ready, willing and able to accompany such equipment and use their best endeavours to extinguish any such fire.
6. The Applicant agrees to indemnify and save harmless the Regional District from any and all actions, claims, suits or judgments arising out of or in connection with the performance by the Regional District, or its officers or employees, of the obligations of the Regional District under this Agreement, except where such action, claim, suit or judgment is due to the negligence of the Regional District, or its officers or employees.
7. The Regional District agrees that the Applicant may appoint one person as its representative on the Regional District North Oyster Fire Protection Commission.
8. The Regional District shall provide the Applicant a proposed five-year operating budget and a five-year capital expenditure plan for the North Oyster Local Service (Fire Protection) Area on or before November 1st in each calendar year showing the amount that would be assessed to each party to this Agreement for each year of the budget.
9. In consideration and payment for the services to be rendered as provided for herein, the Applicant agrees to pay to the Regional District the sum hereinafter described:
 - (a) A sum equivalent to the product obtained using the following formula:
Converted values for land and improvements in the Specified Area
The sum of the converted values for land and improvements in the Specified Area
+ the converted values for land and improvements in the North Oyster Local Service (Fire Protection) Area

X

Budgeted Property Tax Requisition for the North Oyster Local Service
(Fire Protection) Area.

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IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

The Corporate Seal of the
COWICHAN VALLEY REGIONAL DISTRICT
was affixed in the presence of:

Mary Innes
Chairperson

(seal)

J. F. [Signature]
Secretary

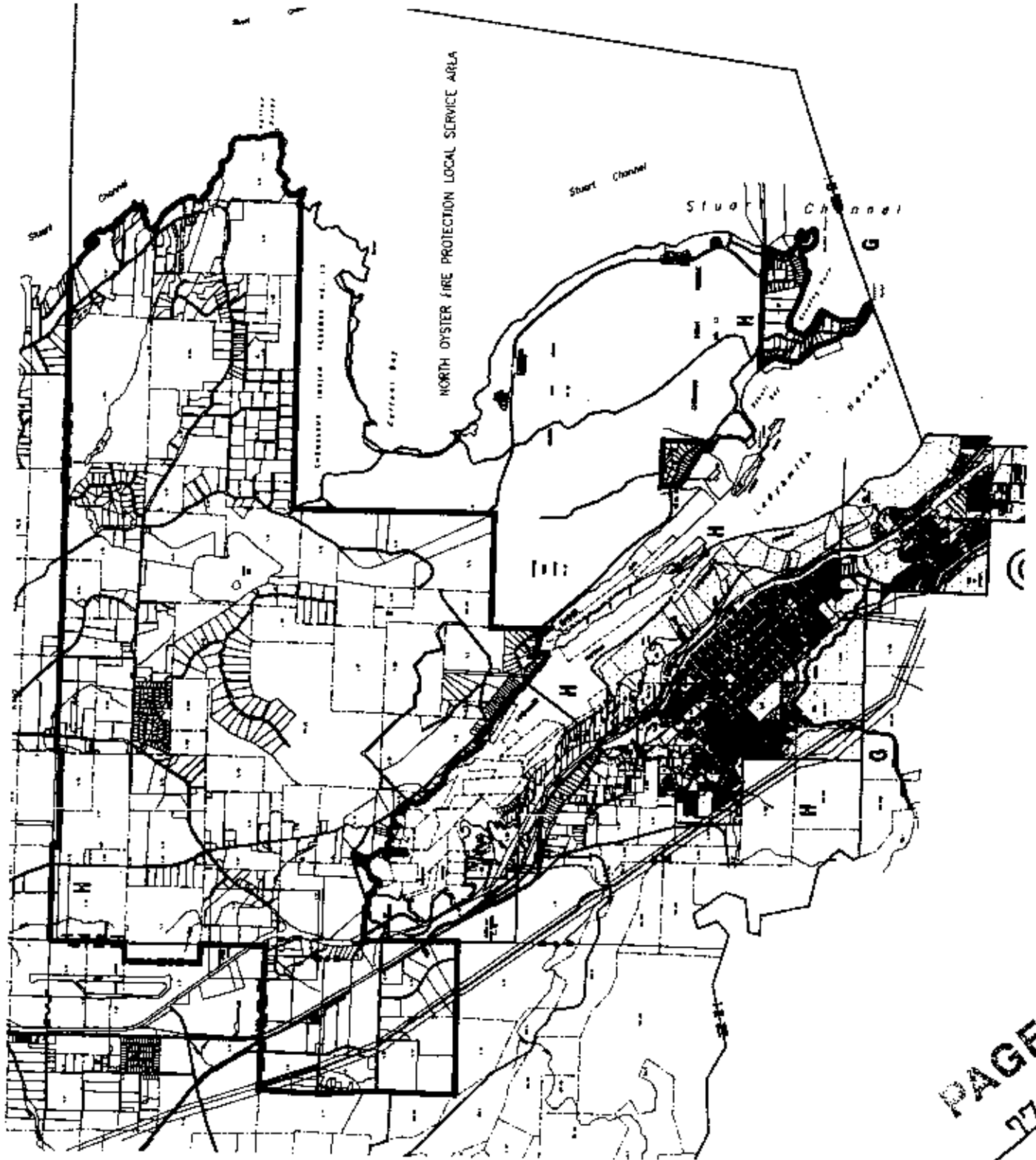
The Corporate Seal of the
REGIONAL DISTRICT OF NANAIMO
was affixed in the presence of:

Chairperson

(seal)

General Manager, Corporate Services

[Handwritten stamp or mark]





CVRD

**PROTECTIVE SERVICES
POLICIES and PROCEDURES**

Title: TRAINING – Minimum Criteria

Classification: Protective Services – Fire Departments

Approval Date: October 10th, 2001

Revision Date:

PURPOSE:

To establish the Regional District policy for minimum training criteria of all CVRD Fire Departments.

POLICY:

That the minimum training criteria of all CVRD Fire Departments shall be the BC Fire Certification Program – Basic Fire Fighting Certificate.

**SPECIAL EVENT PERMITS - 2003
STATUS REPORT**

SPECIAL EVENT PERMIT APPLICATIONS:

Electoral Area	Name of Organization	Name of Event	Date of Event	Health Approval	Fire Dept Approval	RCMP Approval	Security Deposit	Director Approval	Approval Date	Permit Issued
A										
B										
C										
E										
F	VI Association for Injured Motorcyclists Coombs Hilliers Recreation Community Association Coombs Hilliers Recreation Community Association Coombs Hilliers Recreation Community Association	Pig-a-Fin 6 th Annual Bull-a-Rama 27 th Annual Coombs Rodeo 25 th Annual Bluegrass Festival	August 15, 16, 17 June 7, 8 July 26, 27 August 1, 2, 3	✓ ✓ ✓ ✓	✓	✓	n/a			
G										
H										

**SPECIAL OCCASIONS - 2003
STATUS REPORT**

SPECIAL OCCASION LICENSES APPROVED:

Electoral Area	Name of Organization	Name of Event	Date of Event	Director Approval	Days Requested	Approval Date	Total Approved
A							
B							
C							
D							
E							
F	Errington War Memorial Hall Association	Hi Neighbour Day	August 16		1		
	VI Association for Injured Motorcyclists	Pig-n-Fin	August 15,16		2		
	Coombs Hilliers Recreation Community Association	6 th Annual Bull-a-Rama	June 7,8		2		
	Coombs Hilliers Recreation Community Association	27 th Annual Coombs Rodeo	July 25,26,27		3		
G							
H							

APR 15 2003

MEMORANDUM

CHAIR		GMCrs	
CAO		GMDS	
GMCm8		GMEs	
		CALL DATE:	
		FILE#	

TO: Stan Schopp
Manager, Building Inspection Services

April 14, 2003

FROM: Allan Dick
Senior Building Inspector

3810-20

SUBJECT: Local Government Act - Section 700 - Contravention of Bylaw
Meeting Date - April 22, 2003

PURPOSE

To provide for the Committee's review, proposed Section 700 filings on properties which have outstanding occupancy or safety issues that contravene Building Bylaw No. 1250.

BACKGROUND

The individual area inspectors have worked closely with the property owners to resolve outstanding issues prior to the sending of letters. A minimum of two letters addressing deficiencies has been sent to the registered property owners. Where required, the Manager and/or the Senior Building Inspector have been involved with proposed resolutions. At this time we are unable to approve construction at the indicated addresses.

SUMMARY OF INDIVIDUAL INFRACTIONS

Electoral Area 'A'

1. Owners Name: Tamara Hawthornthwaite
Legal Description: Lot 2, Section 12, Range 5, Plan VIP57855, Cedar Land District
Street Address: 2030 Pace Road

Summary of Infraction:

- March 10, 2003 - stop work order posted; permit required for accessory building
- March 10, 2003 - letter sent certified mail; stop work
- March 25, 2003 - 2nd letter sent regarding stop work
- April 8, 2003 - verification of certified mail received
- April 9, 2003 - Senior inspector contacted owner and explained 700 process

Electoral Area 'D'

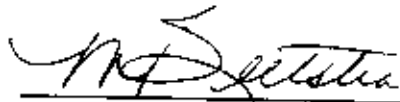
1. Owners Name: Glenn Dourmont
Legal Description: Lot B, Section 15, Range 3, Plan VIS5259, Mountain Land District
Street Address: 3390 Westview Acres Road


Summary of Infraction:

- February 4, 2003 - letter sent; occupancy required for SFD
- February 18, 2003 - 2nd letter sent via certified mail; occupancy required for SFD
- February 21, 2003 - letter returned; no such address
- February 24, 2003 - same letter sent via courier
- March 4, 2003 - occupancy inspection performed; nine outstanding items
- April 9, 2003 - Senior Inspector attempted to contact owner; left message on machine.


RECOMMENDATION

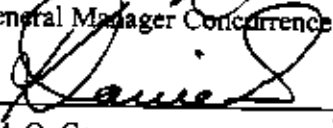
That a notice be filed against the titles of the properties listed, pursuant to Section 700 of the *Local Government Act* and that if the infractions are not rectified within ninety (90) days, legal action will be pursued.



per Report Writer


Manager Concurrence



General Manager Concurrence


C.A.O. Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO	
APR 10 2003	
CHAIR	GMCrS
CAO	GMDS
GMCmS	GMES
Coll	
DAFE:	

MEMORANDUM

TO: Dennis Trudeau
Manager of Liquid Waste

FROM: Sean De Pol
Engineering Technologist

SUBJECT: Odour Management Plan
Greater Nanaimo Pollution Control Centre (GNPCC)

DATE: April 4, 2003

FILE: 5340-09-GNPC

PURPOSE

To receive Board approval of an Odour Management Plan for the Greater Nanaimo Pollution Control Centre (GNPCC).

BACKGROUND

The RDN is responsible for operating four wastewater pollution control facilities; each facility has its own unique odour issues. It is recognized from past experiences that odour management and planning is an important aspect of wastewater treatment.

In 1996 the French Creek Pollution Control Centre (FCPCC) was upgraded to improve the quality of both effluent and biosolids residuals, however the upgrade did not completely address all of the odour issues associated with both the original and the upgraded plant. Consequently, local residents began to complain about the persistent odours. As a result the RDN implemented an extensive odour management plan for FCPCC. In addition to the establishment of an Odour Control Peer Review Group, the odour management plan included the following odour control modifications: covering or enclosing odour-generating areas of the plant, using ozone and adding bio-scrubbers, chemical scrubbers, and a bio-filter. As a result of these modifications and initiatives the total number of odour complaints received at FCPCC declined from a high of 229 in 1999 to 24 in 2002. Staff consider an acceptable affordable level of odour management for a facility of this nature has been achieved.

To ensure the continued protection of the environment from the impacts of present and future development, in November 1997 the Board approved the RDN Liquid Waste Management Plan (LWMP). The objective of the LWMP is the establishment of a long-range, region-wide strategy that provides a comprehensive approach to managing liquid waste. Section 3.4 of the plan states, "The District is committed, when feasible, to eliminate odours emitted from its present and future wastewater treatment plants and associated interceptors and pumpstations. The District will undertake to study past, current, proposed and potential odour elimination measures and to establish an effective implementation plan".

Currently odour complaints at GNPCC regarding plant operation are not as numerous as at FCPCC, although with projected flows and loading to the plant increasing and with the potential for new secondary processes being added in the future, the RDN wishes to be proactive before any unacceptable odours occur.

In February 2003, the RDN's liquid waste engineering consultants, Associated Engineering (BC) Ltd. (AE) completed an "Odour Management Strategic Plan" report for the GNPCC. The primary purpose of this report was to establish short and long-term priorities for the management and control of odours that

are or may be generated by the current and future day-to-day operation of the GNPCC facility. The study involved seven main steps:

- Identification of potential sources of odour at the existing facility.
- Sampling and analysis of these odour sources.
- Development of a computer model of the existing odour sources.
- Manipulation of the computer model to identify priorities for odour management.
- Evaluation of odour management options.
- Selection of odour management options for the prioritized sources.
- Estimation of future odour management requirements.

To detect significant odour sources AE used a computer-based odour dilution and dispersion model. The model was used to estimate the concentrations of various odour pollutants and the dilutions-to-threshold at the plant "fenceline", at multiple locations. The model results helped to establish a list of priorities for odour management and control. Current main sources of odours include the; grit tank, headworks, and dewatering building.

Staff propose the following Odour Management Plan:

- Phase I – Detailed design for grit tank and headworks foul air treatment – Total cost is estimated to be ~ \$ 55,000.
- Phase II – Cover the tanks of the aerated grit tank, vent the air with fan and duct system and use a purpose-built biofilter located to the east of digester 2 – Total cost is estimated to be ~ \$ 271,000.
- Phase III – Add aluminum treadplate covers to the existing channel grating of the headworks area; add covers to the grit classifiers, the scum screen and the screenings/grit bin; and eventually vent the resulting foul air to the grit tank biofilter. For the dewatering building complete a detailed design for foul air and pilot UV photo-oxidation unit – Total cost is estimated to be ~ \$ 108,000.

Once the three phases are complete the remaining odours would be assessed to determine if additional odour control measures would be necessary.

ALTERNATIVES

1. Approve implementation of the Odour Management Plan for the Greater Nanaimo Pollution Control Centre.
2. Do not approve implementation of the Odour Management Plan for the Greater Nanaimo Pollution Control Centre.

FINANCIAL IMPLICATIONS

There are financial implications for implementing odour control facilities; as a result, budget planning is required. A three-year implementation plan for the required odour control facilities upgrade is as follows:

Phase I (2003)	Detailed design for grit tank foul air treatment and headworks foul air treatment	\$ 55,000
Phase II (2004)	Construct grit tank foul air treatment	\$ 271,000
Phase III (2005)	Construct headworks foul air treatment, pilot UV photo-oxidation on dewatering building foul air and detailed design for dewatering building foul air	\$ 108,550
	Total	<u>\$ 434,550</u>

APR 10 2003
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Phase 1 of the Odour Management Plan has been accounted for in the 2003 budget and Phases two and three have been identified as part of the five-year capital plan.

PUBLIC RELATIONS IMPLICATIONS

Without the implementation of an odour strategy, an impact on the neighbourhood can be expected due to residential development proceeding near the treatment plant, increased flows and new secondary processes being added in the future. The proposed Odour Management Plan should reduce or maintain odours at an acceptable level. Staff are planning an open house at the GNPCC to discuss upgrading plans and odour issues with local residences.

SUMMARY/CONCLUSIONS

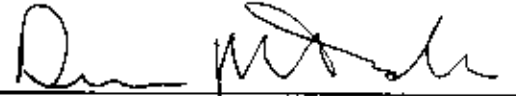
As a result of the RDN's commitment to addressing odours at our liquid waste facilities an "Odour Management Strategic Plan" report was prepared by the regions engineering consultants. The report used a computer-based dilution and dispersion model to establish short and long-term priorities for the management and control of odours for the GNPCC facilities. As a result of the computer based model a three phase odour management plan is identified in AE's report, which consists of a detail design and construction of a foul air treatment system for the grit tank and headworks areas and detailed design and UV photo oxidation for the dewatering building foul air. The estimated budget for phase one is \$55,000 and for phase two and three \$271,000 and \$108,550 respectively. Phase one of the Odour Management Plan has been accounted for in the 2003 budget and phase two and three have been identified as part of the five-year capital plan.

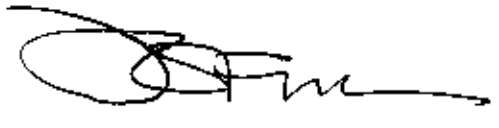
These proactive efforts should assist in resolving odour issues before they become problematic.


RECOMMENDATION

That the Board approve implementation of the Odour Management Plan for the Greater Nanaimo Pollution Control Centre.


Report Writer


Manager Concurrence


General Manager Concurrence


C.A.O. Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO	
APR 10 2003	
CHAIR	GMCrs
CAO	GMDS
GMCms	GMES
Coll ✓	

MEMORANDUM

TO: John Finnie, P. Eng.
General Manager of Environmental Services

DATE: April 10, 2003

FROM: Dennis Trudeau
Manager of Liquid Waste

FILE: 2240-20-ASSOC

SUBJECT: Engineering Services Contract
Liquid Waste Department

PURPOSE

To consider awarding a contract for the provision of wastewater engineering consulting services.

BACKGROUND

The Regional District of Nanaimo has had a contract with Associated Engineering (BC) Ltd. to provide engineering services for liquid waste matters for the past five years; the contract expires May 22, 2003. A formal Request for Proposal for Consulting Services was advertised in two local papers in District 68 and 69 to solicit proposals from interested firms. In addition the District's existing service provider and 7 additional firms, experienced in wastewater engineering were invited to submit proposals. Only three proposals were submitted by the deadline of March 28, 2003. The firms that submitted proposals were Associated Engineering (BC) Ltd., Dayton and Knight Ltd. and Stantech Consulting Ltd. No late proposals were submitted.

All of the proposals received were of excellent quality therefore ensuring a competitive process. The proposals were assessed by a committee of four RDN staff according to the following criteria:

- General Quality of the Proposal (10%)
- Project Team Experience (20%)
- Relevant Experience (15%)
- Familiarity with District Facilities and Operations (15%)
- Scope of Services Provided "in-house" (15%)
- Project Management Approach (15%)
- Fee Structure (10%)

While all of the proposals indicated that the firms could provide acceptable services to the RDN, the review committee concluded that Associated Engineering (BC) Ltd.'s was the best proposal. Their combination of team experience, familiarity with District facilities, combined with a well thought out service delivery approach resulted in them receiving the top score in this process.

Evaluation of Performance

During the last five years, the District has received excellent service from Associated Engineering (BC) Ltd. They have successfully assisted the District in a number of difficult projects, which have included odour reduction at French Creek Pollution Control Centre and the Greater Nanaimo Pollution Control

Centre, start-up of the Duke Point Pollution Control Centre, optimization of the Nanoose Bay Pollution Control Centre and upgrade and expansion planning for both the Greater Nanaimo and French Creek Pollution Control Centres. All projects have adhered to their budgets and have been completed in a timely manner. Associated Engineering (BC) Ltd. has also represented the District in negotiations with the Ministry of Water Land and Air Protection and Environment Canada regarding treatment issues. Staff has found them to be competent, innovative and budget conscious.

Associated Engineering (BC) Ltd. has offered a number of enhancements to the RDN that exceed the service provided during the first contract. Their proposal now offers to provide their consulting services as if they were located in the RDN, which means no travel costs from their office in Vancouver. (All of the proposals had their offices located outside of Nanaimo.) In addition Associated Engineering (BC) Ltd. proposes that they will make their Project Manager available one day a month in Nanaimo to discuss project status at no cost to the RDN. They have also proposed to set up a web site for RDN staff where they will post contract documents, drawings, reports, and minutes of meetings. This will expedite reporting and review of projects ongoing at our liquid waste facilities.

Over the last five years the liquid waste department's consultant services have cost approximately \$350,000 per year. The largest component of the Regional District's consultant costs is related directly to operational issues and capital projects associated with our pollution control facilities.

ALTERNATIVES

1. Prepare a consulting services contract with Associated Engineering (BC) Ltd. for wastewater engineering advice for a three-year term with the option of renewing for an addition two-year term.
2. Re-advertise the Request for Proposals to attract proposals from other Engineering Consultant firms.

FINANCIAL IMPLICATIONS

The advantage of having a dedicated consultant for wastewater services is that staff time is not spent preparing, assessing and managing numerous Request For Proposals. Staff has also noted that less time is spent collecting and providing information with a firm that is experienced with the RDN's facilities. As a result, more funds go into actual design and construction services. Without a sole supplier of engineering services, additional staff would be required to keep pace with the number of operational and capital projects that are necessary to keep our wastewater treatment assets in acceptable condition. It should be noted that operations equivalent to the RDN's size that do not have a dedicated consultant have larger engineering departments to carry out these functions.

All three proposals had similar fees for their engineering services. The review committee determined that Associated Engineering proposal offered the most value. The decision was based on Associated Engineering's experience and their project management approach which includes free monthly meetings by their Project Manager.

CONCLUSION

The Regional District of Nanaimo has had a contract with Associated Engineering (BC) Ltd. for liquid waste consulting for the past five years; the contract expires May 22, 2003. A formal Request for Proposal for Consulting Services was advertised in two local papers in District 68 and 69 to solicit proposals from interested firms. In addition, the District's existing service provider and 7 additional firms,

experienced in wastewater engineering, were also invited to submit proposals. Only three proposals were submitted by the deadline of March 28, 2003. The firms that submitted proposals were Associated Engineering (BC) Ltd., Dayton and Knight Ltd. and Stantech Consulting Ltd.


A staff review committee has completed the assessment of the proposals. While all of the proposals indicated that the firms could provide acceptable services to the RDN, the review committee concluded that Associated Engineering (BC) Ltd.'s was the best proposal. Their combination of team experience, familiarity with district facilities, combined with a well thought out service delivery approach resulted in them receiving the top score in this process.

Their proposal offers to provide their consulting services as if they were located in the RDN, which means no travel costs from their office in Vancouver. (All of the proposals had their offices located outside of Nanaimo.) In addition Associated Engineering (BC) Ltd. proposes that they will make their Project Manager available one day a month in Nanaimo to discuss project status at no cost to the RDN. They have also proposed to set up a web site for RDN staff where they will post contract documents, drawings, reports, and minutes of meetings. This will expedite reporting and review of projects ongoing at our liquid waste facilities.

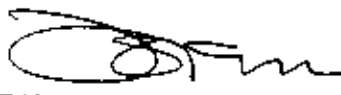
Associated Engineering (BC) Ltd. has provided excellent services to the RDN and their most recent proposal improves upon what they have offered in the past. Staff is recommending that they be awarded a new contract.

RECOMMENDATION


That staff be directed to prepare a consulting services contract with Associated Engineering (BC) Ltd. for wastewater engineering advice for a three-year term with the option of renewing for an addition two-year term.



Report Writer



General Manager Concurrence



CAO Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO	
APR 10 2003	
CHAIR	GMCrs
CAO	GMDS
GMCmB	GMES
[Signature]	

MEMORANDUM

TO: Carey McIver
Manager of Solid Waste

DATE:

April 4, 2003

FROM: Alan Stanley
Solid Waste Program Coordinator

FILE:

1830-02

SUBJECT: Garbage and Recycling Collection User Fees

PURPOSE

To amend "Regional District of Nanaimo Garbage and Recyclable Materials Collection Bylaw No. 1009, 1996" to increase garbage and recycling collection user fees in accordance with the 2003 Annual Budget.

BACKGROUND

Implemented in 1991, the Garbage and Recyclable Materials Collection (G&R) program is a contracted service that is fully funded through user fees. As a result of a contract tender completed in 2001, annual contract fees increased by 16% (\$6.62) per household for weekly garbage/bi-weekly recyclables collection, 28% (\$8.95) per household for bi-weekly garbage/bi-weekly recyclables collection and 27% (\$3.26) per household for bi-weekly recyclables collection. There have been three contract tenders for this program.

As contract fees comprise 58% of the total expenditures on the G&R program these increases have significant impact on user rates. Nevertheless, in the 2002 budget, staff recommended a 5% increase in user fees based on using the 2001 surplus, and suggested that a three-year cycle of 5% annual increases would be sufficient to compensate for the increased contractor's fees. In addition, measures were taken to reduce expenses in subsequent years such as printing and distributing a 5-year collection schedule to eliminate annual printing costs and improve customer service.

Unfortunately, a number of factors combined to make this fee increase schedule insufficient to cover program costs. These included a re-allocation of weekly and bi-weekly customers in Parksville, higher than expected discounts for early payment, additional printing costs intended to save money in subsequent years and higher per household tipping fees than budgeted, tipping fees comprising 32% of the total G&R expenditures.

As a result, in the 2003 Annual Budget, user fees have been increased by 10% (\$8.28 per year) for weekly customers, 20% (\$13.90 per year) for bi-weekly customers and 6% (\$1.50 per year) for recyclables collection customers. This will allow user fees to 'catch up' to contractor's fees and tipping fees.

ALTERNATIVES

1. Amend "Regional District of Nanaimo Garbage and Recyclable Materials Collection Bylaw No. 1009, 1996" to increase garbage and recycling collection user fees in 2003.
2. Do not amend "Regional District of Nanaimo Garbage and Recyclable Materials Collection Bylaw No. 1009, 1996".

FINANCIAL IMPLICATIONS

For approximately 78% of all G&R customers, the 2003 fee increase results in user fees that are lower than fees paid in 1995. The latest tender resulted in higher increases to bi-weekly G&R customers. The waste hauling companies explained that fuel and labour costs have a far greater impact on lower density rural areas than in urban areas where they can service higher numbers of customers in less time using less fuel. The following table illustrates the fees charged at the beginning and end of each of the three contract periods and the 2003 fees:

Service Level	Contract #1		Contract #2		Contract #3	
	1991	1995	1996	2001	2002	2003
Weekly G & R	\$79.00	\$98.00	\$76.00	\$77.55	\$81.22	\$89.50
Bi-Weekly G & R	\$59.00	\$74.00	\$64.00	\$65.30	\$68.60	\$82.50
Bi-Weekly Recycling	\$21.50	\$26.00	\$20.00	\$22.50	\$23.50	\$25.00

G&R customers receive a 10% discount if they pay within a designated time period of 30-45 days, depending on the date the bills are sent out. Note that the above table shows the post-discount user fees. In 2002 over 93% of customers took advantage of the discount, and budgeting is done using the discounted fees.

The annual user fee compares favourably to other jurisdictions. For example, after discounts, weekly service in the RDN is \$89.50/year, the City of Nanaimo is \$95.24/year and the Cowichan Valley Regional District is \$103/year.

Contractor's fees and tipping fees combined comprise 90% of the G&R budget and are largely controlled by market forces; hence upwards pressure on user fees is inevitable. The strength of the public/private service delivery model is reflected in the good pricing that our customers have enjoyed over the history of this program.

The current contract expires at the end of 2007; however there is a fee escalation clause that takes effect on January 1, 2004 and is calculated based on a number of Consumer Price Index (CPI) items including fuel, labour and transportation. It is expected that contract fees will increase in subsequent years of the contract.

With the user fee increases included, the G&R budget is projected to have a very small surplus of under 0.5%. With expected CPI contract fee increases in coming years, and the potential tipping fee increases resulting from waste export, it is important that 2003 user fees are sufficient to cover the cost of the program. The 2003 G&R budget has been reduced to a minimum level wherever possible, however with external influences dictating the majority of costs, if fees are not increased the G&R program will run a deficit in 2003.

Five year budget projections have assumed a 3.5% increase annually in response to a 2% annual increase in contractors fees due to inflation and a 5% annual increase in tipping fees due to waste export. These projections may be amended in the event of greater than expected fluctuations in the CPI, with future fuel costs particularly uncertain.

PUBLIC RELATIONS IMPLICATIONS

Public education tools such as bill stuffers and newsletters, emphasizing that the program provides good value at a competitive price will be used. Charts showing breakdowns of costs, price comparisons with other jurisdictions and historical pricing will be created for the public education program.

SUMMARY/CONCLUSIONS

As a result of a contract tender completed in 2001, annual contract fees increased by 16% (\$6.62) per household for weekly garbage/bi-weekly recyclables collection, 28% (\$8.95) per household for bi-weekly garbage/bi-weekly recyclables collection and 27% (\$3.26) per household for bi-weekly recyclables collection.


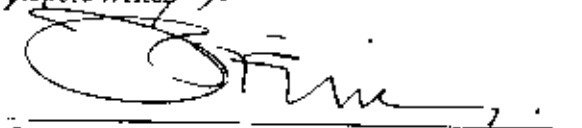
In the 2002 budget, staff recommended a 5% increase in user fees based on using the 2001 surplus, and suggested that a three-year cycle of 5% annual increases would be sufficient to compensate for the increased contractor's fees. Unfortunately, a number of factors combined to make this fee increase schedule insufficient to cover program costs. As a result, in the 2003 Annual Budget, user fees have been increased by 10% (\$8.28 per year) for weekly customers, 20% (\$13.90 per year) for bi-weekly customers and 6% (\$1.50 per year) for recyclables collection customers. This will allow user fees to 'catch up' to contractor's fees and tipping fees.

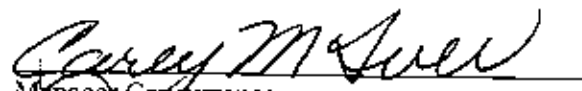
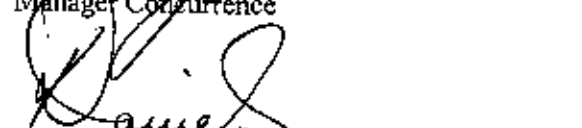
For approximately 78% of all G&R customers, the 2003 fee increase results in user fees that are lower than fees paid in 1995. Contractor's fees and tipping fees combined comprise 90% of the G&R budget and are largely controlled by market forces; hence upwards pressure on user fees is inevitable. With expected CPI contract fee increases in coming years, and the potential tipping fee increases resulting from waste export, it is important that 2003 user fees are sufficient to cover the cost of the program.

Public education tools such as bill stuffers and newsletters will be used to emphasize that the program provides good value at a competitive price.

RECOMMENDATION

1. That "Regional District of Nanaimo Garbage and Recyclable Materials Collection Amendment Bylaw No. 1009.06, 2003" be introduced for first three readings.
2. That "Regional District of Nanaimo Garbage and Recyclable Materials Collection Amendment Bylaw No. 1009.06, 2003" having received three readings be adopted.


Report Writer

General Manager Concurrence


Manager Concurrence

CAO Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1009.06

**A BYLAW TO AMEND REGIONAL DISTRICT
OF NANAIMO GARBAGE AND RECYCLABLE
MATERIALS COLLECTION BYLAW NO. 1009**

WHEREAS the "Regional District of Nanaimo Garbage and Recyclable Materials Collection Bylaw No. 1009, 1996", provided for the collection of garbage and recyclable materials within the Regional District of Nanaimo;

AND WHEREAS the Board wishes to amend the rates established by Bylaw No. 1009;

NOW THEREFORE the Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'A' of Bylaw No. 1009 is hereby repealed and replaced with Schedule 'A' attached to this bylaw.
2. This bylaw may be cited as "Regional District of Nanaimo Garbage and Recyclable Materials Collection Rates Amendment Bylaw No. 1009.06, 2003".

Introduced and read three times this 13th day of May, 2003.

Adopted this 13th day of May, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

RECYCLING AND GARBAGE COLLECTION RATES

	Regional Property Owners (Basic Rates)	City of Parksville, Town of Qualicum Beach, Lantzville Improvement Dist.
1. Weekly garbage and bi-weekly recycling collection: allows for setting out one garbage container on any collection day	\$99.50 per annum per dwelling unit	\$99.50 per annum per dwelling unit
2. Bi-weekly garbage and recycling collection: allows for setting out two garbage containers on any collection day	\$91.50 per annum per dwelling unit	\$91.50 per annum per dwelling unit
3. Bi-weekly recycling collection	\$27.00 per annum per dwelling unit	\$27.00 per annum per dwelling unit
4. Tags for disposal of extra garbage: allows for setting out additional garbage containers over and above those permitted under items 1 and 2.	\$2.00 per garbage container	\$2.00 per garbage container
5. Recycling containers	\$9.25 each.	\$9.25 each.



REGIONAL DISTRICT OF NANAIMO	
MAR 28 2003	
CHAIR	GMCrs
SAC	GMDS
GMCS	GMES
COW	
DATE:	
FILE:	

MEMORANDUM

TO: John Finnie, P. Eng.
General Manager of Environmental Services

FROM: Wayne Moorman, P. Eng.
Manager of Engineering and Utilities

SUBJECT: Utilities
Driftwood Water Supply Service Area
A Bylaw to Establish Water User Rates and Regulations

DATE: March 12, 2003

FILE: 5500-22-DW-01

PURPOSE

To introduce for adoption a Bylaw which establishes the rates, terms and conditions for the supply of water for the Driftwood Water Supply Service Area.

BACKGROUND

The Regional District of Nanaimo recently established the Driftwood Water Supply Service Area and has completed construction of the infrastructure to service the properties in the Higginson Road/Delanice Way area of the service area.

Rates and regulations under which the water can be sold to the customers must be established. Staff has prepared the necessary bylaw establishing the rate structure. The proposed metered rates are consistent with the 2003 rates established in the San Pareil water system. The Driftwood rates will be based on a 5 step inclined block rate schedule with higher rates for water use over 3 m³/day.

ALTERNATIVES

1. Approve the bylaw to establish the water rates and regulations for the Driftwood Water Supply Service Area.
2. Propose amendments to the bylaw and adopt an amended bylaw.

FINANCIAL IMPLICATIONS

This is a user pay bylaw and the users of the system pay all costs. Schedule "A" (attached) contains the water rates proposed in this bylaw.

SUMMARY/CONCLUSIONS


The RDN has established the Driftwood Water Supply Service Area and has recently completed construction of the infrastructure to service the area. Means to charge for water supply and usage must now be established. Staff has prepared the necessary bylaw to fix the water rates and regulations and the proposed rates are consistent with the rates established in the San Pareil water system.

RECOMMENDATION

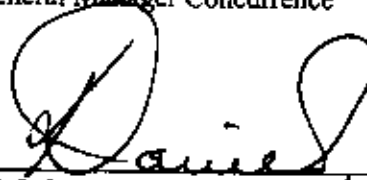
1. That "Regional District of Nanaimo Driftwood Water Supply Service Area Rates and Regulations Bylaw No. 1334, 2003" be introduced for first three readings.
2. That "Regional District of Nanaimo Driftwood Water Supply Service Area Rates and Regulations Bylaw No. 1334, 2003" having received three readings be adopted.



Report Writer



General Manager Concurrence



CAO Concurrence

COMMENTS:

95

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1334

**A BYLAW TO FIX AND REGULATE THE RATES,
TERMS AND CONDITIONS UNDER WHICH WATER MAY
BE SUPPLIED AND USED IN THE DRIFTWOOD
WATER SUPPLY SERVICE AREA**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. **Title**

This bylaw may be cited for all purposes as the "Driftwood Water Supply Service Area Rates and Regulations Bylaw No. 1334, 2003".

2. **Interpretation**

In this bylaw, unless the context other requires:

"**Apartment**" means any building which is designed, built, rented, leased, let or hired out to be occupied, or which is occupied, as the home or residence of three or more families living independently of each other in their own unit or suite.

"**Applicant**" means an owner of property or his or her agent making application for a Service Connection to provide him or her with a supply of water from the System.

"**Board**" means the Board of the Regional District of Nanaimo.

"**Condominium**" means any building or combination of buildings registered under the Condominium Act and occupied as a dwelling unit.

"**Consumer**" means a person to whom water is supplied under this bylaw.

"**Consumer Supply Line**" means the water supply pipeline and all valves, connections, taps, meters and other appurtenances connecting a curb stop at the property line to a building or structure on the property of a Consumer.

"**Curb Stop**" means a shut-off valve installed by the Regional District with a protective housing to the surface of the ground.

"**Duplex**" means any building used or designed to be used by two households living independently of each other in their own unit or suite.

"Dwelling Unit" means one or more rooms for residential occupancy connected together with facilities for living, sleeping, cooking and having a separate entrance.

"Household Use" means the use of water for ordinary domestic activities customarily incidental to the residential use of land including culinary, sanitary and laundry purposes.

"Mobile Home" means any structure, whether ordinarily equipped with wheels or not, that is designed, constructed or manufactured to be moved from one place to another by being towed or carried, and which is used as a dwelling unit.

"Multi-Family Dwelling Unit" means a building or combination of buildings used for residential dwelling unit purposes, but does not include a condominium or an apartment building.

"Parcel of Land" means any lot, block or other area in which land is held or into which it is subdivided, but does not include a highway.

"Premise/Premises" includes land, buildings and structures of a dwelling unit, apartment, condominium, duplex, mobile home, multi-family dwelling unit or any other development servicing more than one dwelling unit.

"Regional District" means the Regional District of Nanaimo.

"Service Area" means the San Pareil Water Supply Service Area as established by "Driftwood Water Supply Service Area Establishment Bylaw No. 1255, 2001".

"System" means the water distribution system owned and operated by the Regional District.

"Water Main" means the water supply pipeline in a highway or district right-of-way or easement being part of the System.

"Water Service Connection" means a connection to a main supply line and extending to the property line of the consumer for the purpose of conveying water to the said consumer. A service connection shall include a water meter and a shut-off valve and shall be the property of the Regional District.

3. **Conditions of Supply**

It is a term and condition of the supply of water that the Regional District is not liable for any injury, damage or loss, including economic loss, to any person or property:

- (a) arising or occurring from the use of water from the System;
- (b) resulting from a failure of water supply to any Consumer;

- (c) resulting from any impurity, lack of pressure, increased supply pressure, or other condition affecting water supplied by the System.

4. **Illegal Connections**

No person may connect or allow to be connected or allow to remain connected to the System, any Premises without first obtaining written authorization from the Regional District in accordance with this bylaw.

5. **Private Wells**

No person that is connected to the System may connect a private well or other water supply source to the System. Any person with a well or other water supply source connected to the System, shall disconnect that well or source from the System and provide the Regional District with proof of disconnection.

6. **Tampering with the System**

- (a) No person may tamper with, operate, remove or make any alteration or connection to any hydrant, standpipe, meter, curb stop, valve, pumping station, reservoir chamber, or other fixture or appurtenance connected with the System without first obtaining authorization from the Regional District in accordance with this bylaw;
- (b) A person must not willfully damage, destroy, uncover, deface or otherwise tamper with any part of the System.
- (c) No pump, booster or other device shall be employed by a customer without permission in writing from the Regional District, for the purposes of, or having the effect of increasing water pressure in service lines to a higher pressure than the normal water pressure in the said service lines, and the Regional District may, without notice, discontinue service to any customer employing such pump, booster or other device.
- (d) Except as otherwise provided in this bylaw, the General Manager of Environmental Services shall prescribe all standards pertaining to connection with or attachment of any mains, pipes or water service to the System, and the repair or alteration of a Water Service Connection.
- (e) No work of any kind connected with the System, either for the laying of new or repair of old service pipes shall be done on or under any street or land within the Local Service Area by any persons other than a person authorized by the Regional District.

7. **Domestic Water Rates**

(a) The domestic water rates and charges enumerated in Part I of Schedule 'A' of this bylaw are hereby imposed and levied for water service supplied by the Regional District.

(b) All domestic water rates shall be billed twice yearly for periods ending on or about:
May 16th and September 16th.

The Regional District may vary the billing dates as required to accommodate changes in equipment or processing of charges resulting from technological or other changes.

(c) If a disconnection is made in accordance with Section 8(b) of this bylaw, the domestic water rates shall be billed on the basis of the meter reading or the flat rate at the time of disconnection, or the minimum rate, whichever is greater. Upon reconnection the owner must pay a reconnection fee in accordance with Part III of Schedule 'A' to this bylaw.

(d) When any rates or charges for water services pursuant to Schedule 'A' to this bylaw are overdue for a period of sixty (60) days or more, such water services may be disconnected without notice. Such service shall not be reconnected until the Consumer has paid the following fees and charges to the Regional District:

(i) the domestic water rates, charges and penalties overdue;

(ii) the reconnection fees as enumerated in Part III of Schedule 'A' of this bylaw;

(iii) any additional cost incurred by the District in order to prevent the improper use of water after disconnection.

(e) A domestic water rate or charge imposed or levied under Part I of Schedule 'A' to this bylaw shall be due and payable upon the date set out in the billing, however, provided that the amount of the account is paid on or before the close of business on the date set out on the billing form, and provided the total amount then outstanding including all arrears are paid in full, at the office of the Manager of Financial Services, then the current billing will be subject to a discount of 10%.

(f) No complaint of an error in any charge for domestic water rates or charges shall be considered and no adjustment of any such error shall be made after a period of one year has elapsed since the end of the period for which such domestic water rates or charges were made. After the termination of this period all such domestic water rates or charges shall be deemed to have been properly and correctly made.

- (g) All domestic water rates and any other charges pursuant to this bylaw which remain unpaid after the 31st of December in any year shall be deemed to be taxes in arrears in accordance with the *Local Government Act*.
- (h) The Manager of Financial Services is authorized to adjust any errors in domestic water rates and charges.

8. **Water Use Restrictions**

- (a) An owner or occupier of property must not permit the diversion of water from the System for the benefit of any other parcel of land, premises or purpose other than permitted at the time of approval.
- (b) The Regional District may, with seven calendar days notice, disconnect the water service to any Premise for any of the following reasons, and the Regional District shall not be liable for damages by reason of discontinuing water service for such reasons as:
 - (i) Failure to repair or replace defective pipes, fittings, valves, tanks or appliances which are leaking or are otherwise not in a good state of repair and which are or may become a cause of waste of water.
 - (ii) Illegal connections.
- (c) The Regional District may, whenever in its discretion the public interest so requires, suspend or limit the consumption of water from the System of the Service Area or may regulate the hours of use, or may further prescribe the manner in which such water may be used. The Regional District may disconnect the water supply to any Consumer if it has reason to believe that the condition of the Consumer's supply line poses a reasonable threat of contamination to the water supply of the System.

9. **Meters**

- (a) Every water service connection shall be installed with a meter which shall be provided by the Regional District. The General Manager of Environmental Services shall determine the size of meter required and the Regional District shall cause the meter to be installed in a location convenient to system operations and maintenance.
- (b) No person shall in any way tamper with, operate or remove a water meter.
- (c) Owners, occupants or tenants shall ensure that landscaping does not interfere with access to the water meter or curb stop.

10. **Service Connections**

- (a) A Consumer Supply Line shall be installed in accordance with the requirements of the British Columbia Plumbing Code, and shall be constructed by the owner entirely at his/her own expense, in accordance with the specifications outlined in Schedule 'B' of this bylaw.
- (b) All persons shall maintain the Consumer Supply Line in good order and repair, and protect them from frost at their own risk and expense, and when a Premise is vacated the stop cock shall be turned off.

11. **Penalty**

- (a) Any person who commits any act or offense or permits any act to be done in contravention of this bylaw commits an offense.
- (b) A person who commits an offense under this bylaw is liable on summary conviction to a penalty of not less than \$100.00 and not more than \$500.00 for a first offense; and for each subsequent offense, to a fine of not less than \$500.00 and not more than \$2,000.00.

Introduced and read three times this _____ day of _____, 2003.

Adopted this _____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

PAGE
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Chairperson

General Manager, Corporate Services

SCHEDULE 'A'

WATER RATES

Part I

Domestic Water Rates

- (a) Private connections where one connection serves one unit.
 - i) Up to 1 cubic meter per day, \$0.55 per cubic meter.
 - ii) From 1.01 to 2.0 cubic meters per day, \$1.10 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.65 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$2.20 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.75 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit.
 - i) Up to 1 cubic meter per day, \$0.55 per cubic meter.
 - ii) From 1.01 to 2.0 cubic meters per day, \$1.10 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.65 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$2.20 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.75 per cubic meter.
- (c) Services without a meter.
 - \$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$16.85.

Part II

Driftwood Water Service Connection Charges

a) To existing service connections up to 22 mm diameter	\$250.00
b) All other connections	At cost
Reconnection of any water service disconnected pursuant to this bylaw	\$100.00

Chairperson

General Manager, Corporate Services

SCHEDULE 'B'

LOCAL SERVICE AREA SERVICE CONNECTIONS

Installation and maintenance of water service lines inside property lines is the responsibility of the registered property owner.

Work on water service lines must not begin until the proper permits and authority have been obtained from the Regional District.

Quality of workmanship and materials are subject to approval by the Regional District before a service will be activated.

Devices installed by the Regional District (i.e., curb stops, water meters, service boxes) are the property of the Regional District. Unauthorized connections, operation of valves, etc., may result in service disconnection.

Service Connections – Sequence of Events

1. An applicant for a Water Service Connection must make the application and must not connect any parcel of land to the system except in accordance with the following requirements:
 - (a) The applicant must apply to the Regional District for a Water Service Connection in connection with an application for a building permit where applicable or, where no building permit is required, on the application form provided by the Regional District.
 - (b) Following the acceptance of the application by the Regional District, the property owner must excavate a trench from the building or structure to be served by the Water Service Connection to the curb stop and must prepare a pipe bedding and lay pipe in the trench, which pipe is to be left uncovered until the inspection by the Regional District under Subsection (d).
 - (c) The property owner must contact the Regional District office to arrange for an inspection appointment of the curb stop pipe bedding and pipe installed under Subsection (b) and must not cover the pipe with soil or other cover material until the work has been inspected and approved by the Regional District in accordance with Subsections (d) and (e) and Section 2.

- (d) The Regional District Building Inspector is authorized to inspect the trenching, pipe bedding, cover material and pipe.
 - (e) Following satisfactory inspection, the property owner may connect the Consumer Supply Line to the System.
2. Following connection of the Consumer Supply Line to the System and provided that no leaks or problems are found following connection, the property owner may cover the pipe and backfill the trench.

APR 10 2003

MEMORANDUM

CHAIR	GMCrs
CAO	GMDS
GMCms	GMES

CoW

TO: John Finnie, P.Eng.
General Manager of Environmental Services

DATE: April 9, 2003

FROM: Wayne Moorman, P.Eng.
Manager of Engineering and Utilities

FILE: 1830-02

SUBJECT: Amendments to Water User Rates in 2003

PURPOSE

To introduce for adoption, bylaws which will increase water user fees and introduce a water conservation rate structure for our Nanoose Peninsula, Surfside, French Creek and Decourcey water systems in accordance with the 2003 Annual Budget and as recommended by the Board.

BACKGROUND

Historically, annual water rate increases within RDN water systems have increased 2% as determined in the annual operating budgets. Further, at its regular meeting on September 10, 2002, the Board endorsed a motion "to bring forward recommendations regarding water conservation rate structures for the RDN water local service areas".

All water systems in the Regional District of Nanaimo, except San Pareil are currently on a three-step inclined block rate billing structure. In the case of San Pareil we encouraged water conservation for high water users by introducing two additional steps. In response to the September Board direction, a five-step water rate structure is now proposed for all other water systems to encourage water conservation.

The new water rate structure for the balance of the water systems will increase the current water rates by 2% and will add two additional steps. Steps 4 and 5 are new rates and have been set at \$1.90/m³ and \$2.25/m³ respectively. These rates will take effect for water consumption from 3 m³ to 4 m³/day (660 to 880 lpgd) and over 4 m³/day (over 880 lpgd). Average water consumption in all our water systems in the summer months are below 2.1 m³/day (summer 2002 statistics).

ALTERNATIVES

1. Adopt all the bylaws as presented.
2. Propose amendments to the user rates and adopt amended bylaws accordingly.
3. Make no changes in user fees.

FINANCIAL IMPLICATIONS

Alternative 1

Rate increases for water consumption for the Nanoose Peninsula, Surfside, French Creek and Decourcey water systems will increase by 2% in 2003. Further, there are two additional steps proposed to encourage water conservation. Average summer water consumptions in our water systems (summer 2002) are below 2.1 m³/day and therefore the majority of users will only see a 2% increase in user rates in 2003. For consumers that use in excess of 3 m³/day (over 660 lpgd) their rates will increase and depending on actual

water consumption this rate increase may be substantial; the additional "conservation rate" categories support Board direction in this regard. A 2% increase in existing user rates will be consistent with the 2003 Annual Budget.

Alternative 2 and 3

Reductions in user fees will effect revenue and thus operating surpluses. Any reduction in surplus must be compensated for by increased property taxes or reductions in maintenance and on-going capital improvements. Staff cautions about any reduction in maintenance activities and therefore does not recommend reducing the proposed user fees.

SUMMARY/CONCLUSIONS

In September 2002 the Board endorsed a motion "to bring forward recommendations regarding water conservation rate structures for the RDN water local service areas". Staff proposes to increase the existing user fees for the Nanoose Peninsula, Surfside, French Creek and Decourcey water systems by 2% in 2003 and to add two additional steps to the water rates. The two additional steps to be added to the existing 3-step inclined block rate billing structure will encourage water conservation and will be consistent with our 5-step structure in San Pareil and the proposed structure for the Driftwood water system (see separate report).

Staff also suggests that some of our user rates within the RDN water local service areas are marginal or insufficient with regard to supporting an adequate level of inspection, maintenance and monitoring to ensure safety and security of our water systems and supplies. The rate increases proposed by this report will increase user costs for water for the average user by only 2 - 3 cents per day. Staff proposes to undertake a more comprehensive review of service area water rates prior to the 2004 budget process.

RECOMMENDATIONS

1. **That** "Regional District of Nanaimo Nanoose Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 524.12, 2003" be introduced for first three readings.
2. **That** "Regional District of Nanaimo Nanoose Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 524.12, 2003" having received three readings be adopted.
3. **That** "Regional District of Nanaimo French Creek Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 619.08, 2003" be introduced for first three readings.
4. **That** "Regional District of Nanaimo French Creek Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 619.08, 2003" having received three readings be adopted.
5. **That** "Regional District of Nanaimo Surfside Properties Specified Area Water Regulations and Rates Amendment Bylaw No. 700.09, 2003" be introduced for first three readings.
6. **That** "Regional District of Nanaimo Surfside Properties Specified Area Water Regulations and Rates Amendment Bylaw No. 700.09, 2003" having received three readings be adopted.
7. **That** "Regional District of Nanaimo Arbutus Park Estates Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 726.09, 2003" be introduced for first three readings.

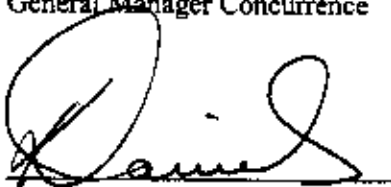
8. That "Regional District of Nanaimo Arbutus Park Estates Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 726.09, 2003" having received three readings be adopted.
9. That "Regional District of Nanaimo Madrona Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 727.09, 2003" be introduced for first three readings.
10. That "Regional District of Nanaimo Madrona Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 727.09, 2003" having received three readings be adopted.
11. That "Regional District of Nanaimo Fairwinds Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 764.12, 2003" be introduced for first three readings.
12. That "Regional District of Nanaimo Fairwinds Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 764.12, 2003" having received three readings be adopted.
13. That "Regional District of Nanaimo West Bay Estates Water Local Service Area Regulations and Rates Amendment Bylaw No. 815.07, 2003" be introduced for first three readings.
14. That "Regional District of Nanaimo West Bay Estates Water Local Service Area Regulations and Rates Amendment Bylaw No. 815.07, 2003" having received three readings be adopted.
15. That "Regional District of Nanaimo Wall Beach Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 886.06, 2003" be introduced for first three readings.
16. That "Regional District of Nanaimo Wall Beach Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 886.06, 2003" having received three readings be adopted.
17. That "Regional District of Nanaimo Decourcey Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 1097.04, 2003" be introduced for first three readings.
18. That "Regional District of Nanaimo Decourcey Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 1097.04, 2003" having received three readings be adopted.



Report Writer



General Manager Concurrence



CAO Concurrence

COMMENTS:

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 524.12

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO NANOOSE WATER SUPPLY
SPECIFIED AREA REGULATIONS AND
RATES BYLAW NO. 524, 1980**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 524 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Nanoose Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 524.12, 2003".

Introduced and read three time this _____ day of _____, 2003.

Adopted this _____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

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Chairperson

General Manager, Corporate Services

NANOOSE WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
- \$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$3.55.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 619.08

**A BYLAW TO AMEND FRENCH CREEK WATER
SUPPLY SPECIFIED AREA REGULATIONS AND
RATES BYLAW NO. 619, 1983**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 619 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw is substituted therefore.
2. This bylaw may be cited for all purposes as "Regional District of Nanaimo French Creek Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 619.08, 2003".

Introduced and read three times this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

PAGE
111

Chairperson

General Manager, Corporate Services

FRENCH CREEK WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.33 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$0.63 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$0.97 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) Up to 0.9 cubic meters per day, \$0.33 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$0.63 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$0.97 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
- \$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$3.55

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 700.09

**A BYLAW TO AMEND THE REGIONAL DISTRICT OF
NANAIMO SURFSIDE PROPERTIES SPECIFIED AREA
WATER REGULATIONS AND RATES BYLAW NO. 700, 1986**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 700 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw is substituted therefore.
2. This bylaw may be cited for all purposes as "Regional District of Nanaimo Surfside Properties Specified Area Water Regulations and Rates Amendment Bylaw No. 700.09, 2003".

Introduced and read three times this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

SURFSIDE PROPERTIES WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) For the first 0.9 cubic meters per day, \$0.33 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$0.63 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$0.97 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) For the first 0.9 cubic meters per day, \$0.33 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$0.63 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$0.97 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
- \$193.20 per unit per billing period for residential units without a meter.**
- (d) Minimum rate per month is \$3.55.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 726.09

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO ARBUTUS PARK ESTATES WATER SUPPLY
SPECIFIED AREA REGULATIONS AND RATES
BYLAW NO. 726, 1987**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 726 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Arbutus Park Estates Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 726.09, 2003".

Introduced and read three time this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

ARBUTUS PARK ESTATES WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
- \$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$3.55.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 727.09

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO MADRONA WATER SUPPLY SPECIFIED
AREA REGULATIONS AND RATES BYLAW NO. 727, 1987**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 727 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Madrona Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 727.09, 2003".

Introduced and read three time this _____ day of _____, 2003.

Adopted this _____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

MADRONA WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
- \$193.20 per residential unit per billing period for units without a meter.
- (d) Minimum rate per month is \$3.55.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 764.12

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO FAIRWINDS WATER SUPPLY
SPECIFIED AREA REGULATIONS AND RATES
BYLAW NO. 764, 1989**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 764 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Fairwinds Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 764.12, 2003".

Introduced and read three time this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

FAIRWINDS WATER USER RATES

- (a) Private connections where one connection serves one unit:
 - i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
 - i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day; \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day; \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day; \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meters.
- (c) \$193.20 per residential unit per billing period for units without a meter.
- (d) Minimum rate per month is \$3.55.
- (e) Schools – As per (b) above plus \$63.88 per billing period.
- (f) Commercial and Recreational Units – As per (b) above.
- (g) Unmetered fire lines, \$52.02 per billing period.

Residential units are billed 2 times per year and all other users are billed 4 times per year.

"REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 815.07

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO WEST BAY ESTATES WATER SUPPLY
WATER REGULATIONS AND RATES BYLAW**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 815 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo West Bay Estates Water Local Service Area Regulations and Rates Amendment Bylaw No. 815.07, 2003".

Introduced and read three time this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

WEST BAY ESTATES WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
\$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$3.55.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 886.06

**A BYLAW TO AMEND REGIONAL DISTRICT OF
NANAIMO WALL BEACH WATER SUPPLY LOCAL
SERVICE AREA RATES BYLAW NO. 886, 1993**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'B' of Bylaw No. 886 is hereby repealed and Schedule 'B' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Wall Beach Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 886.06, 2003".

Introduced and read three time this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

WALL BEACH WATER USER RATES

- (a) Private connections where one connection serves one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (b) Apartments, Duplexes, Condominiums, Suites or Strata Title Units where one connection serves more than one unit:
- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
 - ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
 - iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
 - iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
 - v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.
- (c) Services without a meter:
\$193.20 per unit per billing period for residential units without a meter.
- (d) Minimum rate per month is \$23.63.

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1097.04

**A BYLAW TO AMEND REGIONAL DISTRICT OF NANAIMO
DECOURCEY WATER SUPPLY LOCAL SERVICE AREA
REGULATIONS AND RATES BYLAW NO. 1097, 1998**

The Board of the Regional District of Nanaimo, in open meeting assembled, enacts as follows:

1. Schedule 'A' of Bylaw No. 1097 is hereby repealed and Schedule 'A' attached hereto and forming part of this bylaw, is substituted therefore.
2. This bylaw may be cited as "Regional District of Nanaimo Decourcey Water Supply Local Service Area Regulations and Rates Amendment Bylaw No. 1097.04, 2003".

Introduced and read three time this ____ day of _____, 2003.

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

Chairperson

General Manager, Corporate Services

DECOURCEY WATER USER RATES

1. Domestic Water Rates

(a) Where a Consumer Supply Line serves a single dwelling unit:

- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
- ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
- iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
- iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
- v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.

(b) Where a Consumer Supply Line supplies an apartment, condominium, duplex or other development servicing more than one unit:

- i) Up to 0.9 cubic meters per day, \$0.52 per cubic meter.
- ii) From 0.91 to 2.0 cubic meters per day, \$1.04 per cubic meter.
- iii) From 2.01 to 3.0 cubic meters per day, \$1.56 per cubic meter.
- iv) From 3.01 to 4.0 cubic meters per day, \$1.90 per cubic meter.
- v) Over 4.01 cubic meters per day, \$2.25 per cubic meter.

(c) Despite Subsections (a) and (b), in the case of a residential dwelling unit in respect of which metered readings are, for any reason, not available, \$193.20 per dwelling unit for each of the billing periods referred to in Section 6(b) of the bylaw.

(d) Minimum rate per month is \$11.40.

2. Connection Charges

- | | |
|---------------------------------------|-----------|
| (a) To existing servicing connections | \$ 250.00 |
| (b) To new service connections | \$ 750.00 |

- | | |
|--|-----------|
| 3. Reconnection to any water service disconnected pursuant to this bylaw | \$ 100.00 |
|--|-----------|



REGIONAL DISTRICT OF NANAIMO		
APR 16 2003		
CHAIR		GMCrs
CAO		GMDS
GMCms		GMES
		<i>W. J.</i>
		DATE:

MEMORANDUM

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

FROM: Wayne Moorman, P.Eng.
Manager of Engineering and Utilities

SUBJECT: French Creek Water Local Service Area – Water Supply and Quality Issues

DATE: April 10, 2003

FILE: 5500-22-FC-01

PURPOSE

To respond to presentations made by Michael Jessen and John Gayton of the French Creek Residents' Association (FCRA) to the March 25, 2003 meeting of the Committee of the Whole on matters concerning water supply in the Chartwell and Sandpiper subdivisions.

BACKGROUND

On March 23, 2003 three presentations were made to the CoW dealing with issues relative to water supply in the Sandpiper and Chartwell subdivisions of French Creek. This report will respond to the presentations from Michael Jessen and John Gayton regarding pressure, watering restrictions, supply, storage and quality in the existing system and to questions regarding the Arrowsmith Water Service. A separate report will deal with the presentation of Mr. Jack Ellison regarding formation of a water board.

History

There are 716 properties in Chartwell/Sandpiper with one large vacant lot still able to subdivide. At build-out the entire subdivision will comprise approximately 750 single family homes and a population of approximately 1800 persons. There is no commercial development in the FCWLSA.

The water system within the Sandpiper and Eaglecrest subdivisions was constructed in the early 1970's. Initially the Sandpiper water system was privately owned and consisted of two wells, the existing pumphouse, and the 60,000 imperial gallon wood stave reservoir. The RDN took the Sandpiper water system over in 1976. In 1980 the RDN took ownership of Eaglecrest and amalgamated the two systems into the French Creek Water Local Specified Area. With this transfer came the 80,000 Ig bolted steel reservoir and improvements to the existing pumphouse.

At that time design standards for rural water systems rested with the Provincial Government. In April 1987 the RDN adopted Bylaw 500, which established design standards for new water systems within the RDN. Construction of the Chartwell subdivision began in 1988/89 and the first phase of construction was completed in mid to late 1989. The Eaglecrest subdivision was incorporated into the Town of Qualicum Beach in 1991 and removed from the French Creek water service area. The attached map provides a visual representation of the historical development of the service area.

Water Pressure

Jessen referred to water pressures falling to approximately 30 psi in the vicinity of Miraloma and Bennett Roads in Chartwell. This location is the highest elevation in the Chartwell/Sandpiper subdivisions and therefore experiences the lowest pressures in the service area. Minimum pressure requirements in the distribution system are specified in RDN Bylaw 500, Part 7, Schedule 7D, Item 2.2 that states '*minimum design distribution pressure in all areas at peak demand shall be 275 kPa (39.9 psi)*'. RDN staff have been monitoring water pressures in the system for over two years. The water pressure in the system exceeds the minimum required pressure except in July and August when system pressures at the higher elevations of Chartwell have been recorded as low as 33 psi.

The construction of a new reservoir/pumphouse is one option to increase the pressures in the distribution system. Ultimately, the completion of a bulk water connection to AWS water will also rectify the pressure concerns. In the interim, new hardware was recently installed in the pump house to increase the low-end pressure setting to 65 psi. This work should increase pressures in all portions of the subdivision to above 40 psi.

Jessen noted, "restrictive watering schedules intended to eliminate outside watering during times of prime domestic use inside the home were implemented in 2002 and seemed to help the situation". As noted by Mr. Jessen, the outside watering schedule has an impact on the pressures within the system. The 2003 outdoor watering schedule will be designed with this in mind.

Outdoor Watering Restrictions

Jessen commented, "the RDN instituted a very intimidating water patrol to monitor lawn and garden watering to enforce the restrictions".

Concerned residents were phoning our office last summer to report residents that were not abiding by the watering times as defined in our watering restrictions notice and questioning why RDN was not enforcing the restrictions. RDN staff responded to these concerns by periodically patrolling the neighborhoods to confirm this information and where possible speaking with the homeowners and encouraging them to stay within the watering schedule. Staff does not agree that the patrols were intimidating, although some residents may have objected to being identified for contravening the watering restrictions. Fines were not imposed and the restrictions were enforced only by notifying residents of non-compliance.

Water Supply

Water supply in the French Creek water system is supplied by 6 active wells with capacities as follows:

Table 1

Well	Initial Rated Capacity in m ³ /min. (lgpm)	Current Capacity in m ³ /min (lgpm)
#1	0.17 (37)	0.142 (31)
#2	0.42 (93)	0.270 (59)
#4	0.45 (99)	0.303 (73)
#5	0.58 (128)	0.497 (109)
#6	0.51 (112)	0.476 (105)
#7	0.30 (66)	0.310 (68)
#8	0.27 (59)	Undeveloped
Total	2.70 (594)	1.998 (445)

Water supply requirements are specified in RDN Bylaw 500, Section 2.1 which states "water sources shall be designed to supply the maximum day's demand"

Maximum day's demand is established at 1.18 m³/day/person (259.6 Igpd/person). The population density of the subdivisions as determined by the actual number of homes is 1800 persons (750 homes @ 2.4 ppu). This population density is determined by Section 2.3 of Bylaw 500, which states "Design populations used in calculating water demand shall be computed in accordance with the population predictions as determined by the Regional District or with the persons/hectare"

The FCRA has disputed our method of determining populations and argues that we should be using the higher population as determined by using 30 persons/hectare for single-family zoning. Staff sought legal advice on our method of determining populations that confirmed that, as the design section of Bylaw 500 includes an "or" statement, our methodology is valid. This has also been confirmed as common and appropriate engineering design practice by engineering consultants Dayton & Knight Ltd. and Koers & Associates.

Therefore, using 1800 persons as the design population and 1.18 m³/day/person (259.6 Igpd) maximum day's demand, the required water supply for French Creek is 325 Igpm as follows:

Table 2

	Number of Households	Population (2.4 persons per household)	Required Supply (259.6 Igpd/person)
Current	716	1718	309 Igpm
Full Build-out	750	1800	325 Igpm)

The current well production of 445 Igpm (Table 1 above) meets the supply requirements of 325 Igpm (Table 2). Assuming current production remains constant, there is adequate water for build-out of the Chartwell/Sandpiper subdivisions. However, staff acknowledge that aquifer levels in the French Creek area are dropping and in time water supply from the wells may not meet demand. Bulk water is intended to supplement the groundwater supply. The RDN is currently undertaking a ground water study with the City of Parksville, Town of Qualicum Beach and Breakwater Enterprises to review the area's ground water supplies. This study will be completed within the next year.

The RDN has also commissioned a more local ground water study to determine the possibility of securing a new better quality ground water supply for the FCWLSA. This study was initiated in response to residents' concerns about the quantity of water supply. Correspondence from the FCRA (Jessen to Director Stanhope) last August states "In the near term, the Arrowsmith bulk water venture as a solution to the problem is a lost cause. Chartwell and Sandpiper are in need of additional sources of supply now. John Finnie's recommendation of exploring and investigating must become an action item - buy additional supplies or drill another well". Although staff believe that there is adequate water to meet the needs of the development, and note that the bulk water supply will address declining groundwater levels in the future, staff have responded to the FCRA interests in acquiring additional water for the FCWLSA by exploring alternate supply opportunities, including water purchase from Qualicum Beach and Breakwater, investigating a number of other potential supply opportunities and, most recently, initiating the localized ground water study.

There is an additional well (well #8 rated at approx. 60 Igpm) within the Chartwell subdivision that can be connected if necessary. However, as stated by the delegation, the water quality is of similar quality to other wells in the immediate vicinity. This well was constructed in 1992 and the developer at that time deposited with the RDN \$29,080 for the connection of the well when required. If the connection can be made for funds already in reserve then there will be no cost to the residents. However, the area is now built-up and connection will require digging in existing boulevards and roadways so the costs may exceed the developer funds. The LSA may have to cover the difference in costs. It is staff's opinion that the water supply currently connected in French Creek meets the requirements of Bylaw 500 and can support the needs of the residents provided reasonable seasonal water use restrictions are adopted.

The presentation by Jessen stated, "we are disturbed to hear that the building scheme for the Chartwell Grove area of Chartwell has mandatory underground sprinkler requirements". These building schemes were imposed by the developers at the time of subdivision without involvement of, or input from the RDN. Further, our prime mandate is to supply potable water for domestic purposes and fire protection. Water for outside watering of lawns and gardens is available but must be managed reasonably.

Storage (reservoir sizing)

Water storage in the Chartwell/Sandpiper subdivisions is provided by two reservoirs with a combined capacity of 140,000 imperial gallons. One reservoir is wood stave (60,000 Ig) and the other bolted steel (80,000 Ig). The reservoirs are over 30 and 20 years old, respectively.

Water storage requirements are specified in Section 2.7 of Bylaw 500, which states:

"Reservoirs shall be sized to provide the greater of either

- a) storage volume to provide water to meet 66 percent of an average day's demand; or*
- b) storage volume to provide water to meet the fire flow requirements plus 20 percent of a maximum day's demand"*

The governing criteria are fire flow and 20% of maximum day's demand. Fire flow is determined as 1000 Igpm (range to select from is 800 Igpm to 1200 Igpm) for 2 hours (range is from 90 minutes to 2 hours) and using 1800 persons as the design population (from earlier population calculations). Thus the required reservoir capacity for build-out of Chartwell/Sandpiper is 213,450 imperial gallons (current capacity is 140,000 Ig). In 1996, staff were proposing a new 250,000 Ig reservoir/pumphouse to meet the ultimate needs of the development. At the same time, however, the RDN was embarking on the bulk water initiative and the new reservoir was postponed pending the availability of bulk water. At that time, bulk water was anticipated to be available as early as 2008/09. In July 2002, staff retained consultants to undertake a pre-design for a new reservoir and pumphouse in French Creek. The sizing of the proposed reservoir was 254,000 Ig at an estimated cost of \$900,000. This estimated cost is for a new two cell concrete reservoir and pumphouse with new pumps, emergency generator and controls.

The RDN has applied for a Federal/Provincial Infrastructure Grant to cover the balance of the project costs. It should also be noted that last summer the existing reservoirs maintained acceptable levels and adequate water for domestic use and fire protection was always available. The system has experienced house fires (most recently 1998 at 1071 Sunrise Drive) and has been able to supply the fire demand. There is an emergency connection to the Town of Qualicum Beach water system at Yambury Road

which, with the Town's approval, could be opened if necessary to secure additional water for emergency conditions, or visa versa.

The RDN has collected fees for reservoir and pumphouse improvements from the developers of the Chartwell subdivision. In 1992 the contribution for reservoir and pumphouse improvements was established at \$502.45/lot and in 2002 the fee collected was \$665.00/lot. The reservoir/pumphouse contribution fund currently stands at approximately \$340,000.

It is staff's opinion that the proposed reservoir storage capacity meets the requirements of Bylaw 500 and that funds collected for reservoir and pumphouse improvements were never anticipated to cover complete replacement costs.

Water Quality

Water quality in the French Creek WLSA is influenced by the naturally occurring elements iron and manganese in the ground water. These two constituents exceed the levels recommended in the Canadian Drinking Water Guidelines for aesthetics, but are not a health problem. Water quality requirements can be found in Section 2.5 of Bylaw 500 which states "Water supplied to domestic consumers shall be of a quality meeting the standards set by the Environment Engineering Division of the Ministry of Environment" and "Ground water sources may require chlorination, at the discretion of the Ministry of Environment".

In general, these standards require that water supplies for drinking, culinary and other domestic uses, be free of pathogenic organisms and their indicators and deleterious chemical substances including radioactive materials.¹

The Health Act, Safe Drinking Water Regulation, governs the standards at which we operate the FCWLSA. This Act defines "potable water" as "water which meets the requirements of the Schedule and is safe to drink and fit for domestic purposes without further treatment". The Schedule only requires that water meet microbiological standards for fecal and total coliform.

The concentrations of dissolved iron and manganese in the ground water becomes very noticeable when the ground water is exposed to air and to chlorine (used for disinfection). The iron and manganese oxidize and come out of solution to form precipitates which settle out as grit and sediment (the presentation referred to this as dirt). As the water is permitted to sit still (at night or in larger diameter water mains with low flows) this material will settle out in the pipes, services, hot water tanks and reservoirs and becomes a nuisance to the users. The presence of iron and manganese in the water may cause staining of fixtures and clothing and may cause taste and odor concerns with the water. These constituents can be reduced in the water through centralized water treatment or at point of use treatment. It is understood that approximately ¼ to ½ of homes in the Chartwell subdivision may have some form of point of use water treatment facilities to remedy the iron and manganese concerns.

A comment was made that "water quality has become worse over time". Staff have reviewed the water quality results for all the French Creek wells from initial construction to our most recent well analysis for iron and manganese. Average iron and manganese concentrations from all well sources have increased marginally over the years. Monitoring results since 1975 show that the overall average iron and manganese concentrations in the well supplies have increased about 0.27 mg/L (from 0.46 to 0.73) and

¹ Quotation from "Design Guidelines for Rural Residential Community Water Systems, 1988"

0.04 mg/L (from 0.15 to 0.19), respectively. These changes appear relatively minor, but staff cannot say how they might affect the water quality delivered to the homes in the subdivision. Staff have been working with a ground water hydrogeologist to determine if practical and affordable solutions can be undertaken to reduce these concentrations. In most instances the concentrations of iron and manganese in the original supply exceeded the values stated in the Guidelines for Canadian Drinking Water Quality (aesthetic objectives for iron 0.3 mg/l. and manganese 0.05 mg/L). Iron and manganese are common constituents of the ground water in this area.

Staff have undertaken recent monitoring of the supply wells and distribution system to assess the presence of biofouling bacteria. The tests confirmed that biofouling activity is present within the system and is likely exacerbating problems with water quality due to iron and manganese. Our consultants have advised that the water supply system would benefit from regular pigging and flushing of the distribution system and chemical treatment of the supply wells. Staff are increasing the frequency of flushing and are reviewing the options and costs for well treatment, although user fee revenues for this system are insufficient to support an aggressive program at this time.

Treatment

In 1991, the RDN commissioned a study to review treatment options. The study identified various treatment methods, including cation exchange, filtration, air oxidation of iron & manganese followed by sand filtration, and iron and manganese sequestering using sodium silicate

The RDN chose sequestering and the necessary equipment was installed and used for about two years. However, due to constant equipment failure and low effectiveness the process was discontinued. A further study was done in 1996 that confirmed that iron and manganese could be treated by cation exchange (water softener), manganese greensand filtration, Pyrolox filtration and Chlorine oxidation followed by sand filtration. The costs were significant and RDN decided to undertake a water treatment pilot study to determine if a biological process (without chemicals) could remove the constituents. The pilot was not successful due to complications with the manganese content.

Other technologies that claim to remove these minerals may cost approximately \$1.2 million to construct plus annual operation & maintenance costs. A decision to construct such a facility should be undertaken only after evaluation of other interim options as the treatment facility may become unnecessary when bulk water is available. For this reason, staff do not recommend providing a community water treatment plant at this time.

Looping

It has been suggested that the design of the distribution system has contributed to the quality problems of the water. The distribution system is constructed according to the requirements of Bylaw 500. In Chartwell the majority of water mains are 8-inch with some 6-inch mains in cul-de-sacs servicing fire hydrants. Some dead-end water lines servicing only homes are 4-inch. Current subdivision design practices favour a mixture of through streets and cul-de-sacs; cul-de-sacs prevent through traffic and tend to make neighborhoods more attractive. As for watermain design in cul-de-sacs, unlooped lines are not uncommon. Dead-end lines, if not too long, do not generally cause appreciable reduced flows or pressure. However, staff agree that water quality can deteriorate in dead-end water lines, especially if iron and manganese are present in the water at levels as exist in French Creek. Awareness of these issues has increased in the industry over the past years.

Staff recently prepared a cost estimate to loop all dead end lines in Chartwell and Sandpiper. The estimate is \$271,178 but the work may require easements and construction through private property. Looping may not remedy the problems that some residents experience with quality, taste and odour.

Bulk Water

The need to supplement or replace ground water with surface water in the Regional District of Nanaimo water systems has been considered for many decades. Most recently, in 1996 a Referendum was held to gain the support of the French Creek and Nanoose residents to form the Arrowsmith Water Service and secure a long-term surface water supply for the local service areas in French Creek and Nanoose. The referendum was successful and the AWS was established (the other partners being Parksville and Qualicum Beach). The initial stage of the AWS joint venture was the construction of the Arrowsmith Lake Dam to impound water for release to the river for fish stocks during low river flows and to ensure adequate future water supplies for Nanoose, French Creek, Parksville and Qualicum Beach during the summer months. The dam was officially opened in September 2000 and has been contributing to the water supply of Parksville and Madrona WLSA since the summer of 2001.

During the summer of 2002 the operation of the dam complied with the operating license as issued to AWS by the Provincial Government. Between June 1 and October 31, water was released from the reservoir in accordance with the Operation Rule for the dam, and the water flowed by the existing intake at Parksville. Only water required by the City of Parksville and the Madrona WLSA was extracted by the intake; all other water flowed to the ocean. This past summer was an extremely dry summer and the reservoir levels continued to drop until all water storage was exhausted in late October, as provided for in the Operational Rule for the dam. The dam was not able to spill any more water after October 31, 2002 and the reservoir began filling again over the winter months.

The fact that the reservoir was completely drawn down was a point of criticism by the delegation and they questioned how the reservoir could satisfy the projected bulk water needs of the RDN, Parksville and Qualicum Beach. As noted, the water did flow down the river and past the existing intake as the future intake is not in place to extract the full share of water allocated for the RDN, Parksville and Qualicum Beach. Following our experiences this past summer AWS has approached the Provincial Government to review our operating license and to consider delaying the release date if natural river flows are sufficient.

ALTERNATIVES

Water pressure, water storage and water quality issues in the medium to long term will be addressed with bulk water. The time line for bulk water was established to be about 2008/2009, subject to development, water conservation and the potential for sharing existing supplies.

Interim alternatives that may address all or some of the concerns include:

1. Increase water pressure with upgrading within the existing pumphouse (this was recently completed with the installation of some new hardware and adjustments to pump settings).
2. Secure an alternate supply of ground water that is low in iron and manganese (staff are currently undertaking a localized ground water study to locate a new supply for the FCWLSA).
3. Purchase water directly from the Town of Qualicum Beach or from Breakwater Enterprises Ltd. (staff have held preliminary discussions on this option with the respective utilities).

4. Construct a new reservoir and pumphouse facility (staff have applied for a Federal/Provincial grant to assist in the funding of this work).
5. Construct water treatment facilities if an alternate supply of better quality ground water is not located.
6. Connect Chartwell well #8 to the supply system.
7. Increase pigging and flushing of the distribution system.
8. Redevelop and chemically treat the existing wells to try and increase production.

Staff have or are investigating all of these alternatives.

FINANCIAL IMPLICATIONS

In the short term the major financial implication would be the construction and connection of a new well if the well exploration program is successful. The cost of this well cannot be determined until the study is complete but may be in the range of \$100,000 to \$200,000. As for increased pressure, some interim improvements have been completed at a cost of approximately \$5,000 to \$6,000.

The cost of a new full replacement reservoir/pump house has been estimated to cost approximately \$900,000. There is currently \$340,000 in reserve. Staff have applied for a Federal/Provincial Infrastructure Grant to cover the balance of the cost and have identified the application as a priority. Staff are also exploring the option of simply replacing just the old wooden reservoir with a larger bolted steel tank. This would be considerably less expensive but would necessitate retaining the old existing steel reservoir and the existing pump house facility for the present time.

With regard to the water treatment facility, the final costs have not been determined but the approximate cost to treat the well water may range up to \$1.2 million. A decision to construct these facilities may be dependent on bulk water, as this infrastructure could become redundant once bulk water is supplied.

Reserve funds are available to cover or assist with the costs of reservoir and pump house improvements. All other costs must be borne by the residents of the water local service area.

SUMMARY/CONCLUSIONS

On March 25, 2003 three presentations made at the CoW by representatives of the FCRA.

Issues around water pressure, water storage and water quality were the major concerns of the Jessen/Gayton presentations. Staff has reviewed these concerns relative to our Bylaw 500 and has determined that the water distribution system and the proposed reservoir capacity are in compliance with the bylaw.

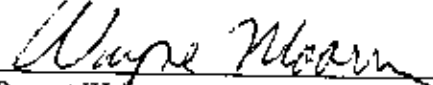
Staff agrees that the water quality does not meet the aesthetic objectives of the Canadian Drinking Water Quality Guidelines for iron and manganese. These are naturally occurring substances commonly found in ground water and are not a health hazard to the consumer. They have always been present in the French Creek water supplies and are common constituents of the groundwater in the area.

The long-term water supply for the FCWLSA will be supplemented/replaced with bulk water. Once bulk water is permanently available the water pressure, quantity and quality of the supply will improve. In the meantime, staff have or are investigating various alternatives, as outlined above, to address the residents' concerns on the short term, with a goal to provide a reasonable solution at an affordable cost to the FCWLSA customers.


Upon completion of the groundwater study and confirmation of the costs of the various alternatives, informed decisions by the residents and RDN can be made on an interim and affordable strategy for the FCWLSA.

RECOMMENDATION

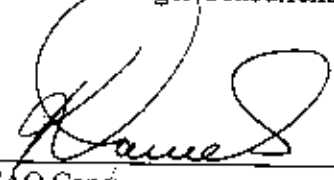
1. **That** this report be received for information.



Report Writer



General Manager Concurrence




CAO Concurrence


COMMENTS:

**FRENCH CREEK WATER
LOCAL SERVICE AREA
HISTORY OF INCLUSION**

Legend

 Municipal and/or Electoral Area Boundary

Date of Inclusion

 Included in 1980 - Excluded in 1991
(Properties now within
Town of Qualicum Beach)

 1976

 1987

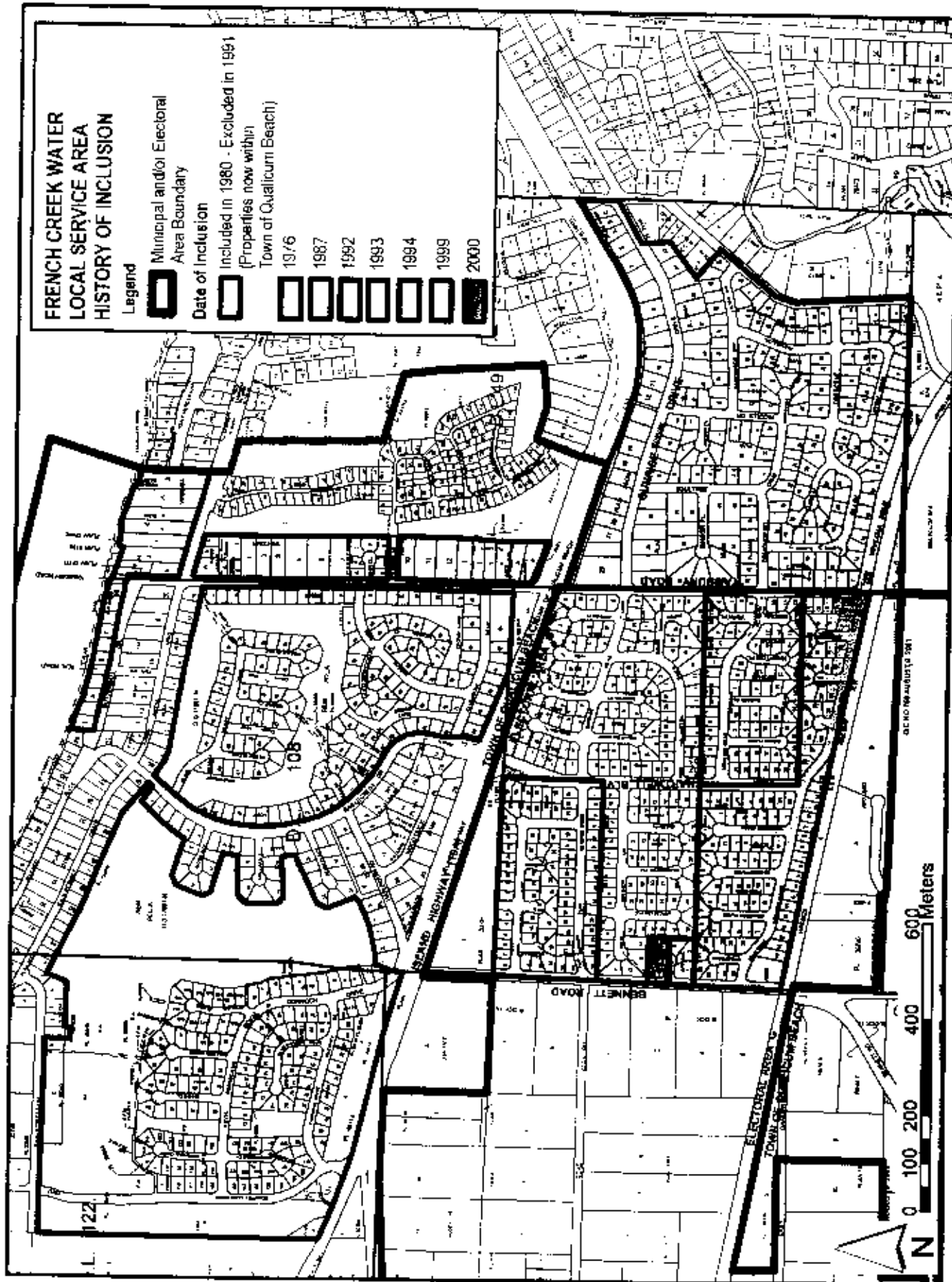
 1992

 1993

 1994

 1999

 2000





REGIONAL DISTRICT OF NANAIMO			
APR 16 2003			
CHAIR		GMCrs	
CAO		GMDS	
GMCms		GMES	
			<i>ell</i>
DATE:		April 11, 2003	

MEMORANDUM

TO: Kelly Daniels
Chief Administrative Officer

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

SUBJECT: French Creek Water Local Service Area – Resident Committee Options

PURPOSE

To respond to a delegation to the March 25, 2003 Committee of the Whole (CoW) by Jack Ellison, Vice-President of the French Creek Residents' Association and to provide the Board with information regarding the creation of committees and commissions for the purposes of operating services.

BACKGROUND

Three delegations from the French Creek Residents' Association (FCRA) attended the CoW meeting on March 23, 2003 with issues relative to water supply in the Sandpiper and Chartwell subdivisions of French Creek. This report will deal with the presentation of Mr. Jack Ellison (Ellison) regarding the formation of a Water Board to oversee the operation of the French Creek Water Local Service Area (FCWLSA). A separate report will address the presentations of Mr. Michael Jessen and Mr. John Gayton regarding water quantity, quality, pressure and storage.

In support of his delegation, Ellison submitted a 50 page document that included letters, notes, calculations and minutes of various meetings that this report will not attempt to discuss in detail, but a few of the main comments will be addressed. In addition, some of the information will be covered in the separate staff report.

Ellison Delegation

Ellison said that at a meeting of September 6, 2002 with the FCRA Board, RDN staff (Finnie) stated that the Water LSA operated by RDN was not a water utility, was not in the business of being efficient, profitable and able to manage growth to meet demand. Ellison also said that Finnie stated that the RDN was in fact the caretaker of a system that was owned by the residents of Chartwell/Sandpiper. This is false. Ellison's comments contradict the minutes of that meeting that were prepared by a Director of the FCRA Board and attached to the delegation's submission, and state that "Mr. Finnie took exception to the "caretaker" classification and said they are the utility that owns the infrastructure and are also managers of the system."

Ellison said that the RDN did not hold the developers responsible in creating the storage or distribution system required to meet the growing needs of the Chartwell/Sandpiper community. This is false. Developers were required to provide supply to meet the needs of their respective subdivisions and to contribute to a reservoir/pump house fund to accommodate future improvements to these facilities.

Ellison said that a larger (reservoir) tank and pumps had been suggested (by RDN staff) as the solution to the area's pressure problems and a means of filtering out the iron and manganese. This is false. A new pump house could increase pressures throughout the distribution system, but staff have never implied that a new reservoir would filter out iron and manganese. We have advised that certain reservoir designs may enhance settling of particulates but the reservoir would not be a treatment facility and there would be no guarantees of any water quality improvements. That is why staff obtained a cost estimate (\$1.2M) for a treatment plant for the supply.

Ellison said that Finnie and Moorman have presented a budget to the RDN Finance Department to increase the parcel taxes in the Chartwell/Sandpiper community by \$1500 to \$1600 for a period of three years beginning in 2004 and that the funds would go to the corrections needed to bring the water system into compliance with Bylaw 500. This is false. The \$1500 to \$1600 referenced is (staff assume) taken from a draft capital plan that was prepared for discussion purposes only to provide information on total costs per parcel if any or all of the looping, reservoir, treatment plant and well connection projects were considered. The figures represent a total, one time cost per parcel, assuming no grants. Staff prepared this information just to discuss with residents' associations how much the various initiatives might cost and it was not intended or implied that staff would be increasing the annual parcel taxes by this amount.

Ellison also presented opinions on the weak management capability of RDN staff, mismanagement by RDN staff of the water system, RDN staff misleading the Directors of the RDN and the FCRA, and other matters. Staff does not agree with these statements and suggest they are inaccurate. The Board may draw their own conclusions of the allegations.

Creation of a Water Board

The FCRA proposes that a committee be struck with equal representation from FCRA and RDN, appointed by the RDN Board Chair, tasked with reporting back to the RDN with a formula that would create a "Water Board" with authority to create a budget, manage adherence to the budget, and determine the efficiency and proficiency of the RDN staff assigned to the daily operations of the Chartwell/Sandpiper water system.

Staff sought legal advice and opinion on the matter of creating a Water Board or similar body to manage the affairs of the FCWLSA. We are advised that under current legislation, there are essentially three alternative organizational scenarios: a) Commission b) Committee c) Local Community Commission. Staff suggests two other arrangements could be considered: d) Liaison Committee e) Society.

These various scenarios may be described briefly as follows:

- a) Commission - Local governments have the legislative authority to establish commissions to operate certain services of the local government, undertake operation and enforcement of the government's exercise of its regulatory authority and to manage property held by the local government. Commissions may play a purely advisory role in which case their decisions would be subject to Board approval and staff would remain under Board direction. Alternatively, the Regional District may delegate to a commission certain powers, duties and functions in relation to the management of a service. The commission could then direct staff. So, a regional district may establish a commission to operate a local service (such as a water service) exercising delegated authority. Certain powers may not be delegated, and these include such things as authority to adopt or exercise bylaws, appoint or suspend staff, render decisions where legislation provides for express statutory power of approval, etc. In effect, this means that legislative authority would remain with the regional district whereas corporate and administrative powers such as day-to-day operational decisions, determining policy,

deciding priorities, arranging for maintenance and repair of systems, awarding contracts, directing staff, etc., may be delegated to a commission. Budgets could be developed by the commission but would be approved by the Board. Board appointments to commissions are optional. Although final authority on some issues would remain with the Board, a commission can exercise a certain amount of autonomy and there is a risk that delegation of this nature may result in a shift of control from the elected representatives of the Board to an unelected body, but the liabilities would remain with the Regional Board..

- b) **Committee** - The Local Government Act permits the Board to appoint a *select committee* to consider any matter and report back to the Board. The Chair may establish a *standing committee* for matters the Chair considers would be better dealt with by committee and may appoint persons to that committee, or a bylaw could provide that members are to be accepted and appointed by resolution of the Regional Board. While non-directors may be appointed to a select committee or a standing committee, at least one member of each select and standing committee must be a director. There is actually little distinction between commissions and committees except that a committee must include at least one Board director. Commissions or committees are sometimes referred to as "Boards", but in the context of local government, there is only statutory recognition of Boards in the context of the Board of Directors of a Regional District, the Boards of Improvement Districts or the Board of, for example, the Greater Nanaimo Water District. The use of the term "Water Board" is not recommended because the term is not recognized in our statutory scheme. Committees provide for a certain amount of local autonomy and decision-making authority but the Board director(s) on the committee must insure that the Board interests and responsibilities are maintained.
- c) **Local Community Commission** - The Local Government Act also gives regional districts the ability to establish local community commissions. A bylaw establishing a local community commission must receive assent of electors within the service area, and must establish the boundaries and name of the local community, and establish the annual general meeting and general election protocols for the commission. The bylaw also sets the terms and conditions of the activities of the commission. Essentially, a local community commission will function as a mini municipal council for the area, exercising the powers it has been delegated by the Board. This power could include a water service. Local governments in BC have not commonly used this option. One of the major shortcomings is that authority is delegated, but not responsibility, and RDN would retain liabilities associated with the function.
- d) **Liaison Committee** - A liaison committee has no legislative status but is comprised of residents from a service area, typically from the residents' committee, that function as an advisory committee, liaising between the RDN and the service area residents. The committee maybe formed on the residents' initiative or the Board may advertise for membership on the committee and/or appoint committee representatives from the local service area. Board and staff representatives may participate on the committee. Terms of reference may be established to focus the committee's mandate and activities. Committee members generally become familiar with regional district structure and function, capital planning initiatives, priorities, budget issues and implications. The committee would have input to staff on these matters and provide a vehicle through which staff could effectively communicate with service area residents as a whole and by which the service area residents could understand the process and implications of the service delivery function. Committees are small, depending on the size of the service area, and typically 3-6 people. Liaison committees can be an effective communication tool provided members of the committee can work together cooperatively and progressively.

- c) Society - This arrangement involves collapsing the local service area and depends on the willingness of residents to form their own society to own, operate and manage the water utility. This option provides residents with control over their water system without local government involvement and gives them full responsibility for the operation and maintenance of the water system and for decisions made respecting the function. The society would function under the auspices and requirements of the provincial government with respect to private water systems. A number of private and society-based water systems exist within the RDN. Staff opinion is that the majority of residents within the FCWLSA would not support this option and that it is contrary to the direction the provincial government is encouraging which is to transfer the ownership and operation of private water systems to local government. Societies are self-dependent and typically not eligible for government infrastructure funding assistance programs.

ALTERNATIVES

1. Create a Commission, Committee or Local Community Commission under the provisions of the Local Government Act consisting of representatives from the FCRA and the RDN, as applicable and as described above, to manage and operate the FCWLSA.
2. Maintain the current ownership and management structure and create a Board appointed liaison (advisory) committee comprised of representatives from the Chartwell and Sandpiper subdivisions who are willing to proactively liaise and work with RDN staff regarding water supply issues for the FCWLSA.
3. Assist the residents of the FCWLSA to form a society to assume full responsibility for the ownership, management and operation of the water system and then collapse the RDN water local service area. Staff does not believe that the majority of residents would support this approach and understand that the provincial government would not support it.

FINANCIAL IMPLICATIONS

The FCRA are suggesting that through mismanagement of the FCWLSA water system, and through non-compliance with our own bylaws, the residents of the FCWLSA are "being asked to bear the cost of putting into place an infrastructure that should have been in place years ago." Further, the FCRA indicate in their submission that the water supplies in Qualicum Beach, Parksville and Nanaimo are of acceptable quality, pressure and taste and that "there is no indication that these communities have any intention of seeking millions of dollars from the ratepayers to bring the water systems up to community specifications".

RDN has no intention of seeking millions of dollars from the FCWLSA residents. If the community is supportive of increasing the capacity of the reservoirs beyond bylaw requirements, bringing additional wells on stream to provide for an increased availability of water in excess of bylaw requirements, or providing a treatment system to improve the water quality, then the Regional District of course has the legal ability to do this. The costs of any system improvements in excess of the available reserve funds, would, in accordance with the Local Government Act, be borne by the property owners within the local service area and their approval of a borrowing bylaw would be required. (It should be noted that since 1996 bulk water has been the established strategy to support water supply to the residents of this area, and as future components of the bulk water system evolve, residents within the bulk water service area will experience increased costs to support the infrastructure borrowing that they approved).

Even if the residents of the local service area were successful in establishing that the Regional District staff had erred in the interpretation of Bylaw No. 500 requirements, or had been negligent in establishing the design criteria for the system, and even if this resulted in an award of damages against the Regional District (and legal opinion of these possibilities occurring, based on the record, is extremely remote), the cost of such damage award would fall to the owners of lands within the service area because of the effect of section 803.1 of the Local Government Act.

CITIZENS/PUBLIC RELATIONS IMPLICATIONS

No surveys or referendums have been undertaken within the FCWLSA to determine the overall position of the residents with respect to a different management and operational structure for the water system, such as the creation of a water committee or commission as outlined above. Based on comments that staff have received from residents within the service area, staff suggest that any initiative to create a water committee or commission would likely be a controversial issue for the community. However, a number of residents (including members of or represented by CRA and residents within the FCWLSA but not members of CRA or FCRA) have advised staff that they would not support a residents' group assuming management and operational authority for their water system, and particularly do not support representation by the current FCRA and their executive or their assertion that the FCRA should be the sole authority for these matters.

Regardless of the management structure, other than through formation of a private society or equivalent, a commission, committee, local community commission or liaison committee is composed of people who get along reasonably well with one another, respect one another's ideas and intentions and who are prepared to work together constructively and progressively within this framework, recognizing the legislative and financial restrictions that must apply. This positive working relationship and mutual respect does not currently exist between the RDN and FCRA or CRA. In addition, staff understand that there is some conflict, or differences of opinion, within and between FCRA and CRA, thereby making it difficult to establish a representative and progressive working group for the FCWLSA.

It should also be recognized that there are residents within the service area that do not have concerns about their water supply quantity or quality, or who have undertaken to provide their own in-home treatment units to address their concerns. That aside, staff agrees that the water supply is aesthetically displeasing and respect residents' concerns in this regard.

SUMMARY/CONCLUSIONS

A delegation by Jack Ellison of the French Creek Residents' Association to the March 23, 2003 CoW presented a number of concerns about the design, operation and maintenance of the French Creek Water Local Service Area water system serving the Chartwell and Sandpiper subdivisions of French Creek. The delegation also presented opinion on the weak management capability of RDN staff, mismanagement by RDN staff of the water system, staff misleading the RDN and FCRA directors, plus other allegations. The delegation proposed that an RDN/FCRA committee be formed to report back to the RDN with a formula to create a water board with authority to create and manage a budget for the service area and determine the efficiency and proficiency of the RDN staff responsible for the Chartwell/Sandpiper water system.

Staff has considered the information presented about water system and as outlined in the background section of this report, suggests that many of the statements made by the delegation were false, misleading and/or inaccurate.

Options for establishing a "water board" were explored and legal opinion was obtained. It is suggested that the following organizational alternatives may be possible:

- a) **Commission.** May have an advisory role or one of delegated authority. May direct staff. Does not require Board membership but would have full authority for delegated powers, such as operation of a local service. Legislative power would remain with the regional district whereas corporate and administrative powers would be delegated to the commission. Delegation of authority to commissions may result in a shift of control to an unelected body but ultimate responsibility and liability remains with the regional board and therefore this option is not recommended.
- b) **Committee.** Similar to a commission except a committee must include Board representation. Select and standing committees are common within local government structure and representation must insure that Board interests and responsibilities are maintained. A formal committee structure is a possible option although staff suggest a less formal model be applied initially.
- c) **Local Community Commission.** A LCC functions essentially as mini municipal council for the area designated, exercising the powers it has been delegated by the Board. Authority is delegated to the LCC but not ultimate responsibility; liability remains with the regional district. This model delegates authority but not responsibility or liability and therefore this option is not recommended.
- d) **Liaison Committee.** Current common practice whereby a "residents' committee" is established to liaise between the RDN and the service area residents. A liaison committee has no legislative status or powers and functions like an advisory committee. Liaison committees are often formed on the residents' initiative or the Board could advertise for and/or appoint representatives from the local service area to such a committee, and could establish terms of reference for the committee. Liaison committees have been effectively established within a number of RDN water local service areas but to date, this arrangement has not been productive or proactive with the FCRA. Staff suggest that this approach be applied but that appointments to the liaison committee be approved by the Board.
- e) **Society.** Residents assume full ownership and responsibility and the local service area is collapsed. Staff suggests this option would not be supported by all residents and is not supported by the provincial government.

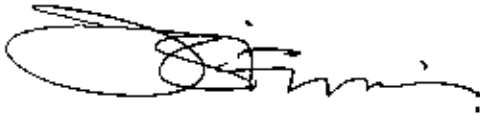
Two basic principles that are important in the creation of any satellite body to oversee a service would be to ensure we do not:

- a) transfer authority to another organization or entity but not also transfer full responsibility and liability, or
- b) establish a structure that reports through a committee of representatives that do not all benefit from the service (i.e. residents of the local service area).


However, if the Board does wish to support a strategy other than the recommended alternative, the Board may wish to consider directing staff to undertake a consultation process with the residents of the FCWLSA to determine their interests and preferred approach.

RECOMMENDATION

1. **That the Board** advise the French Creek Residents' Association that the RDN does not support the creation of a "water board" (or equivalent committee or commission) for the French Creek Water Local Service Area with the authority to create and manage the budget, and determine the efficiency and proficiency of RDN staff assigned to the operation of the Chartwell/Sandpiper water system.
2. **That the Board** support the formation of a Board-appointed FCWLSA advisory committee comprised of representatives from the Chartwell and Sandpiper subdivisions and recognize this committee as the liaison between RDN and the FCWLSA residents.
3. **That the Board** direct staff to advertise for membership on the committee for Board review and selection and that staff prepare a terms of reference for the committee's mandate and responsibilities.



Report Writer



CAO Concurrance

COMMENTS:

**Minutes of the District 69 Recreation Commission Regular Meeting
Held on Thursday, April 10, 2003, at 2:00pm
At Qualicum Beach Civic Centre, Qualicum Beach**

Attendance:

Frank Van Eynde
Fred Demmon
Reg Nosworthy

Craig Young
Jack Wilson
Patty Biro

Dave Bartram
Eve Flynn

Staff:

Tom Osborne

Marilynn Newsted, Recording Secretary

Chair Van Eynde called the meeting to order at 2:00 p.m.

MINUTES

3.1 MOVED Commissioner Bartram, SECONDED Commissioner Young, that the Minutes of the District 69 Recreation Regular Meeting held on March 13, 2003, be approved.

CARRIED

3.2 MOVED Commissioner Bartram, SECONDED Commissioner Nosworthy, that the Minutes of the Arena Multiplex Naming Committee Meeting held on April 2, 2003, be approved.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

4.1 MOVED Commissioner Demmon, SECONDED Commissioner Young, that the correspondence from Parksville Panthers be received.

CARRIED

REPORTS

5.1 Mr. Osborne presented the staff reports from the Ravensong Aquatic Centre, District 69 Arena and Recreation Coordinating.

Mr. Osborne announced Tony Toriglia, Aquatic Supervisor, was awarded the Queen's Golden Jubilee Medal for his work with the Lifesaving Society, his contributions in the search and rescue field and with the national initiative on ice safety.

Mr. Osborne reported that Pam Hadikin was the successful candidate for the Youth Roving Leader position. Her official start date will be June 2, 2003. He stated Damon Johnston will cover Ms. Hadikin's maternity leave until she returns in June.

Mr. Osborne presented a verbal Regional Parks and Trail and Community Parks report. He stated the Horne Lake Master Plan had received Board approval. Mr. Osborne noted staff were currently interviewing prospective park operators and that a new Park Operator would be in place at Horne Lake Regional Park by May 1, 2003.

MOVED Commissioner Demmon, SECONDED Commissioner Bartram, that District 69 Recreation Commission forward a letter of congratulation to Tony Toriglia on his achievement.
CARRIED

MOVED Commissioner Bartram, SECONDED Commissioner Young, that District 69 Recreation Commission forward letters of congratulations to the winners of Lions' Young Leaders-in-Service Awards presented by the Lions Club as noted in the Recreation Coordinating Function report.
CARRIED

OLD BUSINESS

- 8.1 Mr. Osborne reviewed the discussions and process involved in Arena Rental Rates (Seniors) at the District 69 Arena/Multiplex. He also noted the request by the Parksville Panthers, as stated in their letter of April 3, 2003, to have an opportunity to meet with the Recreation Fees and Charges Committee.

MOVED Commissioner Demmon, SECONDED Commissioner Bartram, that a Fees and Charges Committee be appointed and shall have four (4) members and one (1) alternate appointed from the District 69 Recreation Commission by the District 69 Recreation Commission and that the Committee meet with the Parksville Panthers in regard to the senior arena rental rates.
CARRIED

Chair Van Eynde called for four Commission members to sit on the Fees and Charges Committee.

Commissioners Bartram, Demmon, Wilson and Young, volunteered to sit on the Fees and Charges Committee. Commissioner Biro agreed to sit as alternate member.

Mr. Osborne informed the Commission that a staff report on the various new rates that are to be implemented at the Arena Multiplex such as tournament rates, leisure ice sheet rates, multipurpose room rates, etc. will be advanced to the Committee

NEW BUSINESS

- 9.1 Mr. Osborne reviewed the Multiplex Arena Naming Committee selection process.

MOVED Commissioner Bartram, SECONDED Commissioner Nosworthy, that the District 69 Recreation Commission approve the short list of five names as stated in the minutes of the Multiplex Arena Naming Committee for April 2, 2003 as follows:

1. The Brant Centre
2. Arrowsmith Centre
3. Oceanside Centre
4. Chinook Centre
5. Orca Centre

and that the name "Chinook Centre" be selected as the official name for the District 69 Arena Multiplex.
CARRIED

Mr. Osborne and Commissioner Biro presented three (3) possible logo designs prepared by artist Bill Helin depicting a Chinook fish design for Commission members to review. Mr. Osborne also read a letter from Mr. Helin explaining the vision for each of the designs and a request to

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include a carved totem project for the Arena Multiplex in a similar manner as the canoe for the Ravensong Aquatic Centre was created.

- 9.2 Mr. Osborne reviewed the Public Use of Photocopiers at the Arena and Ravensong Aquatic Centre report.

MOVED Commissioner Bartram, SECONDED Commissioner Demmon, that staff assist the user groups directly associated with the Recreation and Parks Department to acquire a photocopier to be paid for and maintained by the user groups, which will be located in the coaches' room of the Multiplex that has been set aside for use by such organizations. All other groups will be directed to commercial photocopying outlets. Non-profit recreation, arts and culture groups will also be directed to apply for community recreation grants.

CARRIED

- 9.3 Mr. Osborne reported that the cold beverage rights for the Arena Multiplex and the Ravensong Aquatic Centre were awarded to the Pepsi Cola Bottling Company.

COMMISSIONER ROUNDTABLE

- 10 Commissioner Nosworthy reported the 2003 Hammerfest Event will be held over a three-day period. The Cross Country Race, April 27th; the Duel Slalom, May 2nd; and the BC Cup Event for the Down Hill Race, May 3rd.

ADJOURNMENT

MOVED Commissioner Bartram, SECONDED Commissioner Biro, that the meeting be adjourned at 3:00pm.

NEXT MEETING

The next meeting will be held at 2:00 pm, Thursday, May 8, 2003, at the **District 69 Arena Meeting Room.**

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**Transit Business Plan Update
Select Committee Meeting
RDN Conference Room
Thursday, April 10, 2003**

Present: Director Joe Stanhope, RDN Chair
Director Denise Haime, Electoral Area 'D'
Director Teunis Westbrook, Town of Qualicum Beach
Director Tom Krall, City of Nanaimo
Director Ron Cantelon, City of Nanaimo
Alternate Director Diane Brennan, City of Nanaimo

RDN Staff: Neil Connelly, General Manager, Community Services
Mike Donnelly, Manager, Transportation Services (Recorder)

BC Transit: Don Boyd
Steve Segal
Peter Murray

Regrets: Director Bill Holdom, City of Nanaimo

N. Connelly called the meeting to order at 12:10 pm.

Election of Chairperson

Tom Krall was nominated as Committee Chairman by T. Westbrook. Since no other nominations were received, Tom Krall was acclaimed as the Committee Chair.

Transit Business Plan Purpose & Goals Presentation

N. Connelly did a presentation on the purpose of the Transit Business Plan (TBP). The presentation referred to the 1998 Plan, the 2001 Plan Update and the topics to be addressed in the 2003 Plan Update.

Transit Business Plan Update / Public Consultation Process Report

M. Donnelly provided an overview of the report on the TBP Public Consultation Process.

MOVED J. Stanhope, SECONDED T. Westbrook, that the Transit Business Plan Update 2003-2005 Public Consultation Process be approved. CARRIED

BC Transit – RDN Transit Business Plan Update Report

The RDN Transit Business Plan Update Report prepared by Peter Murray of BC Transit was summarized by M. Donnelly. Some discussion ensued regarding the clarification of students versus adults. The impact of fuel costs on increasing ridership was also discussed.

MOVED T. Westbrook, SECONDED R. Cantelon that the information provided in the BC Transit "Nanaimo Regional Transit Business Plan Update" be received and that it be included in the Plan Update 2003-2005 public consultation process. CARRIED

Transit 2003-2005 Overview Presentation

M. Donnelly provided an overview of the annual budget for 2003 and the financial plan for 2004 and 2005, the Annual Operating Agreement with BC Transit for 2003/04 and proposed service adjustments/reductions for the balance of 2003.

A comment was received by T. Westbrook that the signage currently on the buses was not popular with the residents in Qualicum Beach. There was general discussion on School District No. 68 busing and the possible linkage of Regional Transit with that system. S. Segal of BC Transit noted that a fuel contract has been signed. The RDN should see reductions in the area of approximately \$28,000 for Transit. Proposed changes and services reductions were discussed for District 68 Transit and it was agreed to proceed with reports for a Tuesday, April 15th Committee meeting.

BC Transit – Nanaimo Transit Service Adjustment Scenarios for 2003/04 – 2004/05 – Conventional Service

M. Donnelly presented the report.

MOVED T. Westbrook, SECONDED D. Brennan, that the information provided in the BC Transit "Nanaimo Service Adjustment Scenarios for 2003/04-2004/05 Attachment C – Conventional Service" be received and that it be included in the Plan Update 2003-2005 public consultation process. CARRIED

BC Transit – Nanaimo Transit Service Adjustment Scenarios for 2003/04 – 2004/05 – Custom Service

M. Donnelly presented the report and noted that handyDART service reductions are not scheduled for this year but the information will be included in the Business Plan for future reference.

MOVED T. Westbrook, SECONDED N. Connelly, that the information provided in the BC Transit "Nanaimo Service Adjustment Scenarios for 2003/04-2004/05 Attachment C – Custom Service" be received and that it be included in the Plan Update 2003-2005 public consultation process. CARRIED

BC Transit – Nanaimo Transit Service Adjustment Scenarios for 2003/04 – 2004/05 – Parksville- Qualicum Beach Community Bus Proposal

M. Donnelly presented the report on the community bus proposal. There was some discussion regarding the efficiency and cost of handyDART service compared to taxi service. Steve Segal from BC Transit responded noting that there is no clear comparison as the services are so different. T. Westbrook commented that perhaps the 1.5-hour route timing might be too long for local trips. He also made the suggestion that the fare structure be reviewed.

MOVED J. Stanhope, SECONDED T. Westbrook that the report on the Parksville / Qualicum Beach Community Bus Proposal be received for information and be forwarded to the Plan Update 2003-2005 public consultation process. CARRIED

Review of Meeting Schedule

The next meeting of the Transit Business Plan Update Select Committee will be held at 12 noon on Tuesday, April 15th, in the RDN Conference Room.

Other Business

There was no other business to be brought forward.

Adjournment

The meeting was adjourned at 2:00 pm.

T. Krall
Chair

TO: Neil Connelly
General Manager - Community Services **DATE:** April 1, 2003

FROM: Mike Donnelly
Manager of Transportation Services **FILE:** 8630-30

SUBJECT: BC Transit - Nanaimo Transit Service Adjustment Scenarios for 2003/04-2004/05
Attachment C - Parksville / Qualicum Beach Community Bus Proposal

PURPOSE

To provide public process and budget approval timeline information with respect to the development of the Parksville - Qualicum Beach Community Bus proposal.

BACKGROUND

The Transit Business Plan Update 2003-2005 will include a section where alternate service proposals are brought forward for discussion. A discussion regarding the Community Bus concept has been brought forward under that section which outlines the proposal (see attached). This report has been developed to outline the process by which this proposal would move forward.

To date discussions on the concept have been limited to the Transportation Services and BC Transit planning staff, the Town of Qualicum Beach and a private transportation service provider in that community. As the proposal outlines, this service change will include the City of Parksville and Electoral Area 'G' as well so a broader discussion including those communities must take place.

Necessary approvals for this proposal to move forward include the approval of the TBP Committee, RDN Committee of the Whole and the RDN Board this Spring. These approvals will allow for preliminary concept discussions with the public, further time to develop the operational aspect of the service and to bring those developments to the public once again in the Fall prior to final approval by the Board.

Input from the public will be key, as the service shift will be seen as significant. In order to accommodate this input two sessions have been planned. The first session would introduce the concept to the public in order to discuss service provision issues and to address concerns with the modified service. The second session in the Fall would follow a report to the Board, which would bring forward completed operational plans and budget impacts to provide the service. In both cases the public input would form part of the final reports going forward to the Board for their approval.

An activity sheet outlining key approval dates, public input sessions, budget and operational development and final approvals are attached for information.

ALTERNATIVES

1. Receive this report for information.
2. Do not receive this report for information.

FINANCIAL IMPLICATIONS

Financial implications related to the provision of this service will be brought forward to the Board as part of the approval process in the Fall.

CITIZEN IMPLICATIONS

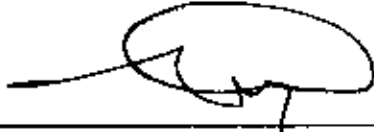
The public will have two opportunities to review and comment on this proposal. The first opportunity will be in late April as part of the TBP update. The second opportunity will be in the Fall when the plan will be more fully developed with respect to the operation of the system and its costs.

SUMMARY/CONCLUSIONS


As part of the TBP Update an alternate service proposal for Community Bus service in the Parkville – Qualicum Beach area has been brought forward. This report outlines the process by which this proposal would be implemented should it gain the necessary approvals and public support.

RECOMMENDATION

That the report on the Parkville / Qualicum Beach Community Bus Proposal be received for information and be forwarded to the Plan Update 2003-2005 public consultation process.

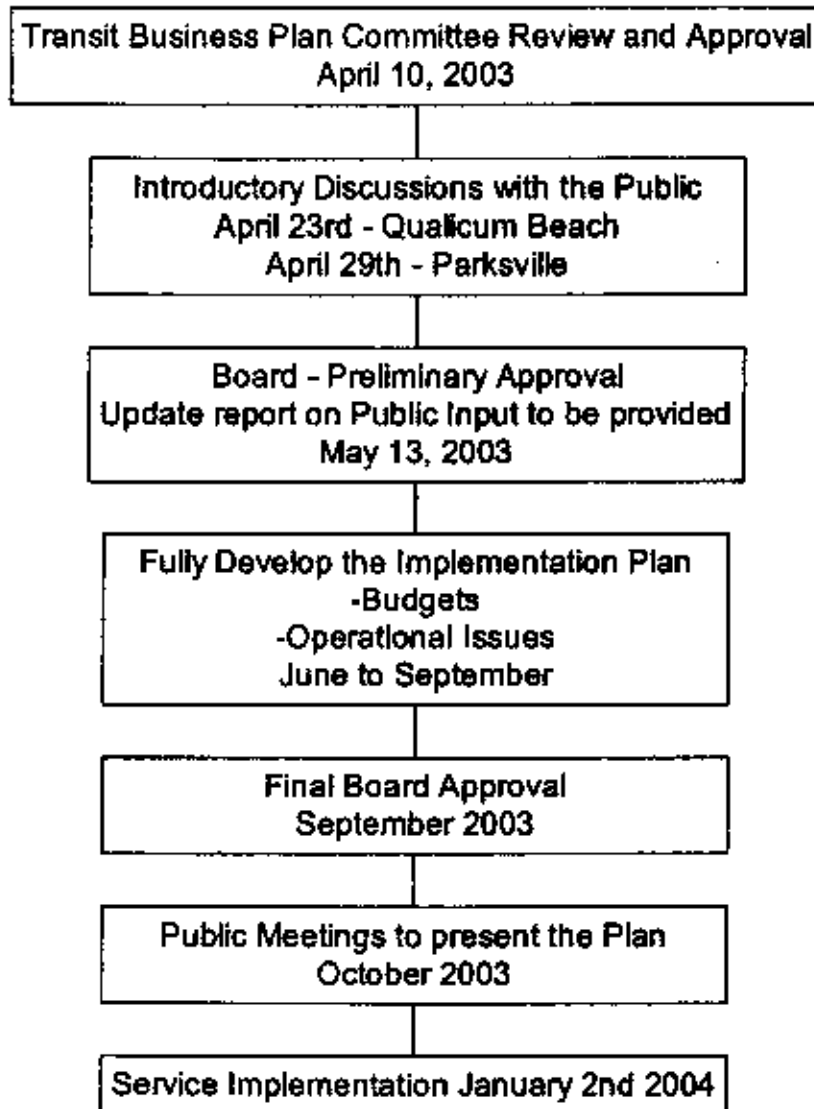


Report Writer



General Manager Concurrence

Parksville - Qualicum Beach Community Bus Proposal Approval Process



Attachment C – Community Bus

Community Bus – Parksville and Qualicum Beach

Definition – Community Buses tend to serve more community based destinations than traditional routes and generally operate on a fixed route and schedule. They are usually marketed toward a specific group – commonly seniors and persons with disabilities. Though routes may serve some of the same destinations as existing fixed route services (i.e. a shopping mall), they are generally routed to the origins and destinations of their targeted market. For example, a community bus for seniors would include local senior housing, medical centres, nursing homes, and recreation complexes.

Routing is generally focused on local and non-work trips, though there are some community buses that are “collectors” for commuters. These commuter routes operate during peak rush-hour periods and connect commuters to a line-haul service (such as an express bus). Vehicles are usually fully accessible min-buses (similar to handyDART vehicles). Except for the commuter service, operating hours tend to be outside the traditional peak period, usually weekdays only from 9 or 10 AM to 5 PM. Though there are fixed stops, generally passengers can flag the bus anywhere along the route, and deviations are commonly allowed within a reasonable distance.

Routes are frequently designed to use few of the system’s resources, so they often run on a one-way loop – allowing the system to use just one bus and one driver over the entire service period. The obvious disadvantage to this is that riders may have to go far out of their way for half the trip. Alternatives to the loop route can be a linear route, or even a section of deviations.

Ridership may be low when compared to conventional transit. However most systems report that in the short-term, Community Bus can result in significant savings over full transit. In many areas, community buses are implemented on a trial basis. Once ridership numbers are known and passenger demand becomes evident, conventional transit may take over. However, most Community Buses are permanent, and provide efficient coverage to areas not serviced by conventional transit. **If a specialty market exists in an area, Community Buses can meet demand for ridership in ways that conventional transit can not.**

Parksville and Qualicum Beach Service Plan

Present transit service within Parksville and Qualicum Beach operates two full size conventional buses every 60 minutes connecting at Downtown Parksville with the Woodgrove Mall Connector every second trip. One mini-bus provides handyDART service within the region.

To achieve service efficiencies, improve productivity and meet overall transportation needs of Parksville and Qualicum Beach it is proposed that the present conventional and handyDART services be blended together.

Conventional connector service would continue to operate between Woodgrove Centre and Wembley Mall. Highlights of the proposed service include:

- All day local service, currently provided by 2 conventional buses and one handyDART van, is replaced by 2 small "Community Buses" using fully accessible neighbourhood friendly "Polar" Minibuses with space for 21 passengers plus 2 wheelchairs.
- All day Woodgrove Connector service is restructured to link Wembley Mall and Woodgrove Centre every 90 minutes and provide timed connections at Wembley Mall to Community Buses.
- Community Buses provide 90 minute conventional fixed route service on existing local routes through Parksville, French Creek and Qualicum Beach neighbourhoods.
- To service handyDART clients, additional time is incorporated within the Community Bus operating schedule to allow trip diversions for door-to-door service.
- Transit coverage is now available to all neighbourhoods (subject to operating constraints).
- Commuter service with conventional buses (2 trips AM and 2 trips PM) is maintained.
- Present Woodgrove Connector service to Nanoose and Northwest Bay Road remains unchanged.
- Wembley Mall provides an improved transfer and terminus facility for passengers.
- Fleet Plan would include the replacement of one conventional bus with one handyDART mini-bus. Fleet makeup would include 2 mini-buses (for local Community Bus service) and 2 conventional buses (one for Woodgrove Connector service and one for commuter trips only).

Client Market Impact

As outlined above, the present four commuter trips will remain unchanged. These trips will continue to use big buses with no transfers required. Conventional passengers during midday will now have a fixed route schedule provided by a smaller neighbourhood friendly bus. Service will be every 90 minutes making time connections at Wembley Mall with the Woodgrove Connector. Conventional mid-day passengers will also experience diversions off route to accommodate handyDART clients.

Clients currently using handyDART in Parksville and Qualicum Beach will see the greatest change. Trips and schedules may require adjustment, however, the new "Community Bus" style of service will provide more travel options to most clients.

* based on Aug 1, 2003 implementation. Savings based on operating cost efficiencies gained from lower overall costs for custom/para transit services.

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE TRANSIT BUSINESS PLAN UPDATE SELECT COMMITTEE
MEETING HELD ON TUESDAY, APRIL 15, 2003, AT 12:00 NOON
IN THE RDN CONFERENCE ROOM**

Present:

Director T. Krall	Chairperson
Director T. Westbrook	Town of Qualicum Beach
Director R. Cantelon	City of Nanaimo
Director B. Holdom	City of Nanaimo

Also in Attendance:

N. Connelly	General Manager, Community Services
M. Donnelly	Manager, Transportation Services

Regrets:

Director D. Haime	Electoral Area 'D'
Director J. Stanhope	Electoral Area 'G'

MINUTES

MOVED Director Westbrook, SECONDED Director Cantelon that on page 2 of the minutes of the April 10, 2003 Transit Business Plan Update Committee meeting, under Community Bus Proposal, the last sentence be deleted and changed to read that *"an alternate fee structure may need to be examined as part of a community bus proposal."*

MOVED Director Cantelon, SECONDED Director Westbrook, that the minutes of the Transit Business Plan Update Select Committee meeting held April 10, 2003 be approved as amended. CARRIED

ADMINISTRATION

District 68 Transit Service Changes for 2003 Report

MOVED Director Holdom, SECONDED Director Cantelon that the proposed District 68 Transit service adjustments for June 29, 2003 and seasonal service reductions be approved and forwarded to the public consultation process for the Transit Business Plan Update. CARRIED

2003/2004 Annual Operating Agreement BC Transit – Regional District of Nanaimo Report

MOVED Director Holdom, SECONDED Director Westbrook that the 2003/2004 Annual Operating Agreement (AOA) with BC Transit (BCT) be approved and that BCT allow for the full expenditure of their cost sharing commitment as outlined in the AOA. CARRIED

Key Performance Indicators - Presentation

MOVED Director Westbrook, SECONDED Director Cantelon, that staff investigate and report on a non-fixed route, smaller bus-type service as a pilot project for Qualicum Beach to provide for improved local service to a central downtown transit connector service, with the work to be undertaken in conjunction

with the Transit Business Plan Update process and the community bus proposal for the District 69 Transit System. **CARRIED**

MOVED Director Cantelon, SECONDED Director Holdom, that the cost recovery Key Performance Indicator for Regional Transit be developed and reported on the basis of fare and advertising revenues in relation to total system operating costs instead of the BC Transit approach based on revenues/costs in the Annual Operating Agreement. **CARRIED**

MOVED Director Cantelon, SECONDED Director Westbroek, that staff review and report on the development of a new Transit Key Performance Indicator that describes ridership relative to total bus ridership capacity for routes and for the system. **CARRIED**

Other discussion centered on possible other indicators to assist in measuring Transit system performance and the value of surveys to gauge the views of riders on customer service and the views of the general public and major stakeholders on Transit service provision in the community.

NEW BUSINESS

There was no new business to be brought forward.

ADJOURNMENT

The meeting was adjourned at 1:15 pm.

T. Krall
Chair

**MEMORANDUM**

TO: Neil Connelly
General Manager, Community Services **DATE:** April 11, 2003

FROM: Mike Donnelly
Manager of Transportation Services **FILE:** 8500-01

SUBJECT: District 68 Transit Service Changes for 2003

PURPOSE

To bring forward proposed District 68 Transit service adjustments for implementation on June 29th and seasonal service reductions for 2003.

BACKGROUND

In February, in response to 2002 budget issues and cost increase pressures for 2003, the Department outlined the need for the Board to consider Transit service reduction for both March 30th and potentially in June as well, to provide for a balanced 2003 budget. A cautious approach to describing the scope of the service reductions and their budgetary impact was undertaken by the Department, given the extent of the deficit and new costs. A full set of route and frequency of service adjustments were identified based on areas of low ridership, performance and impact to the public. With the Board's approval of the Annual Budget and with the specific planning and implementation of the recent service reductions, attention has shifted to the possible service adjustments for June. The scope of the March service reductions and their budgetary impact has now been projected to be largely sufficient to match with the 2003 budget allocations. However, some additional seasonal service reductions have been identified to generate operational savings. It is also recognized that some service adjustments are required to expand the Take 5 service connection between downtown and Malaspina University-College (MUC), as directed by the Board, as well as to make other route changes to improve operating efficiencies and to expand potential ridership and revenues over the balance of the year.

This report details a number of service changes that are being proposed in order to enhance service efficiency, further reduce operating costs and to focus service in areas of greater ridership. The changes are grouped into two categories, service reductions and service modifications. The service reductions are part of continuing efforts to ensure every opportunity is taken to reduce operating costs where possible. The service modifications increase efficiency and provide for improved service in key areas.

Further Service Reductions for 2003

The additional service reductions planned for 2003 are proposed for the summer period (July and August) and the Christmas Holiday period. These two periods have been chosen as they traditionally see changed ridership demands and therefore would have limited revenue loss impacts compared to other service periods during the year. These seasonal reductions in service reflect the change in ridership patterns during those periods. The reductions will also generate operational savings, which will assist in budgetary performance for 2003.

Summer Period

Malaspina University College operates at approximately 30% of full capacity during July and August reducing the demand on peak period trips to the facility from other areas. This service reduction would see the peak period service in the mornings and afternoons removed from the #44 Malaspina College run resulting in half hour service during those periods. This level of service would be adequate to address the ridership demands during those peak periods. There would also be a reduction in the number of #15 College Express from 7 per day to 4.

The #2 Hammond Bay route would also move to half hour service during peak periods as well on the Country Club to Woodgrove Mall runs via Hammond Bay. Peak period service connecting the Country Club exchange and downtown Nanaimo would remain in place. This change would be required due to the reduction in the #44 Malaspina College run which is linked through our operational schedule to the #2 Hammond Bay.

This would result in a service hour reduction of 900 hours.

Christmas Holiday Period (December 22 – 31)

Ridership during the holiday period normally drops due to the number of people on vacation and school holidays. In order to reduce operating costs during that period it is proposed that the level of service during weekdays will be at a Saturday service level. This would mean that all routes would not have additional service during the morning and afternoon peak periods. Service would either be every half hour or hourly depending on the route throughout the day.

This would result in a service hour reduction of 324 hours.

Service Modifications

The main service corridor between the Country Club Exchange, Malaspina University College and downtown Nanaimo is streamlined under this proposal as well as providing increased frequency of service into the downtown via Fitzwilliam Street (Take 5 corridor). The service modifications do not change the revenue hours of service in the system approved in the annual budget.

The proposal is being brought forward as part of the Transit Business Plan (TBP) Review to be reviewed by the TBP Committee under the Alternate Service Proposals portion of the review. With the approval of the Committee, the proposal would then go forward to the Committee of the Whole and on to the Board. Public input sessions for the TBP are planned for late April, which would include information on these proposed changes. The public will also have the opportunity to comment via the Transit web site. Key stakeholders involved in the development of the original TBP will also be invited to attend the Public Open House to provide their input. An updated report including the public's input on these changes would be brought to the Board in May. It is important to gain approval from the Board for the change in May in order to provide the necessary time to develop final schedule changes, information to the public and a re-printed *Riders Guide*.

The two primary route modifications occur with the #44 Malaspina College and the #4 Bowen Road, both of which use the Bowen Road corridor. Supporting changes are to be made to the #1 Rutherford, #3 Hospital, #5 Fairview and #5 Fairview/#6 Harewood Combination routes. These changes are illustrated in the attached maps, which show both existing and proposed routing.

#44 Malaspina College & #4 Bowen Road

Currently both routes use Bowen Road as their main corridor with the #44 serving the University College and then downtown and the #4 serving Country Club to downtown via Bowen Road. The proposal would see the elimination of the #4 Bowen Road route with the majority of those revenue hours being allocated to the #44 MUC. This would allow for the strengthening of the link between the downtown exchange to the Country Club exchange via MUC and would reduce the need for additional overload buses during peak periods. Ridership normally using the #4 Bowen Road route from Country Club or along the Bowen Road corridor would have the option of using either the #44 MUC, #3 Hospital, #2 Hammond Bay or the #1 Rutherford routes to get to their destinations with a minor increase in travel time.

This change would provide for half hour service between the Country Club exchange and downtown Nanaimo via MUC between 7:16 am and 6:29 pm and hourly service until 10:32 pm from Monday to Friday. Routing for the #44 MUC into the downtown would utilize the same routing as the current Take 5 Express route.

The following route modifications would be required to accommodate the proposed primary changes. They have been detailed below with reference plans attached for information.

#3 Hospital

Elimination of the #4 Bowen Road route removes service from the section of Bowen Road and Comox Avenue from Wakesiah Avenue to Wallace Street. To ensure adequate service is provided in this area the #3 Hospital route would be modified (see attached plan) to route from Waddington Road to Bush Street and Pryde Avenue to Bowen Road. From that point it would route downtown via Bowen Road and Comox Avenue to Wallace and on to regular routing.

This would provide needed coverage on Bowen Road and Comox Avenue and has the added benefit of providing half hour service along this corridor that is currently served hourly. This would improve access to the Bowen Park Seniors Centre and increase service to the residents along this corridor.

#1 Rutherford

The modified routing of the #3 Hospital route reduces service along Townsite Road from Waddington Road to the Island Highway. To minimize this inconvenience to the ridership and to provide additional service in the Millstone Avenue area, the new routing would see the northbound #1 Rutherford follow Vancouver Avenue, Townsite Avenue to Millstone Avenue and then to St. George Street and back to regular routing at Princess Royal Avenue.

The remaining section of Townsite Avenue that would no longer have service is not affected in a significant way. There are two bus stops along this section at this time within close proximity to either Waddington Road or Millstone Avenue allowing access to either route.

This re-routing would support the modifications to the #3 Hospital and would provide a higher level of service to people living in the Millstone Avenue area.

#5 Fairview and #5/6 Fairview/Harewood Combinations

With the introduction of the #44 MUC into the downtown using Fitzwilliam Street instead of Albert Street, service into the downtown core becomes too centralized in one area. To achieve a balance these routes would be modified to use the Albert Street corridor into the downtown area.

This change would provide balance of service into and out of the downtown core and would provide additional trip frequency along Albert Street.

Additional Service Change

With the elimination of the #4 Bowen Road route and after the above-noted changes, there are available resources under the current service levels to provide for additional service on the #15 MUC Express. This route is consistently heavily loaded and riders would benefit from the planned 7 additional trips (2 in the morning and 5 in the afternoon) from Monday to Friday.

The service would benefit Malaspina University-College students primarily but would allow for faster trips between north and south Nanaimo for other users connecting on to other routes. This additional service would begin in September.

ALTERNATIVES

1. Approve the Transit service adjustments for District 68.
2. Do not approve the Transit service adjustments for District 68 or provide for other changes.

FINANCIAL IMPLICATIONS

The proposed service reductions would generate net operational savings of \$25,000 for 2003. The service modifications are achieved through a reallocation of existing resources.

CITIZEN IMPLICATIONS

The proposed service reductions reflect the change in ridership patterns during those periods. As a result there will be limited impact on ridership.

In terms of the service modifications, existing ridership will benefit from the proposed changes with more frequent service from the Country Club exchange to the MUC and on to downtown. The improved linkage to the downtown will provide more frequent service in both the Fitzwilliam Street and Albert Street corridors. Trips between the MUC and downtown using the #44 Malaspina College route will be as direct as the current Take 5 Express.

SUMMARY/CONCLUSIONS

A number of service changes are proposed in this report that would come into effect in June of 2003. Service reductions and modifications are being proposed in order to reflect use patterns and to provide opportunities for additional ridership growth.

The public will be consulted regarding these proposed changes at the April 30th (Beban Park) Transit Business Plan Open House and via the Internet on the RDN Transit web page.

RECOMMENDATION

That the proposed District 68 Transit service adjustments for June 29, 2003 and seasonal service reductions be approved and forwarded to the public consultation process for the Transit Business Plan Update.

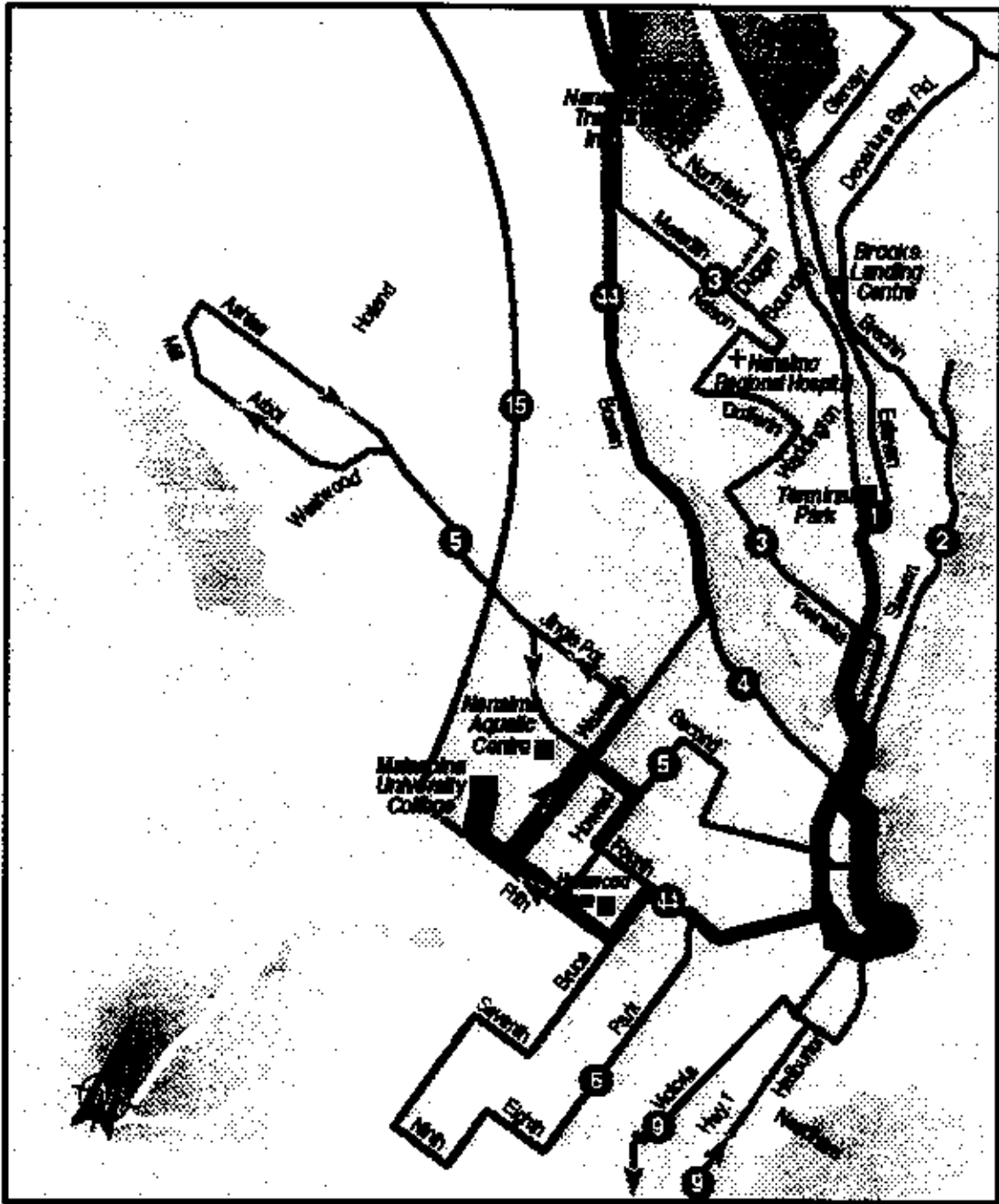
Report Writer

General Manager Concurrence

COMMENTS:

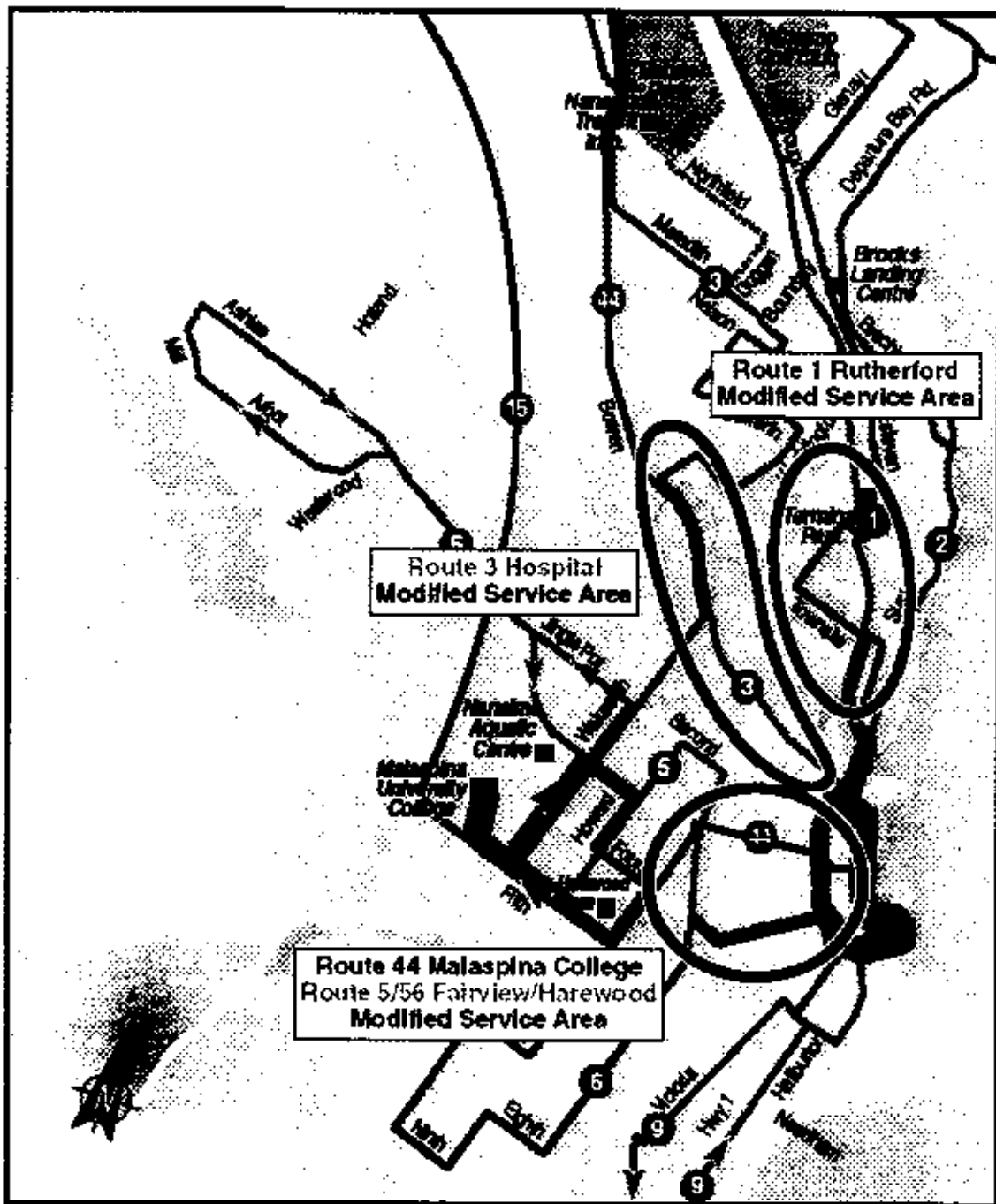
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Existing Service Central Nanaimo



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Proposed June 2003 Service Changes Central Nanaimo





MEMORANDUM

TO: Neil Connelly
General Manager of Community Services

DATE: April 11, 2003

FROM: Mike Donnelly
Manager of Transportation Services

FILE: 2240-20

SUBJECT: 2003/2004 Annual Operating Agreement
BC Transit / Regional District of Nanaimo

PURPOSE

To bring forward the 2003/2004 BC Transit Annual Operating Agreement for the Board's consideration and approval.

BACKGROUND

The Annual Operating Agreement (AOA) (attached) between the Regional District of Nanaimo and BC Transit is renewed annually. It sets out the cost sharing agreements for Custom (handyDART) and Conventional Transit services for the period of April 1, 2003 to March 31, 2004.

The AOA is primarily structured to provide agreement around such items as service specifications, payment schedules and fares. It outlines the days on which service is provided, and the hours of service that are to be provided for cost sharing purposes.

BC Transit shares in the majority of costs for the provision of Custom and Conventional service in the Regional District. The Provincial funding level for both Custom and Conventional service is 66% and 46.7% respectively. The remaining cost recoveries to operate the system are achieved through fares, advertising revenue and local taxation. There are costs that are not shared by BC Transit for Custom and Conventional service. Such items as RDN interdepartmental administration, commissions paid to vendors, building rentals, bus stop maintenance, janitorial services and professional fees are not included in the cost sharing formula. The 2003-04 AOA has been developed by BC Transit under the current Provincial funding freeze with the goal to maintain funding levels of the previous AOA period.

The AOA reflects the cost sharing commitment in relation to the costs for service provision in the RDN except for the Repairs & Maintenance area. The structure of the AOA provides for cost sharing funds for Repairs and Maintenance of the fleet over and above the amount in the RDN budget. This results in net cost sharing funds in the amount of approximately \$22,000 that will not be received in 2003.

There are also ongoing discussions with BC Transit working towards a lowering of the their Administrative Fee. There may be opportunities to reduce the fee given the unique relationship the RDN has with BC Transit as both owner and operator of the system. To date the RDN has offered an assessment of those fees with suggested changes to BC Transit and they have responded with updated information for the RDN to assess. The BCT letter, which is attached, indicates that further discussions will be held in the coming months to conclude this issue.

ALTERNATIVES

1. Approve the 2003/2004 Annual Operating Agreement.
2. Approve the 2003/2004 Annual Operating Agreement with a request to BC Transit to allow for the full expenditure of the BC Transit Share of Costs.
3. Do not approve the 2003/2004 Annual Operating Agreement.

FINANCIAL IMPLICATIONS

Approve the Annual Operating Agreement.

The total amount of cost sharing available from BC Transit for the 2003-04 operating period is \$3,306,228. This includes both Conventional and Custom Transit services for the region. BC Transit's new approach to controlling their cost share will result in \$22,000 less in cost sharing funds being received in 2003 than budgeted.

Approve the 2003/2004 Annual Operating Agreement with a request to BC Transit to allow for the full expenditure of the BC Transit Share of Costs as stated in the AOA.

This option would see the AOA approved with a request that BC Transit allow for the full expenditure of committed cost sharing funds for the RDN. This option, if successful would ensure that all committed funds are released.

Do not approve the Annual Operating Agreement.

Not approving the AOA will eliminate BC Transit's obligation to cost share in the service.

SUMMARY

BC Transit has forwarded the Annual Operating Agreement covering the period from April 1st, 2003 to March 31st, 2004 for the RDN Conventional and Custom Transit systems. Staff has worked with BC Transit on the development of this AOA in conjunction with the 2003 annual transit budgets. The AOA allocation of funds for repairs and maintenance over and above the RDN budget raises concerns that net cost-sharing funds of approximately \$22,000 will not be received.

RECOMMENDATION

That the 2003/2004 Annual Operating Agreement (AOA) with BC Transit (BCT) be approved and that BCT allow for the full expenditure of their cost sharing commitment as outlined in the AOA.

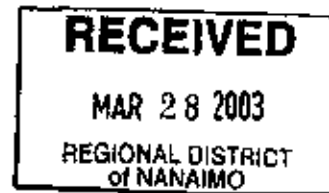
M. Donnelly
Report Writer

N. Connelly
General Manager Concurrence

COMMENTS:

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520 George Road East
 P.O. Box 610
 Victoria, British Columbia
 Canada V8W 2P3
 Phone: (250) 385-2551
 Fax: (250) 995-5639
 www.bctransit.com



March 27, 2003
 File: NAN.23

Mike Donnelly
 Manager of Transportation Services
 Regional District of Nanaimo
 6300 Hammond Bay Road
 Nanaimo, BC V0R 2H0

Dear Mike:

SUBJECT: 2003/04 Nanaimo Regional Annual Operating Agreement

Further to our discussions, please find enclosed the 2003/04 Annual Operating Agreement (AOA) for the Nanaimo Regional Transit System for approval. An Information and Performance Summary is also enclosed. This AOA and the previously approved Master Operating Agreement constitute the operating agreements for the transit system.

2003/04 budgets in all Municipal Systems Program transit systems reflect the following:

- Funding to BC Transit has been maintained by the provincial government at the 2001/02 level for the second consecutive year. Program-wide adjustments to the "BC Transit Share" have been made for corporate initiatives. These include a credit from recent vehicle lease buyouts and conversion to debt servicing, payback of provincial share to the Victoria Regional Transit System that was surplus in 2002/03 and a credit from cost-sharing changes in some paratransit systems due to changes in the blend of conventional and custom transit service.
- Efficiencies and savings have been achieved in marketing activities and BC Transit's professional and specialized services in all transit systems. Savings have been achieved in the fixed, overhead costs of most operating companies.
- Fuel, vehicle maintenance and insurance costs have increased substantially in many cases.
- The locally-approved option to meet the funding shortfall has been used. Funding and service has been structured under the existing BC Transit Act Regulation, as previously approved by Council/Board. The proposed Regulation amendment permitting flexible funding is not an available option as of this date.

The specific details of this AOA budget are noted below.

In 2002, the Regional District raised concerns over the level of the BC Transit administration fee included in the AOA budget given the nature of its partnership with BC Transit and its status as a municipally operated transit system. There has been discussion on this issue, with more discussion planned for 2003 so that these concerns can be addressed.

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FINANCIAL ANALYSIS

The total cost for 2003/04 is budgeted at \$7,411,712, an increase of \$69,000 (0.9%) from 2002/03. These costs reflect service efficiencies and reductions approved locally to meet the funding shortfall in 2003/04. Total cost for conventional transit in 2003/04 is budgeted at \$6,389,390, an increase of \$42,000 (0.7%) from the 2002/03 budget, based on a 13.6% decrease in service levels. Total cost for custom transit in 2003/04 is budgeted at \$1,022,322, a \$27,000 (2.7%) increase from the 2002/03 budget, based on no change in service.

PERFORMANCE ANALYSIS

Conventional transit ridership is forecast at 1,975,000 for 2003/04, a 9.9% decrease from the current year due to the lower service levels and higher fares. Revenue is forecast to increase by 2.9% due to higher average fares which offset the decrease in ridership. Productivity is forecast to be 21.6 rides per hour, down slightly from 22.7 in 2002/03. Cost recovery is forecast to increase to 41% from 40.1% in 2002/03.

Custom transit ridership is forecast at 71,500, a 9.8% increase from the 2002/03 budget. This is based on actual trends during 2002/03. Productivity is forecast to increase to 3.1 passengers per hour of service. Cost recovery is forecast to increase to 14.3% from 13.2% in 2002/03.

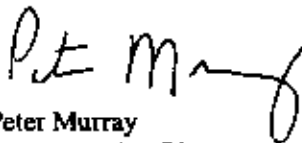
A fare summary and tariff strategy has been previously circulated for the Municipal Systems Program.

The agreements may be approved by resolution. Once the agreements have received signature/seal from the Regional District of Nanaimo, please return all originals to the undersigned for execution by BC Transit. The agreements must be returned to BC Transit by April 30, 2003 so that the April payment can be processed.

The budget is also subject to approval by the Board of Directors of BC Transit.

Please call if you have any questions on the attached material.

Yours truly,



Peter Murray
Transportation Planner
Municipal Systems Program

Attachments: 3 Annual Operating Agreements
2 Information and Performance Summaries

Information & Performance Summary

Nanaimo Custom

	Official AOA Base Budget 2002/2003	Official AOA Base Budget 2003/2004	Variance	
			\$/#	%
ANNUAL OPERATING AGREEMENT				
BUDGET SUMMARY				
Total Costs	\$995,290	\$1,022,322	\$27,033	2.7%
Total Revenue	\$131,365	\$146,200	\$14,835	11.3%
BCT Share of Costs	\$630,165	\$643,746	\$13,581	2.2%
Net Municipal Share	\$216,445	\$214,570	-\$1,875	-0.9%
PERFORMANCE SUMMARY				
Level of Service				
Population Served	122,100	124,700	2,600	2.1%
Number of Buses in Service	10	10	0	0.0%
Revenue Hours of Service	20,854.56	20,854.56	0.00	0.0%
Effectiveness				
Annual Revenue Passengers	65,100	71,500	6,400	9.8%
Custom/Para - Vans	58,600	65,000	6,400	10.9%
Custom/Para - Taxi Supplement	2,500	3,000	500	20.0%
Taxi Saver	4,000	3,500	-500	-12.5%
Total Revenue Passengers per Capita	0.53	0.57	0.04	7.5%
Van Passengers per Revenue Hour	2.8	3.1	0.3	10.9%
Total Cost per Total Passenger	\$15.29	\$14.30	-\$0.99	-6.5%
Van Cost per Van Passenger	\$15.39	\$15.19	-\$1.20	-7.3%
Taxi Cost per Taxi Passenger	\$5.38	\$5.38	\$0.00	0.0%
Cost Recovery	13.2%	14.3%	1.1	8.4%
Efficiency				
Total Operating Cost of Service per Revenue Hour	\$43.63	\$44.61	\$0.98	2.2%
Total Cost of Service per Revenue Hour	\$46.05	\$47.34	\$1.30	2.8%

THE NANAIMO
 MUNICIPALITY
 2007

ANNUAL OPERATING AGREEMENT

Between

THE REGIONAL DISTRICT OF NANAIMO

And

BRITISH COLUMBIA TRANSIT

APRIL 1, 2003 TO MARCH 31, 2004

INFORMATION CONTAINED IN THIS AGREEMENT IS SUBJECT TO THE FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT. CONSULT WITH BC TRANSIT PRIOR TO RELEASING INFORMATION TO INDIVIDUALS OR COMPANIES OTHER THAN THOSE WHO ARE PARTIES TO THIS AGREEMENT.

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ANNUAL OPERATING AGREEMENT

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SCHEDULES

SCHEDULE "A" - TRANSIT SERVICE AREA	6
SCHEDULE "B" - SERVICE SPECIFICATIONS	7
SCHEDULE "C" - BUDGET	9
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Nanaimo A.O.A.

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2003/04

ANNUAL OPERATING AGREEMENT

BETWEEN: THE REGIONAL DISTRICT OF NANAIMO
(the "Municipality" and the "Operating Company")

AND: BRITISH COLUMBIA TRANSIT
(the "Authority")

WHEREAS the Municipality and the Authority are authorized to share in the costs of providing a Public Passenger Transportation System pursuant to the British Columbia Transit Act.

WHEREAS the Municipality is authorized to operate, manage and maintain a Public Passenger Transportation System within the Nanaimo Regional Transit Service Area.

WHEREAS the parties hereto have entered into a Master Joint Operating Agreement effective April 1, 2001 which sets out the general rights and responsibilities of the parties hereto.

AND WHEREAS the parties hereto wish to enter into an Annual Operating Agreement which sets out, together with the Master Agreement, the specific terms and conditions for the operation of the Public Passenger Transportation System for the upcoming term.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and of the covenants herein contained, the parties covenant and agree with each other as follows:

SECTION 1 – DEFINITION OF TERMS

- 1.1 **Definitions:** Unless agreed otherwise in the Annual Operating Agreement, the definitions set out in the Master Agreement shall apply to this Annual Operating Agreement including:
- (a) "Annual Operating Agreement" shall mean this Annual Operating Agreement dated April 1, 2003 to March 31, 2004 and any Annual Operating Agreement Amendment negotiated and entered into by the parties subsequent hereto;
 - (b) "Master Agreement" shall mean the Master Joint Operating Agreement, including any amendments made thereto;

SECTION 2 – INCORPORATION OF MASTER AGREEMENT

- 2.1 **Incorporation of Master Agreement into Annual Operating Agreement:** Upon execution, this Annual Operating Agreement shall be deemed integrated into the Master Agreement and thereafter the Master Agreement and the current Annual Operating Agreement shall be read together as a single integrated document and shall be deemed to be the Annual Operating Agreement for the purposes of the British Columbia Transit Act; as amended from time to time.

SECTION 3 – TERM AND RENEWAL

- 3.1 **Term and Renewal:** The term of this Annual Operating Agreement shall be for the period April 1, 2003 until and including March 31, 2004, except as otherwise provided herein. It is acknowledged by the parties that in the event of termination or non-renewal of the Annual Operating Agreement, the Master Operating Agreement shall likewise be so terminated or not renewed, as the case may be.

SECTION 4 - SCHEDULES

- 4.1 Schedules: The schedules attached hereto shall form part of the Annual Operating Agreement and be binding upon the parties hereto as though they were incorporated into the body of this Agreement.
- a) Schedule "A" - Transit Service Area
 - b) Schedule "B" - Service Specifications
 - c) Schedule "C" - Budget
 - d) Schedule "D" - Payment Schedule
 - e) Schedule "E" - Tariff-Fares

SECTION 5 - MISCELLANEOUS PROVISIONS

- 5.1 Amendment: This Annual Operating Agreement and the Schedules attached hereto may be amended only with the prior written consent of all parties.
- 5.2 Assignment: This Annual Operating Agreement shall not be assignable without the prior written consent of the other parties.
- 5.3 Enurement: The Annual Operating Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors.
- 5.4 Change in Circumstances: It is acknowledged by the parties that the Authority is pursuing options to enhance the Annual Operating Agreements. In the event that these efforts are successful, the Authority shall promptly notify the parties in order to determine whether the parties wish to amend this Agreement in accordance with Section 5.1 of the Annual Operating Agreement.

Nanaimo A.O.A.

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2003/04

SECTION 6 - Notices and Communication

All notices, claims and communications required or permitted to be given hereunder shall be in writing and shall be sufficiently given if personally delivered to a responsible officer of the party hereto to whom it is addressed or if mailed by prepaid registered mail, to:

Regional District of Nanaimo
c/o Manager of Transportation Services
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

and to

BC Transit
520 Gorge Road East
Victoria, BC V8W 2P3
Attention: President & CEO

and, if so mailed during regular mail service, shall be deemed to have been received five (5) days following the date of such mailing.

Nanaimo A.O.A.

5

2003/04

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals and where a party is a corporate entity the seal of such party has been affixed hereto in the presence of its duly authorized officer this day of

THE CORPORATE SEAL OF THE REGIONAL DISTRICT OF NANAIMO has been hereto affixed in the presence of:

THE COMMON SEAL OF BRITISH COLUMBIA TRANSIT has been hereto affixed in the presence of:

PRESIDENT AND CEO

CORPORATE SECRETARY

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SCHEDULE "A" - Transit Service Area Boundaries

The boundaries of the Municipal Transit Service Area shall be defined as follows:

The boundaries of the Nanaimo Regional Transit Service Area shall include the corporate boundaries of the City of Nanaimo, Electoral Areas A and D of the Regional District of Nanaimo; and shall include the corporate boundaries of the City of Parksville, the Town of Qualicum Beach, and Electoral Areas E, G and H of the Regional District of Nanaimo.

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SCHEDULE "B" - Service Specifications

Nanaimo Regional Base Budget Official AOA 2003/2004

Schedule "B"

Effective Apr 01, 2003

Scheduled Revenue Service

2004 Spring (Apr 01, 2003 to Sep 30, 2003)

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Per Day	288.25	288.25	288.25	288.25	288.25	288.25	74.25
Per Day	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	1,088.25

2004 Summer (Oct 01, 2003 to Sep 30, 2004)

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Per Day	288.25	288.25	288.25	288.25	288.25	288.25	74.25
Per Day	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	1,088.25

2005 Fall (Apr 01, 2004 to Sep 30, 2004)

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Per Day	288.25	288.25	288.25	288.25	288.25	288.25	74.25
Per Day	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	1,088.25

2004 Christmas Season (Oct 01, 2003 to Jan 31, 2004)

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Per Day	288.25	288.25	288.25	288.25	288.25	288.25	74.25
Per Day	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	1,088.25

2004 Winter (Apr 01, 2004 to Mar 31, 2004)

	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Per Day	288.25	288.25	288.25	288.25	288.25	288.25	74.25
Per Day	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	4,852.01	1,088.25

Extra Revenue Service

	Apr 2003	May 2003	Jun 2003	Jul 2003	Aug 2003	Sep 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004	Mar 2004
Extra Revenue Service	125.00	125.00	125.00	0.00	0.00	125.00	125.00	125.00	125.00	125.00	125.00	125.00
Extra Revenue Service	2,100.00	2,100.00	2,100.00	0.00	0.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00	2,100.00

Adjusted Revenue Service

	Apr 2003	May 2003	Jun 2003	Jul 2003	Aug 2003	Sep 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004	Mar 2004
Adjusted Revenue Service												

2003-2004 Calendar Specifications

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Specified	Total	Exception
Apr 01, 2003 to Apr 30, 2003	4	4	4	4	4	4	4	0	28	Apr 01, 2003 Good Friday (Observed)
May 01, 2003 to May 31, 2003	5	5	5	5	5	5	5	0	30	May 01, 2003 Victoria Day (Observed)
Jun 01, 2003 to Jun 30, 2003	4	4	4	4	4	4	4	0	28	Jun 01, 2003 Canada Day (Observed)
Jul 01, 2003 to Jul 31, 2003	5	5	5	5	5	5	5	0	31	Jul 01, 2003 BC Day (Observed)
Aug 01, 2003 to Aug 31, 2003	4	4	4	4	4	4	4	0	28	Aug 01, 2003 BC Day (Observed)
Sep 01, 2003 to Sep 30, 2003	5	5	5	5	5	5	5	0	30	Sep 01, 2003 Labour Day (Observed)
Oct 01, 2003 to Oct 31, 2003	4	4	4	4	4	4	4	0	28	Oct 01, 2003 Thanksgiving Day (Observed)
Nov 01, 2003 to Nov 30, 2003	5	5	5	5	5	5	5	0	30	Nov 01, 2003 Remembrance Day (Observed)
Dec 01, 2003 to Dec 31, 2003	4	4	4	4	4	4	4	0	28	Dec 01, 2003 Christmas Day (Observed)
Jan 01, 2004 to Jan 31, 2004	5	5	5	5	5	5	5	0	31	Jan 01, 2004 New Year's Day (Observed)
Feb 01, 2004 to Feb 28, 2004	4	4	4	4	4	4	4	0	28	
Mar 01, 2004 to Mar 31, 2004	5	5	5	5	5	5	5	0	31	
Total	28	28	28	28	28	28	28	0	252	10 Exceptions

Monthly Summary

Month	Previous Years				Current Year		
	Operating	Revenue	Expenses	Total	Scheduled	Revenue	Total
April 2003	7,470.82	108.25		7,579.07	172,022.39	2,100.00	174,122.39
May 2003	7,494.88	108.89		7,603.77	172,811.24	2,100.00	174,911.24
June 2003	7,494.24	0.00		7,494.24	172,828.25	0.00	172,828.25
August 2003	7,421.03	0.00		7,421.03	172,828.25	0.00	172,828.25
September 2003	7,414.88	108.28		7,523.16	172,828.25	2,100.00	174,928.25
October 2003	7,704.24	108.88		7,813.12	172,828.25	2,100.00	180,928.25
November 2003	7,414.88	108.88		7,523.76	172,828.25	2,100.00	174,928.25
December 2003	7,414.88	408.88		7,823.76	172,828.25	2,100.00	174,928.25
January 2004	7,414.88	408.88		7,823.76	172,828.25	2,100.00	174,928.25
February 2004	7,414.88	408.88		7,823.76	172,828.25	2,100.00	174,928.25
March 2004	7,414.88	408.88		7,823.76	172,828.25	2,100.00	174,928.25
Total	68,321.24	1,224.81	0.00	69,546.05	1,724,228.25	12,600.00	1,736,828.25

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Nanaimo Custom Base Budget Official AOA 2003/2004

Schedule 'B'
Effective Apr 01, 2003

Scheduled Revenue Service

2003 Full Year (Apr 01, 2003 to Mar 31, 2004)								
	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total
Rev/Day	71.88	71.88	71.88	71.88	71.88	28.84	20.00	0.00
Rev/Day	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Flexible Hours

	Apr 2003	May 2003	Jun 2003	Jul 2003	Aug 2003	Sep 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004	Mar 2004
Rev/Day	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00	38.00

Extra Revenue Service

	Apr 2003	May 2003	Jun 2003	Jul 2003	Aug 2003	Sep 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004	Mar 2004
Rev/Day												

Adjusted Revenue Service

	Apr 2003	May 2003	Jun 2003	Jul 2003	Aug 2003	Sep 2003	Oct 2003	Nov 2003	Dec 2003	Jan 2004	Feb 2004	Mar 2004
Rev/Day												

2003/2004 Calendar Specification

Period	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Exempt	Total	Exemption Days
Apr 01, 2003 to Apr 30, 2003	4	4	4	4	4	4	4	1	25	Apr 18, 2003 Good Friday 2003 (Fri)
May 01, 2003 to May 31, 2003	5	5	5	5	5	5	5	1	31	May 19, 2003 Victoria Day 2003 (Mon)
Jun 01, 2003 to Jun 30, 2003	4	4	4	4	4	4	4	0	30	Jun 01, 2003 Canada Day 2003 (Tue)
Jul 01, 2003 to Jul 31, 2003	4	4	4	4	4	4	4	1	31	Aug 04, 2003 BC Day 2003 (Mon)
Aug 01, 2003 to Aug 31, 2003	4	4	4	4	4	4	4	1	31	Sep 01, 2003 Labour Day 2003 (Mon)
Sep 01, 2003 to Sep 30, 2003	4	4	4	4	4	4	4	1	30	Oct 13, 2003 Thanksgiving Day 2003 (Mon)
Oct 01, 2003 to Oct 31, 2003	4	4	4	4	4	4	4	1	31	Nov 11, 2003 Remembrance Day 2003 (Wed)
Nov 01, 2003 to Nov 30, 2003	4	4	4	4	4	4	4	1	30	Dec 25, 2003 Christmas Day 2003 (Thu)
Dec 01, 2003 to Dec 31, 2003	4	4	4	4	4	4	4	2	31	Dec 25, 2003 Boxing Day 2003 (Fri)
Jan 01, 2004 to Feb 28, 2004	4	4	4	4	4	4	4	1	31	Jan 01, 2004 New Year's Day 2004 (Thu)
Mar 01, 2004 to Mar 31, 2004	4	4	4	4	4	4	4	0	31	
Total	31	31	31	31	31	31	31	10	308	10 Exempt Days

Monthly Summary

Month	Revenue Hours				Revenue Amount			
	Scheduled	Extra	Adjusted	Total	Scheduled	Extra	Adjusted	Total
April 2003	1,588.25	0.00	1,588.25	1,733.25	0.00			
May 2003	1,705.25	0.00	1,705.25	1,743.25	0.00			
June 2003	1,705.25	0.00	1,705.25	1,743.25	0.00			
July 2003	1,705.25	0.00	1,705.25	1,743.25	0.00			
August 2003	1,687.25	0.00	1,687.25	1,696.25	0.00			
September 2003	1,687.25	0.00	1,687.25	1,733.25	0.00			
October 2003	1,705.25	0.00	1,705.25	1,743.25	0.00			
November 2003	1,596.25	0.00	1,596.25	1,628.25	0.00			
December 2003	1,687.25	0.00	1,687.25	1,733.25	0.00			
January 2004	1,705.25	0.00	1,705.25	1,743.25	0.00			
February 2004	1,623.25	0.00	1,623.25	1,671.25	0.00			
March 2004	1,623.25	0.00	1,623.25	1,671.25	0.00			
Total	21,388.25	0.00	21,388.25	21,388.25	0.00	0.00	0.00	0.00

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Schedule C

Nanaimo Regional Conventional

	Official AOA Base Budget 2003/2004
TRANSIT REVENUE	
Farebox Cash	\$1,044,091
Tickets & Passes	\$1,099,833
BC Bus Pass	\$423,576
Advertising	\$50,171
TOTAL REVENUE	\$2,617,671
EXPENDITURES	
Fixed Costs	\$741,857
Variable Hourly Costs - Scheduled Service	\$2,967,956
Variable Hourly Costs - Extra Service	\$34,556
Variable Distance Costs - Scheduled Service	\$714,811
Variable Distance Costs - Extra Service	\$7,172
Maintenance - Running Repairs	\$602,641
Maintenance - Major Repairs	\$40,000
ICBC Insurance	\$87,727
Fleet Insurance	\$21,528
Information Systems	\$7,838
TOTAL DIRECT OPERATING COSTS	\$5,226,085
Marketing	\$58,296
Municipal Administration	\$104,522
BCT Administration	\$313,565
TOTAL OPERATING COSTS	\$5,702,468
Debt Service - Vehicles (Local Share)	\$665,259
Debt Service - Equipment (Local Share)	\$21,664
TOTAL DEBT SERVICE - LOCAL SHARE	\$686,922
TOTAL COSTS	\$6,389,390
COST SHARING	
Municipal Share of Costs	\$3,726,908
Less: Total Revenue	\$2,617,671
Less: Municipal Administration	\$104,522
Net Municipal Share of Costs	\$1,004,715
Authority Share of Costs	\$2,662,482
STATISTICS	
Scheduled Revenue Hours	90,183.04
Extra Revenue Hours	1,050.00
Scheduled Revenue Kilometres	2,093,405.56
Extra Revenue Kilometres	21,000.00
Total Passengers	1,975,000
Conventional Passengers	1,975,000

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Schedule C

Nanaimo Custom

	Official AOA Base Budget 2003/2004
TRANSIT REVENUE	
Farebox Cash	\$146,200
TOTAL REVENUE	\$146,200
EXPENDITURES	
Fixed Costs	\$159,545
Variable Hourly Costs - Scheduled Service	\$541,454
Variable Distance Costs - Scheduled Service	\$63,873
Maintenance - Running Repairs	\$58,000
Maintenance - Major Repairs	\$10,000
Taxi Supplement	\$20,000
Taxi Saver Program	\$30,000
Taxi Saver Recoveries	-\$15,000
ICBC Insurance	\$10,010
Fleet Insurance	\$4,940
Information Systems	\$7,500
TOTAL DIRECT OPERATING COSTS	\$890,321
Marketing	\$3,735
Municipal Administration	\$17,806
BCT Administration	\$53,419
TOTAL OPERATING COSTS	\$965,282
Debt Service - Vehicles (Local Share)	\$56,752
Debt Service - Equipment (Local Share)	\$288
TOTAL DEBT SERVICE - LOCAL SHARE	\$57,041
TOTAL COSTS	\$1,022,322
COST SHARING	
Municipal Share of Costs	\$378,576
Less: Total Revenue	\$146,200
Less: Municipal Administration	\$17,806
Net Municipal Share of Costs	\$214,570
Authority Share of Costs	\$643,746
STATISTICS	
Scheduled Revenue Hours	20,854.56
Total Passengers	71,500
Custom/Para Passengers - Vans	65,000
Custom/Para Passengers - Taxi Supplement	3,000
Taxi Saver Passengers	3,500

Schedule "D" - Payment Schedule**Nanaimo Regional Conventional Transit and Custom Transit
2003/2004 AOA BUDGET****1) Payment Schedule**

The Authority agrees to pay the Operating Company a monthly payment on the following basis:

a) for Specified Service in Schedule "B":

- i) \$75,116.80 for Fixed Monthly Payment; plus
- ii) \$32.91 per Revenue Hour for conventional transit service; plus
- iii) \$25.96 per Revenue Hour for custom transit service; plus
- iv) \$0.3415 per Revenue Kilometre for conventional transit service.

b) for Deleted Fixed Costs as outlined in Section 6 (2), an amount equal to 1/365 of the Fixed Monthly Costs amount contained in Schedule "C" shall be deducted for each day or part day.**c) for Added Service or Deleted Service within the regular hours of system operation specified in Schedule "B":**

- i) \$32.91 per Revenue Hour for conventional transit service; plus
- ii) \$25.96 per Revenue Hour for custom transit service; plus
- iii) \$0.3415 per Revenue Kilometre for conventional transit service with allowance for wage premium payments (up to 1.5 times the regular Revenue Hour payment), if applicable, when service is added beyond the regular hours of operation.

d) for Maintenance:

- i) \$36.60 per hour for labour by a licensed mechanic for the maintenance of transit vehicles.

e) for fuel costs, in the event diesel fuel costs should exceed \$0.5691 / litre a payment will be made in accordance with Section 6 (3) of this agreement to compensate the Operating Company for the actual cost of all diesel fuel consumed to a maximum of 1,187,787.00 litres for Scheduled Revenue Kilometres in Schedule "B". This maximum number of litres will be adjusted in proportion to Extra or Deleted Revenue Service Kilometres.**f) Special Group Trips cost recovery shall be credited to the Authority on the monthly contractors invoice.**

Schedule "E" – Tariff-Fares

3) Fare Zones:

The boundaries of fare zones for this Tariff are described as follows:

Zone 1 - Regional District of Nanaimo

This zone encompasses that area within the existing transit service area.

4) Fares:

Conventional Transit Service:

- a) Single Cash Fares:
 - i) Adult \$2.00
 - ii) Senior \$1.75
 - iii) Student \$1.75
 - iv) College Student \$1.75
 - v) Child under 5 years, Free when accompanied by an adult.
 - vi) Accessible Transit Attendant; Free
- b) Tickets:
 - i) 10 x \$2.00 fares, sold for \$18.00
 - ii) 10 x \$1.75 fares, sold for \$15.75
- c) BC Bus Pass valid for the current calendar year.
- d) CNIB Pass available from the local office of the CNIB.
- e) One-Day Pass:
 - i) Adult - \$5.00
 - ii) College Student - \$4.00
 - iii) Senior/Student - \$4.00
- f) Monthly Pass
 - i) Adult - \$58.00
 - ii) College Student - \$47.00
 - iii) Senior/Student - \$35.00
- g) Semester Pass
 - i) College Student - \$150.00

Custom Transit Service:

- a) Registered Users and Escorts \$2.50
- Attendants Accompany Registered Users Free
- b) Tickets:
 - i) 5 x \$2.50 fares, sold for \$11.25

Note: Visitors (elsewhere in B.C. and outside B.C.) are eligible for temporary handyDART service.