

REGIONAL DISTRICT OF NANAIMO

**COMMITTEE OF THE WHOLE
TUESDAY, AUGUST 26, 2003**

7:00 PM

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

MINUTES

- 4-7 Minutes of the regular Committee of the Whole meeting held Tuesday, July 22, 2003.

BUSINESS ARISING FROM THE MINUTES

COMMUNICATION/CORRESPONDENCE

- 8 **Sandra Keddy, Town of Qualicum Beach**, re Proposed Boundary Extension.
- 9-11 **Jack Peake, AVICC President & Chief Alphonse, Cowichan Tribes**, re Formation of the Vancouver Island Foundation.
- 12 **Lanny Seaton, Acting Mayor, District of Langford**, re Vancouver Island Foundation/E & N.

COMMUNITY SERVICES

REGIONAL GROWTH

- 13-16 Implementation Agreements – Urban Containment & Rural Protection.
- 17-29 Regional Growth Strategy Implementation Progress Report 2001/2002.

RECREATION & PARKS

- 30-34 Cranberry Fire Department's Request for Regional Park Land Use.

CORPORATE SERVICES

ADMINISTRATION

35-41 Vancouver Island Railway.

FINANCE

42-55 Operating Results to June 30, 2003.

DEVELOPMENT SERVICES

BUILDING INSPECTION

56-57 Section 700 Filings.

PLANNING

58-59 Closure of Victoria Land Title Office.

ENVIRONMENTAL SERVICES

DRINKING WATER PROTECTION

60-67 Drinking Water Protection.

LIQUID WASTE

68-77 Pump & Haul Amendment Bylaw No. 975.30.

SOLID WASTE

78-82 Waste Stream Management Licensing - Progress Report.

83-87 Product Stewardship Developments.

88-94 Dairy Industry Product Stewardship Proposal.

COMMISSION, ADVISORY & SELECT COMMITTEE

95-98 Minutes of the Regional Waste Advisory Committee meeting held July 3, 2003.
(for information)

Verbal Reports As Available:

Municipal Finance Authority
Deep Bay Harbour Authority
Regional Library Board
Treaty Advisory Committee
North Island 911 Corporation
Municipal Insurance Association
Mt. Arrowsmith Biosphere Foundation
Vancouver Island Generation Project Committee
Vancouver Island Health Authority – Project Building Committee
Vancouver Island Health Authority – Joint Capital Planning Committee
Vancouver Island Regional Transportation Advisory Committee

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

99

Director Lund re Bill C-325 An Act to Amend the Income Tax Act. (verbal)

BOARD INFORMATION (Separate enclosure on blue paper)

ADJOURNMENT

IN CAMERA

That pursuant to Section 242.2(1)(h) of the Local Government Act the Board proceed to an In Camera meeting to consider legal matters.

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE COMMITTEE OF THE WHOLE
MEETING HELD ON TUESDAY, JULY 22, 2003, AT 7:05 PM
IN THE RDN BOARD CHAMBERS

Present:

Director J. Stanhope	Chairperson
Director H. Kreiberg	Electoral Area A
Director G. Lund	Electoral Area B
Director E. Hamilton	Electoral Area C
Director D. Haimc	Electoral Area D
Director P. Bibby	Electoral Area E
Director L. Biggemann	Electoral Area F
Director D. Bartram	Electoral Area H
Director R. Longmuir	City of Parksville
Director T. Westbrook	Town of Qualicum Beach
Director C. Haimc	District of Lantzville
Director L. Sherry	City of Nanaimo
Alternate	
Director D. Brennan	City of Nanaimo
Director I. McNabb	City of Nanaimo
Director G. Korpan	City of Nanaimo
Director T. Krall	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
B. Lapham	General Manager of Development Services
P. Shaw	Manager of Community Planning
T. Osborne	Manager of Recreation & Parks
D. Trudeau	Manager of Liquid Waste
N. Tonn	Recording Secretary

MINUTES

MOVED Director Sherry, SECONDED Director Westbrook, that the minutes of the regular Committee of the Whole meeting held June 24, 2003, be adopted.

CARRIED

COMMUNICATIONS/CORRESPONDENCE

Jim Abram, Chair, Comox-Strathcona Regional District, re Bill 48 – Agriculture Food & Fisheries Statutes Amendment Act.

MOVED Director Sherry, SECONDED Director Krall, that the correspondence from Comox Strathcona Regional District with respect to the Agriculture Food & Fisheries Statutes Amendment Act be received.

CARRIED

Bill Mills, Nanaimo Port Authority, re Election of Board Chairman.

MOVED Director Sherry, SECONDED Director Krall, that the correspondence from the Nanaimo Port Authority with respect to the appointment of Dave Bakes as Chairperson of the Board, be received.

CARRIED

Derek Appleton, Alberni-Clayoquot Regional District, re BC Hydro Heritage Contract.

MOVED Director Sherry, SECONDED Director Krall, that the correspondence from the Alberni-Clayoquot Regional District with respect to BC Hydro's Heritage Contract proposal to the British Columbia Utilities Commission, be received.

CARRIED

CORPORATE SERVICES

ADMINISTRATION

Application for a Temporary Change to a Liquor Licence – Cassidy Inn – Area A.

MOVED Director Kreiberg, SECONDED Director D. Haime, that the Board has no objection to the Cassidy Inn's request for a temporary change to their Liquor Licence to provide for an extended patio area for their Show 'n Shine event scheduled for September 7, 2003.

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 Krall, SECONDED Director Bartram, 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 may be pursued:

- (a) Parcel E (DD 4013781) of Section 21, Gabriola Island, Nanaimo Land District, 371 Berry Point Road, Electoral Area 'B', owned by B & K Shopping Centre.

CARRIED

PLANNING

Permanent Change to a Liquor Licence – Hours of Liquor Sales – Frontiersman Neighbourhood Pub & Restaurant – Area F.

MOVED Director Biggemann, SECONDED Director Bartram, that the application for a permanent change in a liquor licence for the purpose of amending the hours of liquor sales, as submitted by the Frontiersman Neighbourhood Pub and Restaurant, legally described as Lot A, Salvation Army Lots, Nanoose District, Plan VIP60993, be supported.

CARRIED

PRESENTATION

Ted Olynyk, re Vancouver Island Generation Project.

Mr. Olynyk provided a verbal and visual overview of the Vancouver Island Generation Project proposal currently under review by the British Columbia Utilities Commission.

Power Generation for Vancouver Island.

MOVED Director Krall, SECONDED Director McNabb, that the staff report on power options for Vancouver Island be received for information.

CARRIED

ENVIRONMENTAL SERVICES

LIQUID WASTE

2003 Local Government Grant Program – Infrastructure Planning (Study) Grants.

MOVED Director Sherry, SECONDED Director Krall, that staff be directed to make application to the Ministry of Community, Aboriginal & Women's Services for a planning grant of \$5,000 to evaluate potential groundwater contamination of Site #57 on Gabriola Island.

CARRIED

2002 Annual Report on the Liquid Waste Management Plan.

MOVED Director Sherry, SECONDED Director Biggemann, that the 2002 Annual Report on the Liquid Waste Management Plan be received.

CARRIED

Greater Nanaimo Pollution Control Centre Boiler Building Upgrade – Boiler Supply Tender Award and Construction Project Tender Award.

MOVED Director McNabb, SECONDED Director Sherry, that the Regional District of Nanaimo award the contract to supply boilers for the GNPCC boiler building upgrade to Cleaver Brooks for the tendered price of \$206,995.39 and award the construction contract for the boiler building upgrade to Knappett Construction for the tendered price of \$2,654,411.90.

CARRIED

Greater Nanaimo Pollution Control Centre – Sludge Heating & Boiler Building Upgrade Construction Services.

MOVED Director Sherry, SECONDED Director McNabb, that the Board direct staff to award the construction services consulting project for the GNPCC Sludge Heating and Boiler Upgrade to Associated Engineering Ltd.

CARRIED

Southern Community LSA Wastewater Treatment System & Facilities Reserve Fund Expenditure Bylaw No. 1356 – Greater Nanaimo Pollution Control Centre Boiler Building Upgrade – Release of Reserve Funds.

MOVED Director Sherry, SECONDED Director McNabb,:

1. That "Southern Community Local Service Area Wastewater Treatment System and Facilities Reserve Fund Expenditure Bylaw No. 1356, 2003" be introduced for three readings.
2. That "Southern Community Local Service Area Wastewater Treatment System and Facilities Fund Expenditure Bylaw No. 1356, 2003" having received three readings be adopted.

CARRIED

UTILITIES

Rural Streetlighting LSA Boundary Amendment Bylaw No. 791.08 – Area G.

MOVED Director Sherry, SECONDED Director Bartram, that "Rural Streetlighting Local Service Area Boundary Amendment Bylaw No. 791.08, 2003" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

Municipal Insurance Association.

MOVED Director Westbrook, SECONDED Director Bartram, that a letter be sent to Honourable Geoff Plant, Attorney General, requesting that the Ministry reform its laws on joint and several liability for local government.

CARRIED

NEW BUSINESS

Protection of Eagle Trees.

MOVED Director Bibby, SECONDED Director D. Haime, that staff be directed to report back to the Committee with respect to establishing development permit areas and guidelines to protect eagle trees within all electoral areas of the Regional District of Nanaimo except Electoral Area 'B'.

CARRIED

ADJOURNMENT

MOVED Director Sherry, SECONDED Director C. Haime, that this meeting adjourn to allow for an In Camera meeting.

CARRIED

TIME: 7:46 PM

CHAIRPERSON



TOWN OF QUALICUM BEACH

INCORPORATED 1942

201 - 660 Pinnace St.
P.O. Box 130
Qualicum Beach, B.C.
V9K 1S7

Telephone: (250) 752-6921
Fax: (250) 752-1243
E-mail: qbtown@qualicumbeach.com
Website: www.qualicumbeach.com

August 8, 2003

Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC
V9T 6N2

Attention: Mr. Joe Stanhope, Chair & Board of Directors

Dear Members of the Board

**Re: Proposed Boundary Extension -
Lot B, District Lot 88, Nanoose District, Plan VIP 71580, Ravensbourne Lane.**

**Lots 1 & 2, Block 20, District Lot 78, Nanoose Land District, Plan 1694, PP VIP 56175 and
Lot 3, Block 20, District Lot 78, Nanoose Land District, Plan 1694, View Road.**

At the beginning of December 2002 correspondence was forwarded to Mr. Bob Lapham, Development Services, beginning the process for a proposed boundary extension for Qualicum Beach.

Mr. Lapham had some questions regarding the proposed extension, to which we replied on January 9, 2003. Since that time the proposed extension has been placed on hold for a variety of reasons. Council of the Town of Qualicum Beach has now instructed staff to continue with the boundary extension process.

As it is the policy of the Ministry of Community, Aboriginal and Women's Services that the affected regional district be consulted on municipal boundary extension proposals, and subsequent to additional information provided to Mr. Lapham, we are respectfully requesting your favourable consideration of the proposed boundary extension.

Thank you for your attention to this matter.

Yours truly

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

File: 6550-20-ravelnd
✓ MDB/PTB

ASSOCIATION OF VANCOUVER ISLAND
AND COASTAL COMMUNITIES
545 Superior Street
Victoria, B.C. V8V 1T7

REGIONAL DISTRICT OF NANAIMO	
AUG 05 2003	
CHAIR	GMCrS
CAO	GMDS
GMCmS	GMES
250.356-5119 <i>Red Corbett</i>	
CW	

Telephone: 250.356.5133

Fax:

TO: Mayor and Chairs
FROM: Mayor W. J. (Jack) Peake, AVICC President
DATE: July 28, 2003
RE: FORMATION OF THE FOUNDATION

Please find attached a copy of a letter from Chief Harvey Alphonse proposing we move forward on the formation of the Foundation to preserve and recreate the E & N Railway.

I too believe it is time move ahead or we will lose the situation altogether. Both the investors in the Vancouver Island Railroad and CPR are losing patience with the process and may soon pull their support if we do not proceed. It is my opinion that the Foundation can be formed using a founding board, designating who can belong with a limitation to only local governments and First Nations participating. This will give us the opportunity to proceed while continuing to do the other work necessary and at the end of the day all should come together at the same time. I have a number of individuals already prepared to be members of the founding board and would appreciate you in your capacities giving approval to moving forward on this.

The investors have agreed to fund the costs of forming the board with no strings attached except to try to recover the funds if the Foundation is successful, otherwise the fund are not recoverable.



Cowichan Tribes

5760 Allenby Road Duncan, BC V9L 6J1
Telephone (250) 748-3198 Fax: (250) 748-1233

July 28, 2003

Via Facsimile: (250) 749-3900

Mayor Jack Peake (President-AVICC)
The Town of Lake Cowichan
P.O. Box 860
39 South Shore Road
Lake Cowichan, B.C.
V0R 2G0

Dear Mayor Peake:

I am writing you in your capacity as the President of the Association of Vancouver Island and Coastal Communities (AVICC) and as a participant in the efforts to secure the E&N Railway Corridor for the communities on Vancouver Island.

As you know, Cowichan Tribes and the Khowutzum Development Corporation have been involved in this effort from the outset. We recognize the potential economic benefits that control of the railway corridor can bring to our community. We also wish to assert our interest and underlying entitlements in the corridor lands in a manner that will benefit all communities on the Island.

I have recently been briefed on the current state of the initiative. It is time to move from reflection to action.

We therefore support the immediate formation of the E&N Corridor Foundation as a first step toward gaining control over this important asset. A Foundation formed by representatives of the First Nations on the Island and the local communities will allow us to collectively take charge of the corridor and ensure that it is managed to benefit the communities that it was intended to serve. We welcome the opportunity to work collaboratively with local and municipal governments to this end.

At the appropriate time, one of our Elders would stand as one of the founding members of the Foundation and, as in the past, we will encourage the participation of other First Nations on the line.

I have asked Ron Rice, a member of our community who is currently involved in the rail initiative, to work to with others to get the foundation in place in the coming weeks. I would appreciate it if you would nominate a number of individuals who would be prepared to work on this initiative who understand the benefits of what we are trying to achieve and the interests of local government. I will also write to my fellow Chiefs on the Island and solicit their participation.

I look forward to working with you all on this important initiative.

Yours truly,



Chief Harvey Alphonse

cc: President, Khowutzun Development Corporation.

DISTRICT OF LANGFORD
2nd Floor, 877 Goldstream Ave.
Victoria, BC
V9B 2X8

August 12, 2003

REGIONAL DISTRICT OF NANAIMO			
AUG 1 2003			
CHAIR		GMCRS	
CAO		GMDS	
GMCM6		GMES	
		<i>Bed Cornes</i>	<i>✓</i>
		<i>CCW</i>	

MAYOR'S OFFICE
Tel: (250) 478-7882
Fax: (250) 478-7864
Website: district.langford.bc.ca

File No. 8640

Judy Brownoff, Chair
Capital Regional District
Box 1000
Victoria, BC V8W 2S6

Mary Marcotte, Chair
Cowichan Valley Regional District
175 Ingram Street
Duncan, BC V9L 1N8

Jim Abram, Chair
Comox-Strathcona Regional
6300 Comox Road
Courtenay, BC V9N 3P6

✓ Joe Stanhope, Chair
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Derek Appleton, Chair
Alberni-Clayoquot Regional District
3008 - 5th Avenue
Port Alberni, BC V9Y 2E3

Dear Sirs;

Re: Vancouver Island Foundation/E&N

Langford Council agrees that the formation of the Vancouver Island Foundation should be expedited. Unless action is taken very soon, the opportunity to save the railroad will be lost.

Council believes that the action described in Part VII C – Costs To Go Forward – of the Mayers Norris Penny Consultant report of July, must be undertaken before a decision can be made.

Council, working with the other participants in the CRD, is prepared to nominate a Director for the Foundation for our area and to discuss the financial implications.

Council is also contemplating a municipal tax exemption bylaw before October 31, 2003 for the railroad right-of-way for the 2004 tax year.

Please advise us what action other participants are prepared to take.

Yours truly



Lanny Seaton
Acting Mayor

LS/kb

PAGE
12



REGIONAL DISTRICT OF NANAIMO		
AUG 18 2003		
CHAIR		GMCrs
CAC		GMDS
GMCms		GMES
Call ✓		
DATE: August 14, 2003		

MORANDUM

TO: Neil Connelly
General Manager, Community Services

FROM: Christina Thomas
Senior Planner, Community Services

FILE:

SUBJECT: IMPLEMENTATION AGREEMENTS REGARDING URBAN CONTAINMENT & RURAL PROTECTION

PURPOSE

To obtain direction regarding the review and development of implementation agreements concerning urban containment and rural protection.

BACKGROUND

Terms of Reference are provided for consideration of approval to review and develop implementation agreements concerning urban containment and rural protection (*see Attachment #1*).

The recently updated regional growth strategy adopted by the RDN Board (Bylaw No. 1309) establishes agreements among the RDN and the member municipalities:

- to "review the Urban Containment and Fringe Area Management Implementation Agreement to address issues regarding the level and type of development that warrants consideration as an urban development on land inside the Urban Containment Boundary and to better coordinate between jurisdictions urban land use and development on land inside the UCB" (Policy 1D); and
- to "develop an implementation agreement to address issues regarding development on rural land and to better coordinate between jurisdictions rural land use and development outside the Urban Containment Boundary" (Policy 3E).

Growth Management is Strategic Priority #2 of the RDN Board pursuant to its strategic plan, "Strategic Directions 2003-2005". One of the actions identified as a part of the strategic plan is the review and development of implementation agreements concerning urban containment and rural protection.

The Urban Containment and Fringe Area Management Implementation Agreement is an agreement amongst the RDN, the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville¹ regarding:

- the review and revision of Urban Containment Boundaries;
- the coordination of land use and service planning; and
- the management of land use, development, servicing, and cost recovery standards in areas adjacent to municipalities which are candidate areas for municipal boundary extensions with reference to municipal standards.

The Urban Containment and Fringe Area Management Implementation Agreement was developed in concert with the creation of the original "Growth Management Plan" (i.e. regional growth strategy) in the late 1990s to follow-up on a commitment in the 1997 Master Implementation Agreement between the

¹ The District of Lantzville is a party to the Agreement through its Letters Patent.

RDN and the Province, to undertake further work on urban containment and fringe area issues between the municipalities and the electoral areas – particularly in the Parksville area. It was also intended to accommodate differences in Urban Containment Boundary adjustment intervals, given that the original "Growth Management Plan" enabled UCB adjustments once every five years whereas the official community plans for two municipalities enabled adjustments to the UCB once every three years.

The Terms of Reference for the Urban Containment Implementation Agreement Update the Rural Protection Implementation Agreement establish the project deliverables, and the method and projected timeline for producing the deliverables. The project deliverables are an updated agreement concerning urban containment and a new agreement concerning rural protection. The agreements will be developed through a consultative process involving all of the member municipalities and the Intergovernmental Advisory Committee. It is expected that the project will be complete by the end of 2004.

ALTERNATIVES

1. Approve the Terms of Reference for the Urban Containment Implementation Agreement Update and the Rural Protection Implementation Agreement.
2. Not approve the Terms of Reference and provide additional direction to staff.

FINANCIAL IMPLICATIONS

Sufficient resources are provided in the Regional Growth Strategy Program 2003 budget to initiate the work required to update or create implementation agreements regarding urban containment and rural protection.

GROWTH MANAGEMENT IMPLICATIONS

The update or creation of implementation agreements concerning urban containment and rural protection will support the overall objective of the regional growth strategy, to make the region more sustainable, by confirming or establishing appropriate coordinated inter-jurisdictional approaches for decisions about rural protection and urban containment. The project will provide an opportunity to discuss, clarify and resolve issues concerning the appropriateness of particular types of developments inside and outside the Urban Containment Boundary.

SUMMARY

Terms of Reference are provided for consideration of approval to update/create implementation agreements concerning urban containment and rural protection (*see Attachments #1*). The Terms of Reference are provided in response to the Board's Strategic Plan for 2003-2005, and the direction established by the recently adopted Regional Growth Strategy Bylaw No. 1309.

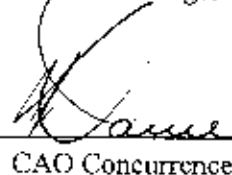
RECOMMENDATION

That the Terms of Reference for the Urban Containment Implementation Agreement Update and the Rural Protection Implementation Agreement be approved.



Report Writer


General Manager Concurrence


CAO Concurrence



Urban Containment Implementation Agreement Update & Rural Protection Implementation Agreement Terms of Reference

Purpose

The purposes of the Urban Containment Implementation Agreement Update and the Rural Protection Implementation Agreement are to fulfill the commitments established in the:

- RDN Board Strategic Plan, *Strategic Directions 2003-2005*, and
- recently updated regional growth strategy adopted by the RDN Board, *Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309*.

Background

Growth Management is Strategic Priority #2 of the RDN Board pursuant to its strategic plan, "Strategic Directions 2003-2005". One of the actions identified as a part of this strategic priority is an update of the Urban Containment and Fringe Area Management Implementation Agreement.

The recently updated regional growth strategy adopted by the RDN Board, *Regional District of Nanaimo Regional Growth Strategy Bylaw No. 1309*, establishes an agreement among the RDN and the member municipalities to "review the Urban Containment and Fringe Area Management Implementation Agreement to address issues regarding the level and type of development that warrants consideration as an urban development on land inside the UCB and to better coordinate between jurisdictions urban land use and development on land within the UCB" (Policy 1D). It also establishes an agreement among the RDN and the member municipalities "to develop an implementation agreement to address issues regarding development on rural land and to better coordinate between jurisdictions rural land use and development outside the Urban Containment Boundary" (Policy 3E).

The *Urban Containment and Fringe Area Management Implementation Agreement* is an agreement amongst the Regional District of Nanaimo, the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville¹ regarding:

- the review and revision of Urban Containment Boundaries;
- the coordination of land use and service planning; and
- the management of land use, development, servicing and cost recovery standards in areas adjacent to municipalities which are candidate areas for municipal boundary extensions with reference to municipal standards.

Concern has been raised by the parties to the Urban Containment and Fringe Area Management Implementation Agreement regarding the level and type of development that warrants consideration as an urban development on land inside the Urban Containment Boundary. Interest has been expressed by the parties to the Agreement regarding the possibility of making improvements to the intergovernmental coordination aspects of the Agreement.

Concern has also been raised regarding the type of land use and development considered appropriate on land outside the Urban Containment Boundary designated as Resource Lands and Open Space and Rural Residential. Interest has been expressed regarding the possibility that an agreement may provide an opportunity to better coordinate between jurisdictions rural land use and development outside the Urban Containment Boundary.

¹ The District of Lantzville is a party to the Agreement through its Letters Patent.

Deliverables

- ✓ An updated implementation agreement concerning urban containment for consideration by the RDN, the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville.
- ✓ An implementation agreement concerning rural protection for consideration by the RDN, the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the District of Lantzville.

Method

1. Intergovernmental Advisory Committee meetings as necessary to (1) gain a better understanding of the issues associated with the Urban Containment and Fringe Area Management Implementation Agreement and possible changes that would address these issues; and (2) to gain a better understanding of the issues associated with rural protection and possible changes that would address these issues.
2. Meetings with parties to the agreement as necessary to 1) gain a better understanding of the issues associated with the Urban Containment and Fringe Area Management Implementation Agreement and possible changes that would address these issues; and (2) to gain a better understanding of the issues associated with rural protection and possible changes that would address these issues.
3. Prepare revisions to Urban Containment and Fringe Area Management Implementation Agreement and draft a rural protection implementation agreement.
4. Circulate draft agreements to Intergovernmental Advisory Committee and member municipalities for discussion and comments.
5. Consideration of draft agreements by RDN Board.
6. Consideration of agreements for signature by parties to agreements.

Timeline

The following provides an *estimated* timeframe for this work:

1. IAC Meetings	Sept/03 to Dec/03
2. Meetings with parties to agreements.	Sept/03 to Dec/03
3. Prepare revisions to agreement/ draft agreement.	Jan/03 to March/04
4. Circulate draft agreements to IAC and member municipalities for discussion and comment	April/04 to July/04
5. Consideration of draft agreement by RDN Board	Aug/04- Sept/4
6. Consideration of agreement for signature by parties to agreement	Sept/04 to Dec/04

Resources

Existing RDN staff resources will complete this initiative.

TO: Neil Connelly
General Manager, Community Services

DATE: August 15, 2003

FROM: Christina Thomas
Senior Planner, Community Services

FILE: 6780 30

**SUBJECT: REGIONAL GROWTH STRATEGY IMPLEMENTATION PROGRESS
REPORT FOR 2001 AND 2002**

PURPOSE

To provide a report about Regional Growth Strategy implementation progress for 2001 and 2002.

BACKGROUND

A report regarding Regional Growth Strategy implementation progress for 2001 and 2002 is provided for consideration of receipt (*see Attachment #1*) to satisfy the *Local Government Act* requirement for the RDN to prepare an annual report on regional growth strategy implementation progress.

Reports have been prepared by the RDN regarding regional growth strategy implementation progress each year since the Regional Growth Strategy was first adopted in 1997. The last report prepared was for 2000. A report was not prepared earlier for 2001 and 2002 given the work program focus to complete a comprehensive review of the Regional Growth Strategy and to develop a new approach to monitoring regional sustainability. As a part of the new approach to monitoring sustainability staff will be working with the citizen committee appointed by the Board on August 12, 2003, to develop a comprehensive report about the sustainability of the region, based on 'indicators' or measures, over the next two years.

The report highlights the key achievements and challenges experienced in 2001 and 2002 by the RDN, the City of Nanaimo, the City of Parksville, and the Town of Qualicum Beach as they worked collaboratively and individually to advance the concepts of the Regional Growth Strategy in the region and in their respective jurisdictions. It was developed in consultation with RDN and member municipality planning staff.

The report highlights some of the key initiatives undertaken in 2001 and 2002 to implement the Regional Growth Strategy. In 2001 and 2002 a wide range of projects and decisions were undertaken to:

- to encourage and contain urban growth inside the designated Urban Containment Boundaries;
- support initiatives to increase the density and diversity of uses in designated growth areas;
- retain large parcel sizes and resource uses in rural areas;
- incorporate measures to protect watercourses and sensitive ecosystems into day-to-day decisions about land use and development;
- increase the amount of park land in the region –both for nature preservation purposes and human activity;
- widen the range of transportation options available;
- initiate investigations into methods of providing services to designated growth areas; and
- work with residents, non-governmental organizations, the business community and other levels of government to better coordinate decision-making.

ALTERNATIVES

1. To receive the report.
2. To not receive the report, and give additional direction to staff.

FINANCIAL IMPLICATIONS

Receipt of the report has no financial implications.

REGIONAL GROWTH STRATEGY IMPLICATIONS

Receipt of the report fulfills the obligation to monitor progress towards the achievement of regional growth strategy goals.

SUMMARY

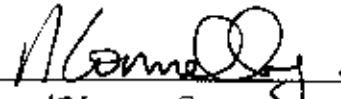
A report regarding Regional Growth Strategy implementation progress for 2001 and 2002 is provided for consideration of receipt (*see Attachment #1*) to satisfy the *Local Government Act* requirement for the RDN to prepare an annual report on regional growth strategy implementation progress.

RECOMMENDATION

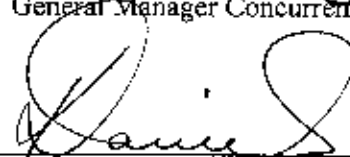
That the report regarding Regional Growth Strategy Implementation Progress for 2001 and 2002 be received.



Report Writer



General Manager Concurrence



CAO Concurrence



REGIONAL
DISTRICT
OF NANAIMO

**REGIONAL GROWTH STRATEGY:
2001-2002 ANNUAL REPORT REGARDING
IMPLEMENTATION PROGRESS**

August 2003

PAGE
19

EXECUTIVE SUMMARY

The Regional District of Nanaimo is making progress towards becoming the more sustainable region envisioned by the Regional Growth Strategy.

In 2001 and 2002, the RDN, the City of Nanaimo, the City of Parksville and the Town of Qualicum Beach worked together and individually to make the region more sustainable by:

- ✓ continuing to encourage and contain urban growth inside the designated Urban Containment Boundaries;
- ✓ supporting initiatives to increase the density and diversity of uses in designated growth areas;
- ✓ retaining large parcel sizes and resource uses in rural areas;
- ✓ incorporating measures to protect watercourses and sensitive ecosystems into day-to-day decisions about land use and development;
- ✓ increasing the amount of park land in the region -both for nature preservation purposes and human activity;
- ✓ pursuing initiatives to widen the range of transportation options available;
- ✓ initiating investigations into methods of providing services to designated growth areas; and
- ✓ continuing to work with residents, non-governmental organizations, the business community and other levels of government to better coordinate decision-making.

Growth and development are being accommodated in the region in a way that protects aspects of the region that residents value.

INTRODUCTION

The Regional District of Nanaimo has long been - and continues to be - one of the faster growing regions of British Columbia.

In response to residents' concerns about the impacts of growth and the fact that the impacts cross jurisdictional boundaries, the Regional District of Nanaimo Board adopted a Regional Growth Strategy in January of 1997 to guide decisions about growth, change and development¹. Regional Growth Strategies promote human settlement that is socially, economically, and environmentally healthy, and that makes efficient use of public facilities, services, land and other resources.

The Regional Growth Strategy for the Nanaimo region establishes a more sustainable pattern of population growth and development by encouraging most new development in designated urban areas, thereby keeping urban settlement compact, protecting the integrity of rural and resource areas, protecting the environment, increasing servicing efficiency, and retaining mobility within the region.

The Regional Growth Strategy establishes eight goals for future growth and development in the region:

1. Strong Urban Containment
2. Nodal Community Structure
3. Protection of Rural Integrity
4. Environmental Protection
5. Improved Mobility
6. Vibrant and Sustainable Economy
7. Efficient Services and Resource Use
8. Cooperation Among Jurisdictions

The goals are to be achieved gradually, over a twenty-five year period, as decisions are made about development applications and initiatives are undertaken by the Regional District of Nanaimo and its partners in growth management.

This report highlights progress made towards the eight goals of the Regional Growth Strategy through implementation activities undertaken, or completed, in 2001 and 2002. The report also highlights some of the challenges that have been faced in achieving the goals of the Regional Growth Strategy during that time.

¹ The Regional District of Nanaimo adopted an updated Regional Growth Strategy on June 10, 2003.

GOAL 1: STRONG URBAN CONTAINMENT

The majority of new development in the region is to be focused into designated urban areas inside Urban Containment Boundaries, to keep urban settlement compact, protect the integrity of rural and resource areas, protect the environment, increase servicing efficiency and retain mobility within the region.

Achievements

- ✓ The Urban Containment Boundary (UCB) was not moved to include more land inside the UCB for urban development, despite pressures to do so. Since the UCB has not been moved, there has been more incentive to develop vacant land designated for urban uses inside the UCB and less pressure to establish urban type residential areas on rural land outside the UCB.
- ✓ In an effort to increase the density and diversity of development on land inside the UCB, the City of Nanaimo adapted a 'mainstreet' policy to allow mixed-use developments that have residential units on the second floor, above retail units. The City also adopted tri-plex and quadplex multi-family policies to allow three or four units in structures designed to look like single-family homes on small lots.
- ✓ All of the official community plans for the City of Nanaimo, the City of Parksville, the Town of Qualicum Beach and the electoral areas continue to support the development of a mix of uses, including places to live, work, learn, play, shop and access services, on land inside the UCB, thereby reducing the pressure to establish these uses on land outside the UCB.

Challenges

- X! The RDN, the City of Nanaimo, the City of Parksville and the Town of Qualicum Beach are beginning to experience pressures to move the UCB so that more land is available for urban development, even though research indicates that there is a sufficient supply of land that could be developed for housing and commercial activity inside the current UCB. As a part of the first review of the Regional Growth Strategy the RDN received 22 development requests that would require a change to the UCB. These requests included changes in municipalities and electoral areas.

GOAL 2: NODAL STRUCTURE

Mixed use development that includes places to live, work, learn, shop, play and access services is encouraged on land inside the Urban Containment Boundaries.

Achievements

- ✓ The City of Nanaimo adopted new policies to encourage development downtown. New incentives for downtown development include tax exemptions for up to ten years in return for seismic upgrading of heritage buildings, reduced parking requirements for downtown residential units, and the elimination of Development Cost Charges for downtown development.
- ✓ The City of Nanaimo initiated an examination of its growth centre policies, to determine if changes are necessary to encourage growth in these areas.
- ✓ Small steps were taken towards enhancing one of the designated village centres in Electoral Area E. The RDN Board approved a rezoning for a parcel of land in the Red Gap Village Centre to allow a parcel previously used for residential purposes to be used for a commercial use. This approval resulted in the establishment of an additional medical clinic in the designated nodal area.

Challenges

- X□ The relatively slow economy has made the development community more cautious and reluctant to propose the more innovative developments generally intended for nodal areas.
- X□ The low price of existing and new single-family homes in the region continued to reduce the demand for multi-family housing in the designated growth areas, thereby resulting in minimal diversification of housing types in designated nodal areas.
- X□ The servicing of designated nodal areas in electoral areas continues to be a challenge, due in part to the land owner cost of providing community sewer services to existing properties to facilitate the development desired for the nodal area.

GOAL 3: PROTECTION OF RURAL INTEGRITY

The rural economy and lifestyle is to be protected by retaining large parcel sizes and land for agriculture, forestry and other resource uses.

Achievements

- ✓ The RDN and the member municipalities did not reduce the amount of land allocated to rural and resource uses by putting more land inside the Urban Containment Boundary.
- ✓ The RDN helped retain land for agricultural purposes in the electoral areas by not supporting several applications to exclude land from the ALR and by supporting an application to include land in the ALR at Rupert Road in Electoral Area G
- ✓ The RDN Board helped retain land for forestry purposes in the electoral areas by supporting an application to include land in the FLR.
- ✓ The RDN Board adopted a policy of relying upon the Provincial Agricultural Land Commission's agricultural knowledge and experience to make decisions about whether land in the Agriculture Land Reserve will be needed for agriculture in the future and whether the land is suitable for agriculture.

Challenges

- X The RDN experienced pressure to support several applications to remove land from the ALR in electoral areas to establish non-agricultural uses and to remove land from the FLR to establish non-forestry uses.
- X The RDN experienced pressure, in some areas of the region, to not increase the minimum permitted parcel size on land designated by the Regional Growth Strategy as Rural Residential to 1 hectare (pursuant to Regional Growth Strategy Bylaw No. 985.01) regardless of whether the property was or could be provided community water or community sewer service. Some owners of property located in community water service areas wanted to retain the same level of development potential that was permitted by the existing zoning with community water service in their neighbourhood (i.e. 1600 m²-2000m²). Other property owners with land that is not in a community water or community sewer system wanted community water and community sewer service provided so that they could achieve the smallest parcel size permitted by the current zoning bylaw (1000 m²).
- X Several senior government actions threatened the RDN and member municipalities' abilities to maintain rural character along the Inland Island Highway and on lands outside the Urban Containment Boundary. The Ministry of Transportation and Highways decision to not follow through on a commitment to maintain the vegetation along the Inland Highway created a potential fire hazard and liability that threatens the natural character of the corridor. The Ministry's initiative to commercialize specific rest stops in the Province, including two in the RDN, threatened rural character by potentially enabling commercial-like development in a rural area. Also, Land and Water BC, in pursuit of increasing the development value of its holdings, has suggested developments that would establish types of developments that might compromise the rural land base.

GOAL 4: ENVIRONMENTAL PROTECTION

The environment will be protected and ecological damage related to growth and development minimized.

Achievements

- ✓ Throughout the region, watercourse protection was considered and advanced in most developments close to watercourses, through a requirement to obtain a development permit prior to construction to make sure the development does not harm the watercourse. However, development permits are still not universally required throughout the regional district for development that is close to shoreline.
- ✓ Work continued to improve the accuracy of mapped information about watercourses by ground-truthing watercourses in various areas of the region with the assistance of non-governmental organizations.
- ✓ The Regional District of Nanaimo and the City of Nanaimo joined the federal Partners for Climate Protection Program.
- ✓ Measures were taken to raise public awareness about the benefits of water conservation and to consider other actions to encourage water use reduction.
- ✓ New park land was created in the RDN, the City of Nanaimo, the City of Parksville and the Town of Qualicum Beach. Some of the more notable park land additions include a Regional Park at Horne Lake, and a Regional Park on Gabriola Island.
- ✓ The RDN initiated the Zero Waste program to encourage residents to reduce - and ideally eliminate - solid waste disposal.

Challenges

- ✗ Every watercourse in the region is not designated as within a Development Permit Area designation to protect the watercourse and adjacent riparian areas as a part of development decisions.
- ✗ Only 22% of the Sensitive Ecosystems are designated as within a Development Permit Area to promote their protection in development decisions.

GOAL 5: IMPROVED MOBILITY

Mobility options within the region will be improved and diversified so that transportation is more efficient and there is less dependence upon the automobile.

Achievements

- ✓ The RDN completed a Transportation Study that examined the possibility of establishing a regional road network designation, identified regional transportation issues, and recommended a framework to address the identified issues.
- ✓ The RDN updated its Transit Business Plan to ensure that transit service maximizes service opportunities to residents within available budgets. A new transit service route was established to provide a direct connection between Malaspina University College and the downtown core to respond to market demand.
- ✓ A multi-use trail was constructed along the E&N Railway. The trail provides a safe transportation linkage for residents to incorporate walking or cycling into their commute to work or leisure activities.
- ✓ The RDN, the City of Nanaimo, the City of Parksville and the Town of Qualicum Beach supported the incorporation of pedestrian friendly design features, such as bicycle racks, benches and waling paths, into urban developments to encourage non-automobile forms of transportation.
- ✓ The City of Parksville continued to work with its Bicycle Committee to raise public awareness about cycling as fun, healthy, environmentally friendly method of transportation.

Challenges

- ✗ The automobile remains the most convenient form of transportation, in part due to the spread out linear form of development in the region.

GOAL 6: VIBRANT AND SUSTAINABLE ECONOMY

Strategic economic development that respects the rural and environmental protection priorities of the region will be supported.

Achievements

- ✓ The City of Nanaimo updated and continued to implement its Economic Strategy. Some of the key economic development initiatives the City has supported in the last two years include: the promotion of the Central Vancouver Island area as a film production location by Film Nanaimo, the Vancouver Island Economic Developers Association Marine Frontier Strategy which targets in-bound investment in the marine sector, the Human Resources Strategy for the Central Vancouver Island area which identifies employment skills gaps and identifies strategies to remedy these gaps in concert with Malaspina University College and others, the Business CARE business and retention program which focuses on problem solving for existing local businesses, the establishment of a conference centre to further enhance the appeal of the area as a tourist destination.
- ✓ The City of Parksville completed a new state-of-the-art civic centre to provide incubator space for high tech businesses.
- ✓ The City of Parksville initiated an examination of its downtown water front policies to encourage downtown water development.
- ✓ The City of Parksville updated its resort area zoning to enhance the viability of its resort development sector.
- ✓ The RDN modernized its home-based business regulations to enable a wider range of economic development opportunities that are compatible with rural neighbourhoods.

Challenges

- ✗ The slow BC economy makes it difficult to see economic growth in the region.

GOAL 7: EFFICIENT SERVICES AND RESOURCE USE

Cost efficient services and infrastructure will be provided where urban development is intended. Services will be provided in other areas where the service is needed to address environmental or public health issues and the provision of the service will not result in additional development.

Achievements

- ✓ The RDN, the City of Nanaimo, the City of Parksville and Town of Qualicum Beach provided community water and community sewer service to property in the region in accordance with the Regional Growth Strategy. Services were only provided to land outside the Urban Containment Boundary to fix an environmental or public health problem and not to facilitate additional development.
- ✓ The RDN completed a study regarding community sewer service options for the Village Centres in Electoral Area H.

Challenges

- ✗ Not all property owners in the region agree with the Regional Growth Strategy policy to only support the provision of community sewer and community water services to land outside the Urban Containment Boundary if there is an environmental or public health problem, and not to facilitate development.

GOAL 8: COOPERATION AMONG JURISDICTIONS

All levels of government, the public, and key private and voluntary sector partners will understand and commit to the goals of growth management.

Achievements

- ✓ The RDN, in partnership with the City of Nanaimo, the City of Parksville and the Town of Qualicum Beach, reviewed the regional growth strategy to consider whether changes should be made to improve the region's strategy for a more sustainable region. The review involved substantial public discussion, technical analysis and intergovernmental review. An \$80,000 grant from the Ministry of Community, Aboriginal and Women's Services and a \$30,000 grant from the BC Real Estate Foundation were obtained to help complete the project. The review culminated in the development of a revised regional growth strategy bylaw that was adopted in June of 2003.
- ✓ The RDN developed and adopted the first ever zoning bylaw for Electoral Area F to minimize land use conflicts between existing and future land uses and to promote development in the area that is compatible with the long term regional strategy.
- ✓ The RDN developed an indicator based monitoring program to track progress towards the attainment of the objectives of the Regional Growth Strategy and published the first report based on the data for the indicators.
- ✓ The RDN adopted an updated official community plan for Electoral Area A that is consistent with the regional growth strategy direction.

Challenges

- ✗ Provincial government changes and decisions have made it more challenging to implement the Regional Growth Strategy. Specifically, Provincial government changes to rules concerning drinking water protection, septic disposal regulation, use of provincial parks adjacent to highways, farming and forestry have placed increased responsibilities on local governments to ensure the Regional Growth Strategy is implement without providing any increase in resources to do so.



REGIONAL DISTRICT OF NANAIMO			
AUG 18 2003			
CHAIR		GMCrS	
CAO		GMDS	
GMCmS		GMES	
<i>Collin</i>			

MEMORANDUM

TO: Tom Osborne
Manager of Recreation and Parks

DATE: August 14, 2003

FROM: Jonathan Lobb
Parks Technician

File: 6240 20 A NARI

SUBJECT: Cranberry District Fire Department request for Regional Park Land Use

PURPOSE

To consider a Cranberry District Fire Department (CDFD) request for permission to develop a water well and associated structures at Nanaimo River Regional Park for the purpose of providing a reliable water supply for the CDFD's fire fighting trucks.

BACKGROUND

A water access arrangement between the CDFD and a private landowner has recently been cancelled and the fire department is now in search of a reliable water supply.

The CDFD has requested permission to install a water well, pump, hydrant and associated electrical and plumbing fixtures at the Nanaimo River Regional Park at the end of Fry Road in Electoral Area 'A' (site plan attached). This well would be accessed weekly to re-supply their firefighting trucks with water. Recreation and Parks Department staff has met on-site with Ron Gueulette, Fire Chief of the CDFD, and have identified a suitable location for the works to be installed. This location is beyond a secure gate that is currently accessible by key-holders only. The proposed location would not interfere with pedestrian or vehicle access for park users or staff. Mr. Gueulette has suggested that the Regional District would be allowed free access to the water supply in the future if the Regional District chose to install public washrooms or similar amenities at the park. An agreement with the Regional District would be beneficial both to the parties involved and to the community.

The Land Conservancy of British Columbia (TLC), from whom the Regional District leases the property, has been consulted and is in agreement to give permission to the CDFD for the water well development. The Regional District is scheduled to begin preparing a management plan for Nanaimo River Regional Park in September. The Terms of Reference, endorsed by the Regional Board on June 10, 2003, do not contain any reference or objection to any installation of water wells. It should be noted that given the untenable nature of the CDFD's existing water supply, the excessively dry weather, and the nature of the proposed development, that time is of the essence in returning a decision to the CDFD on this matter.

ALTERNATIVES

1. To grant permission to the Cranberry District Fire Department to proceed with the development of a water well and associated structures at Nanaimo River Regional Park subject to the CDFD entering into an agreement with the Regional District and meeting all legislated regulations that pertain to such development.
2. To deny permission to the Cranberry District Fire Department to proceed with the development of a water well and associated structures at Nanaimo River Regional Park.

FINANCIAL IMPLICATIONS

There will be no financial cost to the Regional District of Nanaimo for the development work being requested by the CDFD. Access to a free water supply for any future Recreation and Parks Department washroom development would allow for decreased capital and maintenance costs for developing and operating such an amenity.

INTERGOVERNMENTAL IMPLICATIONS

The Recreation and Parks Department has consulted the Ministry of Transportation regarding potential setback and access issues at Conservancy Road, adjacent to the proposed well site. There are no concerns on the Ministry's part regarding this proposed development.

The CDFD will be responsible for satisfying any requirements set forth by the Ministry of Water, Land and Air Protection, the Ministry of Sustainable Resource Management and the Central Vancouver Island Health Region. At this time, it does not appear that the proposed development would require a Water Licence.

CITIZEN IMPLICATIONS


The development of a water well at Nanaimo River Regional Park will allow for improved response time by the CDFD to the population it serves. The ability of the Recreation and Parks Department to tie into this water supply for possible future public washroom development would provide improved amenities for park visitors. The anticipated impact on the park is minimal. The well and fixtures would occupy an area approximately 3 metres by 3 metres by 1 metre. A water pipeline and associated pump houses supplying the industrial area at Harmac already exist within the park; the proposal from CDFD will be located in the general vicinity of the pipeline.

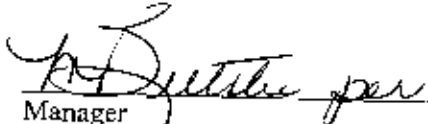
SUMMARY

The Cranberry District Fire Department has requested permission to install a water well at Nanaimo River Regional Park in Electoral Area 'A'. This well is for the purpose of re-supplying their firefighting trucks with water. If the proposed development proceeds, free access to the well water would be provided to the Regional District of Nanaimo in the event that the Recreation and Parks Department chooses to construct public washrooms on site in the future. The site would be located out of the way of public and Regional District access routes and would not interfere with park operations. The Land Conservancy of British Columbia, from whom the Regional District leases the property, has been consulted, and is in agreement with giving permission to the CDFD for the water well development.

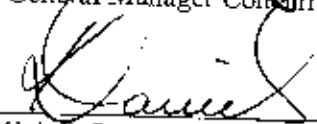
RECOMMENDATION

That the Regional District grant permission to the Cranberry District Fire Department to develop a water well and associated structures, as described at Nanaimo River Regional Park subject to the CDFD entering into an agreement with the Regional District and meeting all regulations.


Report Writer

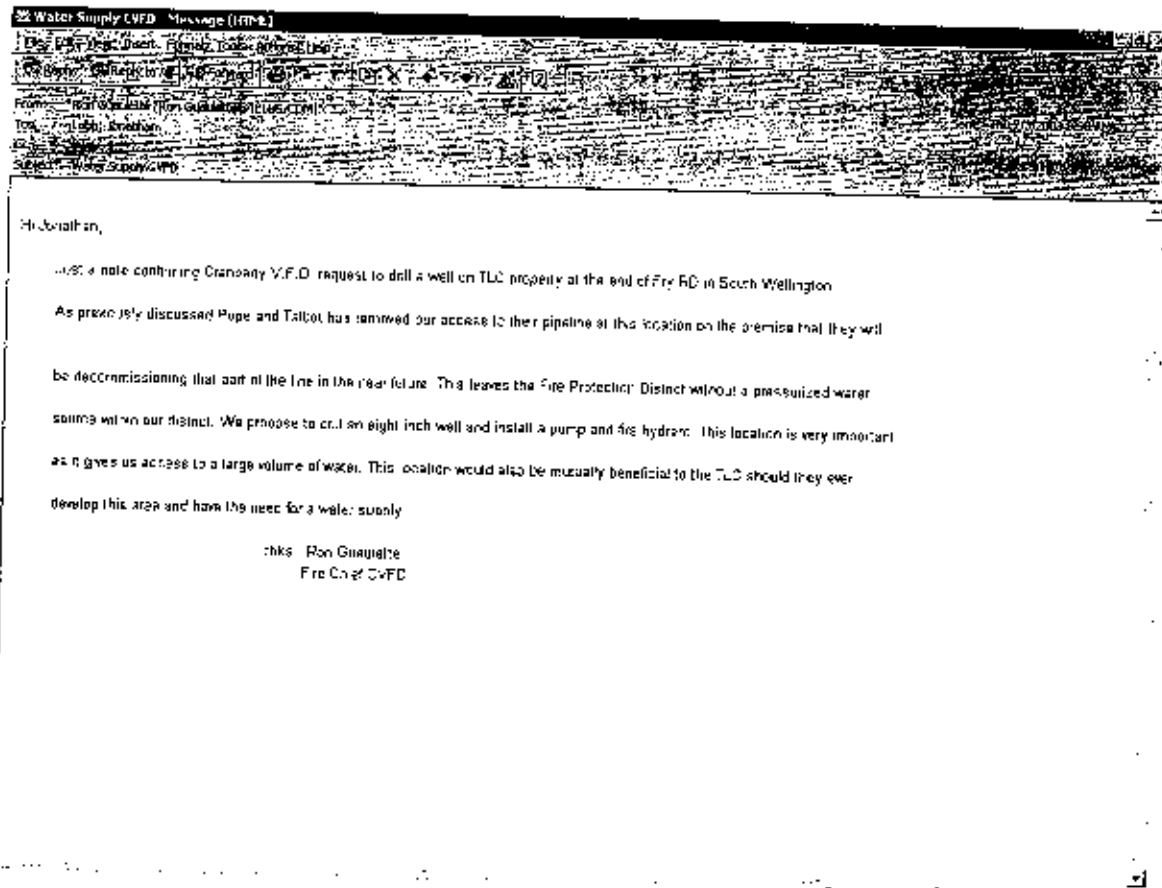

Manager


General Manager Concurrence

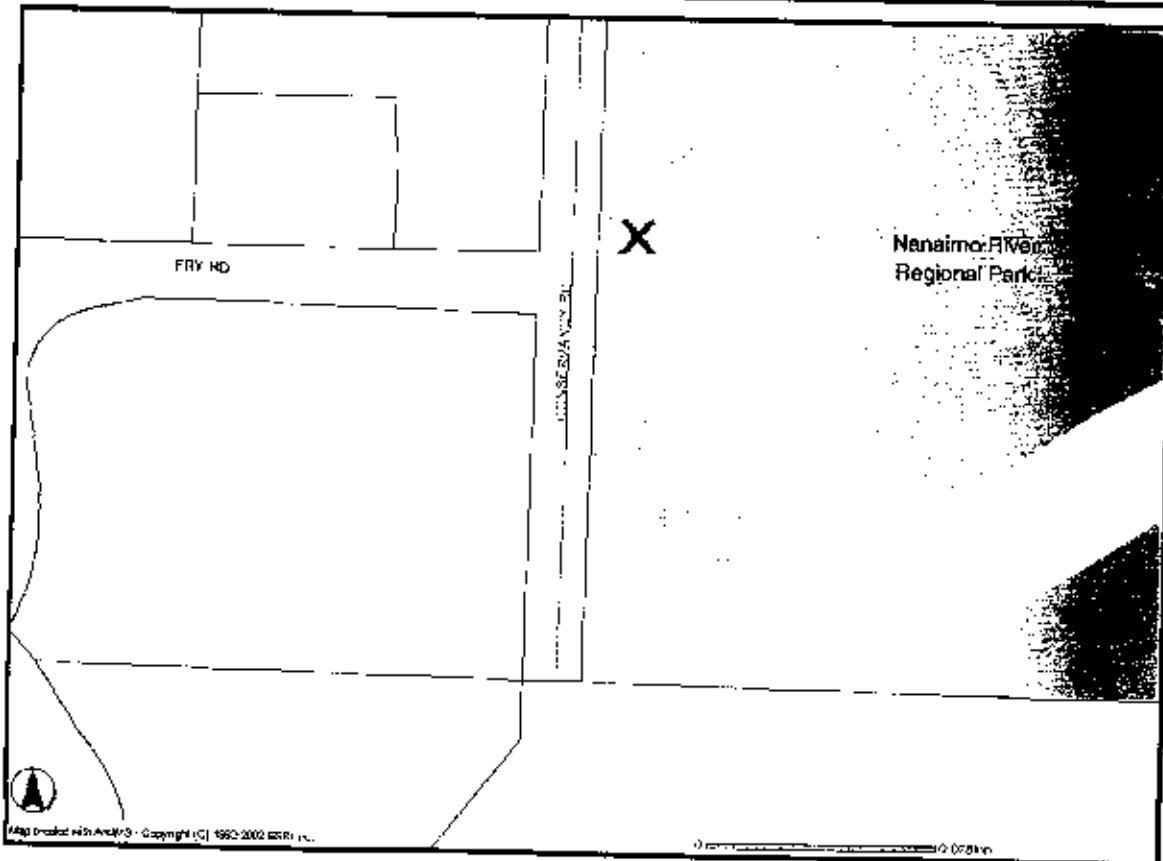
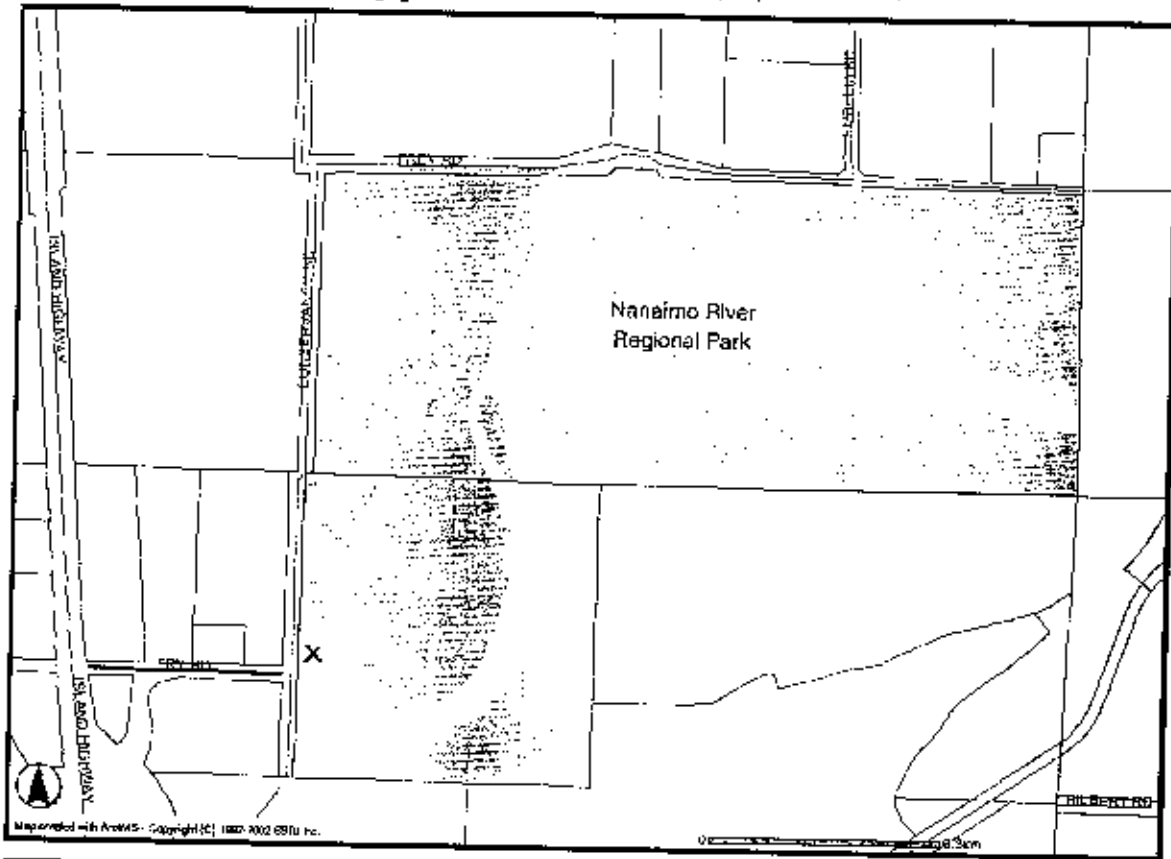

C.A.O Concurrence

COMMENTS:

Email from Ron Gueulotte, Cranberry District Fire Department; sent July 3, 2003:



X = approximate location of proposed works





REGIONAL DISTRICT OF NANAIMO			
AUG 19 2003			
CHAIR		GMCrS	
CAO		GMDS	
GMCm8		GMES	
[Signature]			

MEMORANDUM

TO: Board of Directors

DATE:

August 15, 2003

FROM: K. Daniels
Chief Administrative Officer

FILE:

SUBJECT: Vancouver Island Railway

PURPOSE

To consider our involvement in establishing and maintaining an organizational structure to own and manage the E & N Railway Corridor on Vancouver Island.

BACKGROUND

Note: The administrators from the Capital Regional District, Cowichan Valley Regional District, Alberni Clayoquot Regional District, Comox Strathcona Regional District and myself have collaborated significantly on this project. The following background largely comes from a report from the Administrator of the Capital Regional District. This background covers much of the financial and intergovernmental implications of the foundation.

The Current Situation

The E & N Railway is currently operated by Rail America as a Provincially-regulated railway and is governed by the Provincial Railway Act.

There are three rail services offered under this arrangement on the Island; namely, freight, passenger and barge services.

Rail Freight.

Rail freight services are offered by Rail America's wholly-owned subsidiary, E & N Railway and through Canadian Pacific Railway (CPR). The current rail freight on the line are CPR customers when the freight originates on the Mainland or is destined for the Mainland. There used to be some intra-Island freight, but not at this time.

Passenger Rail.

VIA Rail operates a passenger service on the Island as part of its Regional service.

Rail Barge.

The rail barge service is in Nanaimo and provides the connection between the Island railway and the Mainland.

Overall management and maintenance of the rail infrastructure is the responsibility of Rail America which plans to terminate service in the Fall of 2003.

What is Included in the E & N Corridor and Who Owns It?

The E & N Railway corridor runs approximately 200 miles from Victoria to Courtenay, from Parksville to Port Alberni and from Duncan to Lake Cowichan. On average it is 100 feet wide and operable rail infrastructure is on all but the 17 miles that runs to Lake Cowichan from Duncan. In terms of rail infrastructure, there is ballast, land, rails, ties, trestles, culverts, bridges, train stations and tunnels.

The corridor runs through 5 regional districts, 9 First Nation communities, 10 municipalities and 13 unincorporated communities. Approximately 85% of the Island's population live within 30 minutes of the corridor. The section of the corridor from Victoria to Nanaimo belongs to CPR and is leased to Rail America. The section of the corridor from Parksville to Courtenay belongs to CPR and is leased to Rail America. The section of the corridor from Nanaimo to Port Alberni and from Nanaimo to Parksville belongs to Rail America.

Proposed Organizational Structure for Owning and Managing the E & N Corridor

Rail America plans to terminate the rail service in the Fall of 2003 and this report is intended to describe and comment on a proposal which will include a public/private partnership to maintain and improve the existing rail service on Vancouver Island.

The Association of Vancouver Island & Coastal Communities (AVICC) has held a number of meetings to discuss a proposal from the Vancouver Island Railway Company (Island Rail) for a private/public partnership to take ownership and operate the rail line on Vancouver Island. Island Rail is a private company owned by five British Columbia companies. The proposal is to address their claim that the infrastructure is not being adequately maintained and that all rail and rail-related services must be integrated into a single, coordinated operation that controls all aspects of rail service on Vancouver Island.

Island Rail estimates there are \$10M in deferred maintenance costs on the E & N Railway at the present time. The proposed private/public partnership calls for the establishment of a Vancouver Island Corridor Foundation (Federally incorporated charitable Foundation) by affected local governments and First Nations to own and control the corridor. The Foundation would be granted non-taxable charitable status by Canada Customs & Revenue Agency.

A Corridor Authority would be formed as a wholly-owned subsidiary of the Foundation and would be mandated to enter into agreements and leases for the management of the corridor. Island Rail would then enter into a long-term contract or lease of the Railway assets for the purpose of operating the rail services. Island Rail would assume responsibility for the management of the infrastructure and its maintenance and would also assume full operational responsibility for the line as required under legislation.

The CPR has offered to donate the portion of the railroad which it owns to the Foundation. The gift would include the land, the rail infrastructure and related assets on the corridor. The Foundation would then issue a tax receipt for the appraised value of the donation. The portion of the corridor which is owned by Rail America would be leased to Island Rail for 20 years with an option to acquire after 10 years. Island Rail would assign the lease to the Foundation giving the Foundation control over the entire corridor.

The Corridor Authority would be a non-profit society responsible to put into operation the objectives of the Foundation. It would be the entity responsible for contracting services and entering into joint ventures. The governance of the Authority would include representation from the 5 regional districts, the First Nations from each of the Regions and Island Rail.

Critical Risks Assessment

At one of the AVICC meetings to discuss this proposal, approval was given for a consulting firm to be hired at a cost of \$28,687.50 plus GST with the costs to be shared equally among the 5 regional districts.

There was a need for the consulting services to be performed to objectively sort through the complexities of the proposal and to determine:

1. Whether a non-profit Foundation is the most appropriate means to participate in this venture.
2. The financial, business and other risks municipal governments and First Nations may face through participating in a private/public partnership of this nature; and,
3. The financial requirements and exposure of member local governments within the next six months and over a longer term (5 to 10 years).

A 60 page report has been provided by the consultants re the above. The executive summary has been circulated under separate cover. The risk assessment prepared by the consultants is broken down into six categories: (1) Environmental (2) Economic (3) Social (4) Technological (5) Political and (6) Operational.

1. Environmental Risk:

Environmental cleanup and remediation costs are ultimately the responsibility of the landowner which will be the Foundation. A Level 2 environmental assessment is recommended by the consultants and would involve soil samples and provide detailed information on the environmental state of the corridor. While it may be possible to obtain insurance without a Level 2 environmental assessment, insurance companies, typically, require it and without one, the likelihood of adequate insurance coverage is minimal and insurance premiums would be onerous.

Without a comprehensive environmental assessment, it is impossible to determine the environmental cleanup and remediation costs for the corridor. These costs could range from minimal to several millions of dollars and without an assessment the total costs would be impossible to estimate.

2. Economic Risk

The viability of the Railway operator (Island Rail) is critical risk to the Foundation. If the operator fails, the Foundation will have several choices in regards to what actions to take. The options include: (a) finding another operator, (b) taking over the operation, (c) dissolving the Foundation and disposing of its assets, or (d) using the corridor for other purposes.

In the opinion of the consultants, the Foundation needs a business plan to evaluate and examine each of the above options with a process of decision-making. The startup, capital and operating costs involved with running and managing the corridor are unknown at this time.

The Island Railway is proposing an annual corridor access fee of \$150,000. In addition, Island Railway has indicated that rights-of-way (truck crossing rights, utilities, parking lots, etc.), other than the Telus fiber optics lines, produce \$100,000 in revenue for CPR which would transfer to the Foundation with the donation of the corridor. Without a market study, it is difficult to identify what potential there is in increasing the right-of-way revenue.

Currently, the railroad is under Provincial jurisdiction and as such does not qualify for Federal funding for infrastructure improvements. Island Railway has expressed plans to apply for Federal Government funding after moving the railroad back to Federal jurisdiction. There is a risk that Federal funding for infrastructure upgrades may not be available when needed and prevent Island Railway from using the track until the necessary upgrades are completed.

3. Social Risk

Public perception. There will be negative public opinion if help is not given to enable Island Railway to succeed, but there will also be negative opinion if help is given and Island Railway fails.

The consultant recommends that having a business plan will help to communicate the goals and objectives of the Foundation to the general public.

4. Political Risk

The state of repair of rail infrastructure (including equipment, switching stations, maintenance yards, bridges, trestles, culverts and internal control systems for scheduling, bookings and reporting) is unknown. Critical issues such as the state of repair of the 120 bridges, 400 culverts and 200 miles of track, ballast and ties along the railroad have not been confirmed or reviewed.

5. Political Risk

Any change to the existing and/or future use of the corridor and its infrastructure will require the approval of numerous levels of government. For instance, changes or improvements to existing culvert systems will require approval from the Fisheries Department. Other groups who may have a say or vested interest in changes made to the corridor could include First Nations, unions and various Ministries such as Forestry, Mines & Minerals, Fisheries, Environment, Land & Water and Sustainable Resources to name a few.

The consultant recommends the preparation of a business plan to address these potential issues.

6. Operational Risk

Without the benefit of a detailed baseline study or appraisal, it is difficult to determine the actual state of the corridor and its related infrastructure all of which have a significant impact on the financial viability of the Foundation and the operator (Island Railway).

The consultant recommends a full assessment and appraisal of the rail line and all of its assets should be completed including an estimate of net salvage value. This, together with the Level 2 environmental assessment, are viewed as the two most critical next steps in the *due diligence* process. The cost to complete the assessment, appraisal and environmental studies is estimated at \$300,000.

Financial Requirements

It should be noted that the public partner in the proposed private/public partnership is the Foundation. The Foundation is a limited liability corporation which means that its debts and liabilities do not transfer to its members. Therefore, should the local governments choose to provide seed money to cover contingencies and set-up the Foundation, they do not extend their commitment to covering the future debts and liabilities of the Foundation.

The local governments will not be responsible for the debts and liabilities of Island Railway unless they agree to undertake to do so.

The local governments have a potential loss of revenues due to a reduction of property taxes as a result of the changes in the classification of the railroad from a utility to a Foundation. As is the case in all corporations, there is a potential liability to Directors of the Foundation. Insurance is available to indemnify Directors' liability. The cost of insurance would have to be determined and would become a cost of operation to the Foundation.

There are costs involved to take this proposal forward and they are identified by the consultant as follows:

FINANCIAL REQUIREMENTS		
FUNCTION	WHAT FUNCTION DETAILS	COST
Set-Up Foundation	Determination of who will be the first members and Directors of Foundation, development of charter and bylaws and submission of application to Federal Government. There may also be a need for a facilitator and certainly a need for legal advice in going through this process.	\$25,000.00
Appraisal and Environmental Study	Prior to the Foundation accepting the property as a gift from CPR, it must satisfy itself that the associated costs do not exceed the property value. Therefore, an environmental study of the assets would be required. A company which undertakes such environmental studies and appraisals has estimated \$300,000 for this undertaking. However, Island Railway has indicated that CPR already has a Level 2 environmental study done in 1998 which could be updated at minimal cost. Island Railway has undertaken to cover the cost of updating the study. The Foundation still would need its own independent consultant to review the findings of this study. Therefore, there could be estimated savings of approximately \$100,000 on the original estimate.	\$300,000.00
Prepare Business Plan	Foundation needs a business plan as pointed in several instances under the recommendations to mitigate risk. The plan would address whether there is a need for an Authority to be formed, would clearly address the relationship with Island Railway, ensure all potential sources of revenue and expenditures are identified, identify risks faced by the Foundation by virtue of its involvement in the venture, development risk management strategies and address the various options for the use of the corridor assets in addition to the rail operation as well as the use of the assets should Island Railway cease to operate.	\$50,000.00
Negotiate Agreements	Foundation would have to spend some time to properly negotiate its agreement with CPR and Island Railway to minimize its risks. Business consultants and lawyers would be involved in the negotiation of these agreements.	\$50,000.00

FINANCIAL REQUIREMENTS (Continued)		
Due Diligence	Other due diligence may be identified through the above process. Although the exact details of this due diligence have not yet been identified, an amount has been included as a contingency.	<u>\$75,000.00</u>
	TOTAL:	<u>\$500,000.00</u>

Potential saving by using environmental study prepared by CPR in 1998 and Updated by Island Railway in 2003 (\$ 100,000.00)

Total estimated costs not yet supported by specific quotes \$ 400,000.00

ALTERNATIVES

1. (a) That the Board approve an amount of \$6,139.12 as the Regional District of Nanaimo's share of the consultant's report. The source of funding to be general administration.
- (b) That the Board approve in principle the creation of a Foundation to own and manage the railway corridor on Vancouver Island.
- (c) That the Board participate in the next phase of discussions with the understanding that:
 - (i) any further consultant or study costs be brought to the Board for approval.
 - (ii) any final decision on our participation in the Foundation would be made upon receipt of the final Foundation documents, the business plan and appraisals and environmental studies.
2. (a) That the Board approve an amount of \$6,139.12 as the Regional District of Nanaimo's share of the consultant's report. The source of funding to be general administration.
- (b) That the Board participate no further in the creation of the Foundation.

SUMMARY/CONCLUSIONS

There are significant efforts being expended to save the E & N railway corridor and maintain the operation of a passenger and freight train on the Island. The proposal for a public/private partnership between Vancouver Island Railway and a Foundation made up of local governments and First Nations has been proposed and investigated by AVICC. A risk analysis has been completed by consultants hired by AVICC and they have determined that while there is no financial risks to municipalities who may be members of the Foundation, there may be a risk to the Foundation and it's members assuming ownership of contaminated lands in the corridor if Vancouver Island Railway were ever to collapse. It was determined therefore to be important to update current environmental assessments on the corridor and other lands to ensure that local governments would not inherit a liability. The cost of this report as well as other work to form the Foundation, development a business plan, etc. is seen as critical information to have in place prior to a final decision on becoming involved with the Foundation.

There are a number of critical issues that need to be addressed during this phase. Not only do the Foundation bylaws need to be determined but critical issues specific to the Regional District of Nanaimo need to be addressed. Concerns over tax exemptions/reductions for rail crossings and rail lands (a significant portion of which are in the City of Nanaimo), the need for a Corridor Authority, the fact that corridor lands through Nanaimo are currently proposed to be acquired on a long term lease versus a gifting as in the case of other corridor lands are just some of these issues to be discussed. The important thing to note here is if we do not support the establishment of the Foundation then we will not likely be directly involved in the discussions to determine the conditions under which the Foundation will operate. Further, since at this point it is proposed that the Vancouver Island Railway Company will finance most if not all of the costs to answer these questions, it seems prudent to support the creation of the Foundation.

RECOMMENDATION


That the Board approve an amount of \$6,139.12 as the Regional District of Nanaimo's share of the consultant's report. The source of funding to be general administration.

That the Board approve in principle the creation of a Foundation to own and manage the railway corridor on Vancouver Island.

That the Board participate in the next phase of discussions with the understanding that:

- (i) any further consultant or study costs be brought to the Board for approval.
- (ii) any final decision on our participation in the Foundation would be made upon receipt of the final Foundation documents, appraisals and environmental studies, and the business plan.

That the Chairperson appoint a representative from the Board to work on the creation of the Foundation.



C.A.O.

COMMENTS:



REGIONAL DISTRICT OF NANAIMO		
AUG 20 2003		
CHAIR	GMCrs	
MEMORANDUM	GMS	
GMCms	GMS	
COWL		

TO: N.Avery
Manager, Financial Services

DATE: August 15, 2003

FROM: W.Thexton
Senior Accountant

FILE:

SUBJECT: Operating Results to June 30, 2003

PURPOSE

To present a summary of the operating results for the period ending June 30th, 2003.

BACKGROUND

Regional District staff prepare and present quarterly operating statements to the Board as part of their commitment to accountability. The statements for the period January 1 to June 30, 2003 are attached as appendices to this report 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' transactions except for debt and property taxes, which are recorded monthly. Assuming an even distribution of revenues and expenses throughout the year, the proportion of revenues and expenditures to date (the 'benchmark') would be approximately 50% of the budgeted amounts for the year, with the exception of wages. Due to the timing of wage payments throughout the year, the benchmark for this expense category is 54%. Actual results will vary from the benchmark for a variety of reasons as outlined below.

Appendix 1 - Overall Summary of RDN Operating Results

The overall year-to-date results show revenues at 59% of budget, including the prior year surplus, and expenditures at 40% of budget. Expenditure timing will vary considerably throughout a typical year. For example, capital purchases and projects tend to be completed and paid in the last half of the year, although they may be committed earlier. Similarly, reserve fund contributions and contract payments to other governments and agencies generally occur in August, after receipt of property tax funds.

Appendix 2 - Summary of Operating Results by Function

This schedule provides a summary listing of all functions within each division and shows the total revenues and expenditures for each function compared to the annual budget. Highlights of the quarterly results are discussed below.

Appendix 3 -Community Services

Expenditures for the recreation, parks, aquatic center and arena functions continue to be below the benchmark because of the seasonal nature of their activities. The Gabriola Island Recreation function expenditures are higher than the semi annual benchmark because the operating grants are paid in advance.

The Southern Community Transit service shows a deficit as at June 30th. Internal projections by staff early in July prior to full June results, indicated that a year end deficit of about \$100,000 to \$120,000 would be likely, mostly due to Conventional revenues trending lower than anticipated. This was reported informally to the Board at its meeting on July 8th. With full month results for June available, staff are concerned that revenues may be less than earlier projected by about \$65,000. Prepaid product (tickets and passes) sales seem to be generally in line with the budget, however, walk on fare revenues which make up about 50% of total fare revenues are not currently meeting expectations.

On the expenditure side pressures are more evident now with respect to repairs and maintenance accounts and wage benefits. Staff now project that system expenditures could exceed the budget by about \$86,000 in total (1.2% variance on expenditure budget of \$7,204,250). Staff continue to monitor these and all expenditures closely.

These revised projections suggest that revenues could be below budget by about \$185,000 and expenditures could exceed budget by \$86,000. A budget deficit in 2003 will affect the possibility that some service could be reinstated in 2004 but will not affect the 2004 budget projections in terms of the 2.0% tax increase incorporated into the five year plan.

Appendix 4 - Corporate Services

The expenditures for Public Safety functions are below the benchmark because the results do not yet reflect the cost of the new staff position for Emergency Planning or the annual transfer payment to the North Island 911 Corporation for the D69 E911 service. D68 E911 expenditures are at 84% of the budget for the year because the 2003 annual fee for fire dispatch has been billed and paid in the quarter.

Fire department expenditures are slightly below the semi annual benchmark because transfers to the City of Parksville and the Town of Qualicum Beach for fire support services provided to the French Creek fire service area, occur in August. Those volunteer fire departments showing quarterly deficits do so because of the timing of transfer payments versus the monthly recoding of tax requisitions.

Feasibility studies usually show a deficit because expenses are incurred before the associated grant funding can be claimed. Such is the case for the Area B Gabriola Island sewage disposal site study, which shows a deficit of \$10,446 – a grant of \$10,000 was received in July.

Appendix 5 - Development Services

Building Inspection and Development Planning expenditures are slightly below the benchmark due to professional fees and capital purchases, which are expected to be incurred later in the year. Building permit revenues are at 77% of budget reflecting another year of robust building activity.

Appendix 6 - Environmental Services

Revenues are well above the benchmark as they include annual user fees for sewer, and garbage and recycling. Solid Waste Management tipping fee revenue is at 52% of budget. Expenditures remain below benchmark due to professional fees, capital purchases, and reserve transfers. Capital and professional fee expenses are expected to be incurred later in the year, while transfers to reserves will be recorded in August.

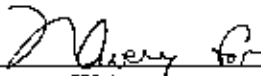
SUMMARY/CONCLUSIONS

The attached appendices include operating activities recorded up to June 30th, 2003. Overall, the results reflect that 59% of total budget revenues and 40% of budget expenditures have been recorded or incurred. The lower expenditures are due in large part to the seasonal and project related timing for professional fees, capital expenditures and transfers to reserves. The overall financial results as a percentage of budget, substantially match those achieved for the same period in 2002.


The Southern Community Transportation Services operating budget continues to be challenged by service adjustments and the effects on ridership. Revenues are projected to be less than budget by about \$185,000 (2.6% of total budget of \$7,204,250) and expenditures are projected to exceed budget by about \$86,000 (1.2% of total budget of \$7,204,250). Revenues are somewhat seasonal and should show a bit more strength in the second half as students return to school. Staff continue to monitor expenditures closely, making adjustments wherever possible.

RECOMMENDATION


That the summary report of financial results from operations to June 30th, 2003 be received for information.




Report Writer



Manager Concurrence

Acting 

General Manager Concurrence



C.A.O. Concurrence

COMMENTS:

June 2003 fs MEMO FM



REGIONAL DISTRICT OF NANAIMO
GENERAL REVENUE FUND
June 30, 2003

	COMMUNITY SERVICES			CORPORATE 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	\$3,835,584	\$7,671,168	50%	\$1,772,888	\$3,545,749	50%	\$528,074	\$1,052,140	50%	\$4,615,698	\$9,231,390	50%	\$10,750,044	\$21,500,047	50%
GRANTS/OPERATING/OTHER	\$3,714,994	\$7,929,800	47%	1,049,404	2,378,030	44%	578,058	740,885	78%	5,675,532	9,492,927	60%	\$11,015,988	\$20,535,442	54%
RETAINED EARNINGS	\$680,769	\$680,765	100%	1,185,779	1,195,735	100%	990,968	990,970	100%	4,085,026	4,078,493	100%	\$6,932,542	\$6,945,963	100%
TOTAL REVENUES	8,231,347	16,275,733	51%	4,017,871	7,119,114	56%	2,093,100	2,763,795	75%	14,356,256	22,802,810	63%	28,698,574	48,981,452	59%
EXPENSES															
OFFICE OPERATING	\$911,204	\$1,895,706	48%	\$366,716	\$690,934	53%	\$150,975	\$344,360	44%	\$555,284	\$1,056,978	53%	\$1,984,179	\$3,987,978	50%
COMMUNITY GRANTS	49,458	82,000	60%	31,540	49,012	64%	0	0	0	0	0	0	\$80,998	\$131,012	62%
LEGISLATIVE	0	0	0	103,428	210,515	49%	0	0	0	0	0	0	\$103,428	\$210,515	49%
PROFESSIONAL FEES	4,433	88,510	5%	59,627	331,269	18%	123,198	338,625	36%	184,464	810,415	23%	\$370,722	\$1,569,819	24%
BUILDING OPS & MAINT	176,643	509,905	35%	108,285	242,780	44%	22,255	42,000	53%	103,298	297,557	35%	\$408,481	\$1,092,242	37%
VEHICLE OPS & MAINT	946,085	2,098,920	45%	45,489	76,595	59%	13,616	18,536	73%	350,318	985,313	36%	\$1,365,508	\$3,157,263	43%
OTHER EQUIPMENT OPS & MAINT	9,444	74,000	13%	20,362	88,684	30%	5,188	14,760	35%	0	0	0	\$35,005	\$157,444	22%
OTHER OPERATING	116,784	331,030	35%	5,500	16,830	33%	54,351	140,005	46%	2,305,103	5,405,051	36%	\$2,491,738	\$6,892,918	36%
WAGES & BENEFITS	4,183,232	7,707,181	54%	770,222	1,504,090	51%	734,928	1,352,687	54%	1,890,395	3,570,410	53%	\$7,578,777	\$14,134,388	54%
RECREATION PROGRAMS	70,702	233,395	30%	0	0	0	0	0	0	0	0	0	\$70,702	\$233,395	30%
CAPITAL EXPENDITURES	109,090	1,088,090	11%	575,061	-811,534	71%	232	115,700	0%	342,195	3,285,855	10%	\$1,026,578	\$5,248,179	20%
DEBT FINANCING-INTEREST	188,705	410,530	46%	0	0	0	0	0	0	875,137	1,766,175	50%	\$1,063,842	\$2,176,705	49%
DEBT FINANCING-PRINCIPAL	70,278	142,980	49%	0	0	0	0	0	0	677,832	1,335,675	50%	\$748,110	\$1,498,665	50%
DEBT FINANCING-EXCHANGE	0	0	0	0	0	0	0	0	0	0	0	0	\$0	\$0	0
CONTINGENCY	0	16,000	0	0	0	0	0	0	0	0	0	0	\$0	\$16,000	0
TRANSFER TO RESERVE FUND	6,930	258,940	3%	4,830	228,980	2%	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	0	0	\$0	\$0	0
TFR TO OTHER GOVT/AGENCIES	94,000	960,320	10%	1,018,198	2,516,240	40%	0	0	0	0	0	0	\$1,112,198	\$3,476,560	32%
TOTAL EXPENDITURES	\$6,936,986	\$15,843,407	44%	\$3,106,258	\$6,747,463	46%	\$1,119,989	\$2,972,562	47%	\$7,297,081	\$21,675,136	34%	\$18,460,316	\$46,638,568	40%
OPERATING SURPLUS (DEFICIT)	\$1,294,359	\$432,326		\$911,613	\$371,651		\$973,111	\$411,233		\$7,059,175	\$1,127,674		\$10,238,258	\$2,342,884	

PAGE
45

REGIONAL DISTRICT OF NANAIMO
SUMMARY OF QUARTERLY OPERATING RESULTS
JANUARY 1 TO JUNE 30, 2003

	Revenues			Expenditures			Surplus	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual
COMMUNITY SERVICES								
District 69 Recreation	1,044,790	566,318	54%	1,009,569	383,156	38%	35,221	183,162
District 69 Arena	1,626,530	836,454	51%	1,605,678	384,532	24%	20,852	451,922
Ravensong Aquatic Center	1,745,460	1,003,118	57%	1,696,035	771,564	45%	49,425	231,554
Gabriola Island Recreation	61,005	30,269	50%	59,125	42,843	72%	1,880	(12,574)
Southern Community Recreation	667,405	335,369	50%	667,405	12,603	2%	0	322,766
Port Theater	41,635	20,820	50%	41,635	0	0%	0	20,820
Southern Community Transportation	8,555,680	3,799,346	44%	8,555,679	4,458,191	52%	1	(658,845)
D69 Conventional Transit	737,830	395,037	54%	737,830	357,038	48%	0	37,999
D69 Custom Transit	132,895	68,222	51%	126,790	67,295	53%	6,105	927
Regional Parks	757,140	520,826	69%	752,139	288,614	38%	5,001	232,212
Community Parks								
A	181,470	156,473	86%	66,031	15,943	24%	115,439	140,530
B	146,155	102,656	70%	78,610	22,187	28%	67,545	80,469
C	18,640	14,138	76%	9,875	- 4,467	46%	8,965	9,671
D	40,220	35,218	88%	19,085	5,737	30%	21,135	29,481
E	120,000	95,001	79%	68,080	12,935	19%	51,920	82,066
F	80,500	59,039	73%	71,445	4,861	7%	9,055	54,178
G	40,300	25,802	64%	35,980	11,686	32%	4,320	14,116
H	59,935	48,935	82%	30,145	11,317	38%	29,790	37,618
Regional Planning	218,143	118,306	54%	212,471	82,019	39%	5,672	36,287
	<u>16,275,733</u>	<u>8,231,347</u>	<u>51%</u>	<u>15,843,407</u>	<u>6,938,988</u>	<u>44%</u>	<u>432,326</u>	<u>1,294,359</u>
CORPORATE SERVICES								
General Administration	3,775,484	2,298,980	61%	3,557,363	1,743,962	49%	218,121	555,018
Electoral Areas Only	141,630	90,173	64%	130,155	74,160	57%	11,475	16,013
Emergency Planning	69,430	51,871	75%	34,180	1,604	5%	35,250	50,267
D68 E911	49,260	27,439	56%	35,020	29,461	84%	14,240	(2,022)
D69 E911	424,815	259,673	61%	333,240	2,625	1%	91,575	257,048
Fire Protection								
Volunteer Departments								
Coombs-Hilliars	86,000	43,347	50%	86,000	60,367	70%	0	(17,020)
Dashwood	157,335	81,302	52%	157,335	94,508	60%	0	(13,206)
Errington	343,785	133,898	39%	343,785	271,753	79%	0	(137,855)
Extension	81,920	44,181	54%	81,920	33,960	41%	0	10,221
Nanoose Bay	251,550	127,625	51%	251,550	132,507	53%	0	(4,882)
Service Contracts								
Wellington Fire (Area D)	39,575	19,649	50%	39,575	875	2%	0	18,774
Yellowpoint Fire (Area A)	92,265	47,567	52%	91,275	60	0%	990	47,507
Parksville Local (Area G)	57,285	29,545	52%	57,285	60	0%	0	29,486
French Creek Fire (Area G)	251,760	126,080	50%	251,760	18,059	7%	0	108,021
Regional Library	1,260,340	630,168	50%	1,260,340	630,170	50%	0	(2)
Referendums								
Area A	0	765	0%	0	0	0%	0	765
Area B	0	1,215	0%	0	0	0%	0	1,215
Area C	0	1,726	0%	0	0	0%	0	1,726
Area D	0	1,125	0%	0	0	0%	0	1,125
Area E	0	991	0%	0	0	0%	0	991
Feasibility Studies								
Area B (Sewer)	11,680	1,681	14%	11,680	12,127	104%	0	(10,446)
Area E (Sewer)	25,000	(1,130)	-5%	25,000	0	0%	0	(1,130)
	<u>7,119,114</u>	<u>4,017,871</u>		<u>6,747,463</u>	<u>3,106,258</u>		<u>371,651</u>	<u>911,613</u>

REGIONAL DISTRICT OF NANAIMO
SUMMARY OF QUARTERLY OPERATING RESULTS
JANUARY 1 TO JUNE 30, 2003

	Revenues			Expenditures			Surplus	
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual
DEVELOPMENT SERVICES								
Building Inspection	1,152,855	971,600	84%	927,868	436,651	47%	224,987	534,949
Bylaw Enforcement								
Animal Control A,B,C,D	82,585	55,084	67%	62,610	22,310	36%	19,975	32,774
Animal Control E,G,H	83,405	48,109	58%	76,255	40,406	53%	7,150	7,703
Animal Control F	24,765	19,265	78%	15,215	6,007	39%	9,550	13,258
Noise Control A	9,350	6,222	67%	6,395	1,895	30%	2,955	4,327
Noise Control B	8,190	6,450	79%	5,395	1,895	35%	2,795	4,555
Noise Control C	8,195	6,446	79%	5,395	1,895	35%	2,800	4,551
Noise Control D	8,695	6,445	74%	4,500	1,961	44%	4,195	4,484
Noise Control E	10,745	7,386	69%	6,395	1,886	29%	4,350	5,500
Noise Control G	8,890	6,639	75%	5,395	1,886	35%	3,495	4,753
Unightly Premises	32,760	34,391	105%	22,750	18,620	82%	10,010	15,771
Hazardous Properties	8,335	4,213	51%	5,855	1,877	32%	2,480	2,336
Development Planning	1,323,525	910,098	69%	1,207,034	571,948	47%	116,491	338,150
House Numbering	21,500	10,752	50%	21,500	10,752	50%	0	0
	<u>2,783,795</u>	<u>2,093,100</u>	75%	<u>2,372,562</u>	<u>1,119,989</u>	47%	<u>411,233</u>	<u>973,111</u>
ENVIRONMENTAL SERVICES								
Southern Community Wastewater	6,658,035	4,569,859	69%	6,313,255	1,389,491	22%	344,780	3,180,368
Northern Community Wastewater	3,345,145	1,743,002	52%	3,326,281	1,673,224	50%	18,864	69,778
Duke Point Wastewater	207,065	190,285	92%	125,987	53,866	43%	81,078	136,419
Solid Waste Disposal Facilities	7,462,905	4,003,119	54%	7,036,133	2,258,269	32%	426,772	1,744,850
Solid Waste Collection & Recycling	1,696,223	1,594,648	94%	1,695,841	701,930	41%	382	892,718
Water Utilities								
Madrona	166,314	86,516	52%	157,059	68,633	44%	9,256	17,883
Fairwinds	389,215	291,181	75%	334,705	141,780	42%	54,510	149,401
Nanoose Bay	602,565	386,768	64%	602,564	180,660	30%	1	206,108
Arbutus Park Estates	120,060	81,195	68%	108,072	28,347	26%	11,988	52,848
West Bay Estates	104,880	60,210	57%	81,870	28,347	35%	23,010	31,863
Driftwood	19,289	9,450	49%	18,507	1,427	8%	782	8,023
San Pareil	167,375	102,010	61%	166,691	55,142	33%	664	46,868
French Creek	261,060	133,339	51%	250,741	121,162	48%	10,319	12,177
Surfside	27,310	15,617	57%	25,159	9,935	39%	2,151	5,682
Decourcey	7,630	5,886	77%	7,602	1,819	24%	28	4,067
Morningstar Creek	7,110	6,604	93%	5,791	584	10%	1,319	6,020
Wall Beach	3,949	2,646	67%	3,949	0	0%	0	2,846
Nanoose Bay Bulk Water	350,250	174,898	50%	331,860	155,020	47%	18,390	19,878
French Creek Bulk Water	101,205	61,795	61%	94,575	34,935	37%	6,630	26,860
Sewer Utilities								
Fairwinds	321,139	237,421	74%	254,644	88,189	35%	66,495	149,232
French Creek	663,305	523,482	79%	623,735	268,594	43%	39,570	264,888
Pacific Shores	21,075	12,475	59%	19,425	8,716	45%	1,650	3,759
Surfside Sewer	18,235	12,880	71%	17,170	4,579	27%	1,065	8,301
MacMillan R. Sewer	3,425	3,081	90%	3,425	1,710	50%	0	1,371
Pump & Haul	15,555	10,675	69%	15,555	440	3%	0	10,235
Streetlighting	62,491	37,214	60%	54,540	20,282	37%	7,951	16,932
	<u>22,802,810</u>	<u>14,356,256</u>		<u>21,675,136</u>	<u>7,297,081</u>		<u>1,127,674</u>	<u>7,059,175</u>
TOTAL - ALL SERVICES	<u>48,981,452</u>	<u>28,698,574</u>		<u>46,638,568</u>	<u>18,460,316</u>		<u>2,342,884</u>	<u>10,238,258</u>

**REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
June 30, 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	101,982	203,963	50%	199,998	400,000	50%	151,484	302,930	50%
GRANTS/OPERATING/OTHER	2,143	0		4,043	40,350	10%	1,500	0	
RETAINED EARNINGS	14,181	14,180	100%	316,785	316,790	100%	384,298	384,290	100%
TOTAL REVENUES	118,306	218,143	54%	520,826	757,140	69%	537,262	687,220	78%
EXPENSES									
OFFICE OPERATING	\$20,131	\$47,250	43%	\$31,042	\$65,960	47%	\$9,912	\$19,636	50%
PROFESSIONAL FEES	0	18,600		187	31,000	1%	1,710	32,250	5%
BUILDING OP & MAINTENANCE	469	8,000	6%	3,222	26,295	12%	1,828	4,600	40%
VEHICLE OP & MAINTENANCE	350	350	100%	2,604	5,005	52%	0	1,500	
OTHER OPERATING COSTS	4,142	28,470	15%	9,534	33,200	29%	3,461	4,150	83%
WAGES & BENEFITS	55,839	110,651	50%	73,422	142,299	52%	51,916	101,510	51%
EQUIP OP & MAINTENANCE	0	0		155	0		0	0	
COMMUNITY GRANTS	0	0		0	0		0	0	
RECREATION PROGRAMS	0	0		17,924	23,305	77%	9,262	84,500	11%
CAPITAL EXPENDITURES	738	800	92%	100,369	122,900	82%	0	107,750	
DEBT FINANCING - INTEREST	0	0		0	0		4,532	12,710	36%
DEBT FINANCING - PRINCIPAL	0	0		0	0		1,512	5,445	26%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0	
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 GOV'TS	0	0		50,000	50,000	100%	5,000	5,000	100%
TOTAL EXPENDITURES	\$82,019	\$212,471	39%	\$288,614	\$752,139	38%	\$89,133	\$379,051	24%
OPERATING SURPLUS (DEFICIT)	\$36,287	\$5,672		\$232,212	\$5,001		\$448,129	\$308,169	

PAGE
48

REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
June 30, 2003

	DIST 69 REC.		DIST 69 ARENA		RAVENSONG AQUATIC CENTER			
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES								
TAX REQUISITION	400,284	800,570	50%	600,000	1,200,000	573,168	1,148,330	50%
GRANTS/OPERATING/OTHER	104,085	182,270	57%	169,127	359,205	258,220	427,400	60%
RETAINED EARNINGS	61,949	61,950	100%	67,327	67,325	171,730	171,730	100%
TOTAL REVENUES	566,318	1,044,790	54%	838,454	1,626,530	1,003,118	1,745,460	57%
EXPENSES								
OFFICE OPERATING	\$46,080	\$93,225	49%	\$42,597	\$98,320	\$62,175	\$119,220	52%
PROFESSIONAL FEES	0	500		2,536	5,660	0	500	
BUILDING OP & MAINTENANCE	3,916	5,400	73%	36,717	170,490	66,741	174,945	38%
VEHICLE OP & MAINTENANCE	3,269	14,005	23%	2,458	14,700	162	155	105%
OTHER OPERATING COSTS	9,953	22,050	45%	4,971	10,510	7,671	19,440	39%
WAGES & BENEFITS	257,220	556,544	46%	254,603	520,028	380,176	716,415	53%
EQUIP OP & MAINTENANCE	690	2,940	23%	5,530	44,155	1,879	23,140	8%
COMMUNITY GRANTS	45,432	76,000	60%	65	500	3,961	5,500	72%
RECREATION PROGRAMS	16,072	60,370	27%	13,117	30,220	14,327	35,000	41%
CAPITAL EXPENDITURES	369	9,650	4%	5,791	659,740	359	133,650	0%
DEBT FINANCING - INTEREST	0	0		15,992	60,200	167,952	335,900	50%
DEBT FINANCING - PRINCIPAL	0	0		0	0	66,006	132,015	50%
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	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	\$383,156	\$1,009,569	38%	\$384,532	\$1,605,678	\$771,564	\$1,696,035	45%
OPERATING SURPLUS (DEFICIT)	\$183,162	\$35,221		\$451,922	\$20,852	\$231,554	\$49,425	

PAGE
49

REGIONAL DISTRICT OF NANAIMO
COMMUNITY SERVICES
June 30, 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	30,900	61,795	50%	352,854	705,705	50%	1,424,934	2,849,875	50%	3,835,584	7,671,168	50%
GRANTS/OPERATING/OTHER	158	0		0	0		3,175,718	6,914,575	46%	3,714,994	7,923,500	47%
RETAINED EARNINGS	(789)	(790)	100%	3,335	3,335	100%	(338,047)	(338,045)	100%	680,769	680,765	100%
TOTAL REVENUES	30,269	61,005	50%	356,189	709,040	50%	4,262,605	9,426,405	45%	8,231,347	16,275,733	51%
EXPENSES												
OFFICE OPERATING	\$406	\$955	43%	\$0	\$0		\$688,861	\$1,460,140	48%	\$911,204	\$1,895,706	48%
PROFESSIONAL FEES	0	0		0	0		0	2,000		4,433	88,510	5%
BUILDING OP & MAINTENANCE	1	0		12,803	24,450	52%	51,146	95,725	53%	176,643	509,905	35%
VEHICLE OP & MAINTENANCE	0	20		0	0		937,242	2,061,085	45%	946,085	2,096,820	45%
OTHER OPERATING COSTS	19	200	10%	0	0		77,033	213,010	36%	116,784	331,030	35%
WAGES & BENEFITS	3,429	5,950	58%	0	0		3,106,627	5,553,784	56%	4,183,232	7,707,181	54%
EQUIP OP & MAINTENANCE	0	0		0	0		1,190	3,765	32%	8,444	74,000	13%
COMMUNITY GRANTS	0	0		0	0		0	0		49,458	82,000	60%
RECREATION PROGRAMS	0	0		0	0		0	0		70,702	233,395	30%
CAPITAL EXPENDITURES	(12)	0		0	0		1,478	1,800	92%	109,090	1,036,090	11%
DEBT FINANCING - INTEREST	0	0		0	0		229	1,720	13%	188,705	410,530	46%
DEBT FINANCING - PRINCIPAL	0	0		0	0		2,760	5,520	50%	70,276	142,980	49%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0		0	0	
TRANSFER TO RESERVE FUND	0	0		0	0		0	18,000		0	16,000	
TRANSFER FROM RESERVE FUND	0	0		0	0		5,960	5,950	100%	6,930	258,940	3%
TRANSFER TO OTHER GOVTS	0	0		0	0		0	0		0	0	
TOTAL EXPENDITURES	39,000	52,000	75%	0	684,590		\$4,862,524	\$9,420,299	52%	\$6,936,988	\$15,643,407	44%
OPERATING SURPLUS (DEFICIT)	\$42,943	\$59,125	72%	\$12,603	\$709,040	2%	(\$819,919)	\$6,106		\$1,294,359	\$432,326	
	(\$12,574)	\$1,850		\$343,586	\$0							

REGIONAL DISTRICT OF NANAIMO
CORPORATE SERVICES
June 30, 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
REVENUES												
TAX REQUISITION	\$292,920	\$595,938	50%	\$53,340	\$106,680	50%	\$204,540	\$409,065	50%	\$596,412	\$1,192,810	50%
GRANTS/OPERATING/OTHER	1,040,427	2,224,045	47%	1,882	0	0	0	0	0	7,095	118,985	6%
RETAINED EARNINGS	985,633	985,601	100%	34,951	34,950	100%	134,443	134,440	100%	49,687	49,680	100%
TOTAL REVENUES	2,298,980	3,775,484	61%	90,173	141,630	64%	338,983	543,505	62%	653,194	1,361,475	48%
EXPENSES												
OFFICE OPERATING	\$298,144	\$576,164	52%	\$33,444	\$60,150	56%	\$7,472	\$17,410	43%	\$27,656	\$37,210	74%
COMMUNITY GRANTS	31,540	49,012	64%	0	0	0	0	0	0	0	0	0
LEGISLATIVE	94,884	186,000	51%	8,544	24,515	35%	0	0	0	0	0	0
PROFESSIONAL FEES	33,658	240,289	14%	12,844	27,690	46%	0	26,600	0	0	0	0
BUILDING OPS & MAINT	102,063	234,730	43%	56	800	7%	215	750	29%	3,931	6,500	60%
VEHICLE OPS & MAINT	8,554	13,425	64%	0	0	0	362	1,000	36%	36,573	62,170	59%
EQUIP OPS & MAINT	15,880	63,869	23%	271	200	136%	1,978	3,615	55%	2,235	1,000	224%
OTHER OPERATING COSTS	4,150	10,830	38%	0	0	0	0	0	0	1,350	6,000	23%
WAGES & BENEFITS	770,222	1,503,790	51%	0	0	0	0	0	0	0	300	0
CAPITAL EXPENDITURES	380,019	574,424	66%	19,001	16,800	113%	0	800	0	176,041	219,510	80%
DEBT FINANCING-INTEREST	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
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	4,830	104,920	5%	0	0	0	0	0	0	0	124,160	0
TRSF TO OTHER GOVT/AGENCIES	0	0	0	0	0	0	23,665	352,265	7%	364,363	903,635	40%
TOTAL EXPENDITURES	\$1,743,962	\$3,557,363	49%	\$74,160	\$130,155	57%	\$33,690	\$402,440	8%	\$612,149	\$1,360,485	45%
OPERATING SURPLUS (DEFICIT)	\$555,018	\$218,121		\$16,013	\$11,475		\$305,293	\$141,065		\$41,045	\$990	
										(\$2)		\$0

PAGE 51

REGIONAL DISTRICT OF NANAIMO
CORPORATE SERVICES
June 30, 2003

	ELECT AREA REFERENDUMS		FEASIBILITY STUDIES		MUNICIPAL DEBT TRANSFERS		CORPORATE SERVICES		TOTAL		
	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	% VAR	ACTUAL 2003	BUDGET 2003	ACTUAL 2003	BUDGET 2003	% VAR
REVENUES											
TAX REQUISITION	(\$5,620)	(\$11,642)	50%	\$1,128	\$2,258	50%	\$0	\$0	\$1,772,688	\$3,545,349	50%
GRANTS/OPERATING/OTHER	0	0		0	35,000		1,257,359	2,511,030	2,306,763	4,889,060	47%
RETAINED EARNINGS	11,642	11,642	100%	(577)	(578)	100%	0	0	1,195,779	1,195,735	100%
TOTAL REVENUES	5,822	0		551	36,680	2%	1,257,359	2,511,030	5,275,230	9,630,144	55%
EXPENSES											
OFFICE OPERATING	\$0	\$0		\$0	\$0		\$0	\$0	\$366,716	\$690,934	53%
COMMUNITY GRANTS	0	0		0	0		0	0	31,540	49,012	64%
LEGISLATIVE	0	0		0	0		0	0	103,428	210,515	49%
PROFESSIONAL FEES	0	0		12,127	36,680	33%	0	0	58,527	331,269	18%
BUILDING OPS & MAINT	0	0		0	0		0	0	106,285	242,780	44%
VEHICLE OPS & MAINT	0	0		0	0		0	0	45,489	76,595	59%
EQUIP OPS & MAINT	0	0		0	0		0	0	20,362	69,684	30%
OTHER OPERATING COSTS	0	0		0	0		0	0	5,500	18,830	33%
WAGES & BENEFITS	0	0		0	0		0	0	770,222	1,504,090	51%
CAPITAL EXPENDITURES	0	0		0	0		0	0	575,061	811,534	71%
DEBT FINANCING-INTEREST	0	0		0	0		0	0	787,440	1,564,025	50%
DEBT FINANCING-PRINCIPAL	0	0		0	0		787,440	1,564,025	435,060	916,305	47%
DEBT FINANCING-EXCHANGE	0	0		0	0		3,575	30,700	3,575	30,700	12%
CONTINGENCY	0	0		0	0		0	0	0	0	
TRANSFER TO RESERVE FUND	0	0		0	0		0	0	4,630	228,980	2%
TRSF TO OTHER GOVT/AGENCIES	0	0		0	0		0	0	1,018,198	2,516,240	40%
TOTAL EXPENSES	\$0	\$0		\$12,127	\$36,680	33%	\$1,226,095	\$2,511,030	\$4,332,353	\$9,258,493	47%
OPERATING SURPLUS (DEFICIT)	\$5,822	\$0		(\$11,576)	\$0		\$31,284	\$0	\$942,877	\$371,651	

REGIONAL DISTRICT OF NANAIMO
DEVELOPMENT SERVICES
June 30, 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	368,938	717,875	50%	10,752	21,500	50%	67,500	135,000	50%	88,884	177,765	50%	526,074	1,052,140	50%
GRANTS/OPERATING/OTHER	158,485	212,985	74%	0	0		401,944	515,700	78%	15,619	12,000	130%	576,058	740,685	78%
RETAINED EARNINGS	392,665	392,665	100%	0	0		502,156	502,155	100%	96,147	96,150	100%	980,968	980,970	100%
TOTAL REVENUES	910,088	1,323,525	69%	10,752	21,500	50%	971,600	1,152,855	84%	200,650	285,915	70%	2,093,100	2,763,795	75%
EXPENSES															
OFFICE OPERATING	\$60,615	\$149,585	41%	\$10,752	\$21,500	50%	\$52,524	\$121,510	43%	\$27,084	\$51,765	52%	\$150,975	\$344,360	44%
PROFESSIONAL FEES	35,415	115,885	31%	0	0		15,729	63,000	25%	72,054	159,740	45%	123,198	338,625	36%
BUILDING OP & MAINTENANCE	13,022	24,900	52%	0	0		7,733	13,100	59%	1,500	4,000	38%	22,255	42,000	53%
VEHICLE OP & MAINTENANCE	5,242	5,235	100%	0	0		8,374	13,300	63%	0	0		13,616	18,535	73%
OTHER OPERATING COSTS	32,580	82,080	40%	0	0		31,771	57,925	55%	0	0		64,351	140,005	46%
WAGES & BENEFITS	415,601	778,014	53%	0	0		319,327	574,673	56%	0	0		734,928	1,352,687	54%
EQUIP OP & MAINTENANCE	4,236	7,600	56%	0	0		961	7,160	13%	0	0		5,199	14,760	35%
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		232	77,200	0%	0	0		232	115,700	0%
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		5,235	5,890	89%
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	\$571,948	\$1,207,034	47%	\$10,752	\$21,500	50%	\$436,651	\$927,868	47%	\$100,836	\$216,160	47%	\$1,119,989	\$2,372,562	47%
OPERATING SURPLUS (DEFICIT)	\$338,150	\$116,491		\$0	\$0		\$534,949	\$224,987		\$100,012	\$69,755		\$973,111	\$411,233	

REGIONAL DISTRICT OF NANAIMO
 ENVIRONMENTAL SERVICES
 June 30, 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	\$3,508,752	\$7,017,500	50%	\$201,150	\$402,305	50%	\$0	\$0	
GRANTS/OPERATING/OTHER	431,858	630,210	69%	3,033,667	6,292,300	48%	1,617,829	1,719,403	94%
RETAINED EARNINGS	2,562,538	2,562,535	100%	768,302	768,300	100%	(23,181)	(23,180)	100%
TOTAL REVENUES	6,503,148	10,210,245	64%	4,003,119	7,462,905	54%	1,594,648	1,696,223	94%
EXPENSES									
OFFICE OPERATING	\$216,585	\$372,180	58%	\$216,896	\$432,268	50%	\$58,189	\$119,650	49%
PROFESSIONAL FEES	69,471	403,520	17%	69,294	263,390	26%	412	2,500	16%
BUILDING OP & MAINTENANCE	47,677	102,500	47%	20,111	77,500	26%	1,074	2,245	48%
VEHICLE OP & MAINTENANCE	133,585	344,995	39%	176,459	514,841	34%	1,013	1,785	57%
WAGES & BENEFITS	722,758	1,398,688	52%	804,046	1,464,476	55%	18,438	31,002	59%
OPERATIONAL COSTS	524,952	1,387,015	38%	793,008	2,547,786	31%	621,934	1,537,159	40%
CAPITAL EXPENDITURES	206,923	1,871,575	11%	47,259	976,965	5%	0	630	
DEBT FINANCING - INT	637,380	1,274,755	50%	82,350	164,700	50%	0	0	
DEBT FINANCING - PRINCIPAL	553,050	1,106,105	50%	45,366	90,730	50%	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%	870	870	100%
TRANSFER FROM RESERVE FUND	0	0		0	0		0	0	
TSFR TO OTHER GOVT/AGENCIES	0	0		0	0		0	0	
TOTAL EXPENDITURES	\$3,116,581	\$9,765,523	32%	\$2,258,269	\$7,036,133	32%	\$701,930	\$1,695,841	41%
OPERATING SURPLUS (DEFICIT)	\$3,386,565	\$444,722		\$1,744,850	\$426,772		\$892,718	\$382	

**REGIONAL DISTRICT OF NANAIMO
ENVIRONMENTAL SERVICES
June 30, 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	\$591,972	\$1,183,940	50%	\$288,882	\$577,760	50%	\$24,942	\$49,885	50%	\$4,815,698	\$9,231,390	50%
GRANTS/OPERATING/OTHER	255,278	559,918	46%	336,787	290,640	116%	115	456	25%	5,875,532	9,492,927	60%
RETAINED EARNINGS	570,865	584,354	98%	174,345	174,334	100%	12,157	12,150	100%	4,065,026	4,078,483	100%
TOTAL REVENUES	1,418,115	2,328,212	61%	800,014	1,042,734	77%	37,214	62,491	60%	14,356,256	22,802,810	63%
EXPENSES												
ADMINISTRATION	\$46,268	\$101,300	46%	\$16,322	\$30,705	53%	\$1,024	\$875	117%	\$555,284	\$1,056,978	53%
PROFESSIONAL FEES	43,601	117,300	37%	1,686	23,705	7%	0	0		184,484	810,415	23%
BUILDING OP & MAINTENANCE	27,425	92,927	30%	5,356	10,135	53%	1,655	12,250	14%	103,298	297,557	35%
VEHICLE OP & MAINTENANCE	28,207	72,397	40%	10,054	31,295	32%	0	0		350,318	965,313	36%
WAGES & BENEFITS	268,706	527,755	51%	75,447	148,489	51%	0	0		1,890,395	3,570,410	53%
OPERATIONAL COSTS	85,482	271,346	32%	262,124	620,330	42%	17,603	41,415	43%	2,305,103	6,405,051	36%
CAPITAL COST	87,568	428,180	20%	444	8,505	5%	0	0		342,195	3,285,855	10%
DEBT FINANCING - INT	155,407	326,720	48%	0	0		0	0		875,137	1,766,175	50%
DEBT FINANCING - PRINCIPAL	79,416	158,840	50%	0	0		0	0		677,832	1,355,675	50%
DEBT FINANCING - EXCHANGE	0	0		0	0		0	0		0	0	
CONTINGENCY	0	0		0	0		0	0		0	0	
CONTRIBUTION TO OTHER FUNDS	3,710	92,380	4%	795	60,790	1%	0	0		13,055	2,161,707	1%
CONTRIBUTION FROM OTHER FND	0	0		0	0		0	0		0	0	
TRANSFER TO OTHER GOVTS	0	0		0	0		0	0		0	0	
TOTAL EXPENSES	\$827,791	\$2,169,145	38%	\$372,228	\$933,954	40%	\$20,282	\$54,540	37%	\$7,297,081	\$21,675,136	34%
OPERATING SURPLUS (DEFICIT)	\$590,324	\$139,067		\$427,786	\$108,780		\$16,932	\$7,951		\$7,059,175	\$1,127,674	

PAGE 55



REGIONAL DISTRICT OF NANAIMO			
AUG 18 2003			
CHAIR		GMCrS	
CAO		GMDS	
GMCrS		GMES	

MEMORANDUM

TO: Stan Schopp
 Manager, Building Inspection Services

DATE: August 13, 2003

FROM: Allan Dick
 Senior Building Inspector

FILE: 3810-20

SUBJECT: Local Government Act - Section 700 - Contravention of Bylaw Meeting Date - August 26, 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 'B'

- Owners Name: Lockinvar Enterprises Inc.
 Legal Description: Lot 2, Section 20, Plan 26041, Gabriola Island, Nanaimo Land District
 Street Address: 510 South Road

Summary of Infraction:
 July 11, 2003 - Stop Work Order posted; permit required for structures on property
 July 15, 2003 - letter sent certified mail; stop work; permit required for structures
 July 21, 2003 - 2nd Stop Work Order posted; construction continuing in spite of Stop Work Order placed July 11th.
 July 21, 2003 - verification certified mail received (1st one)
 July 29, 2003 - Islands Trust had indicated they will be pursuing matter for zoning infraction
 August 12, 2003 - Islands Trust informed Senior Inspector that a rezoning package was picked up
 August 13, 2003 - Senior Inspector left message for owner of property to contact RDN regarding the filing process.
- Owners Name: Gregory and Heather Marsh
 Legal Description: Lot 8, Section 18, Plan VIP51655, Gabriola Island, Nanaimo Land District
 Street Address: 573 Horseshoe Road

Summary of Infraction:
 November 26, 2002 - permit issued for temporary living facilities and a moved on SFD
 July 14, 2003 - letter sent for occupying SFD without occupancy permit (safety issues)
 July 23, 2003 - field inspector verifies structure is still occupied
 August 11, 2003 - Senior Inspector attempts to contact owner; message left on machine
 August 12, 2003 - 2nd attempt to contact owner; no answer

Flectoral Area 'D'

1. Owners Name: Barry Brown
Legal Description: Lot 16, District Lot 66, Nanoose District, Plan 22899
Street Address: 7657 Superior Road

Summary of Infraction:

June 18, 2003 - letter sent; permit expired
July 3, 2003 - 2nd letter sent certified mail; permit expired
July 14, 2003 - phoned owner and left message for him to call me
July 10, 2003 - verification of certified mail received
August 13, 2003 - Senior Inspector left message for owner to call regarding expired permit.

RECOMMENDATION

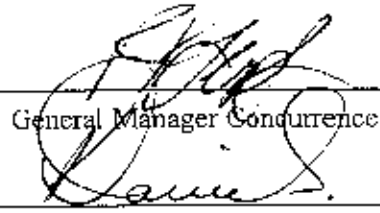
That a notice be filed against the titles of the properties listed, pursuant to Section 700 of the *Local Government Act* and that if the infractions are not rectified within ninety (90) days, legal action will be pursued.

Report Writer



Manager Concurrence

General Manager Concurrence



C.A.O. Concurrence

COMMENTS:



REGIONAL DISTRICT OF NANAIMO	
AUG 18 2003	
CHAIR	GMCrs
CAO	GMDS
GMCrs	GMES
DATE: <i>Coll</i>	

MEMORANDUM

TO: Robert Lapham
General Manager, Development Services

FROM: Pamela Shaw
Manager of Community Planning

SUBJECT: Closure of Victoria Land Title Office
All Electoral Areas and Municipalities

August 18, 2003

FILE:

PURPOSE

To provide information to the RDN Board on the implications of the proposed closure of the Victoria Land Title Office.

BACKGROUND

The Victoria Land Title Office is scheduled to close on March 31, 2004. After this date, all information held at this office will be transferred to the New Westminster Office; staff will no longer be available for in-person inquiries and the province's capital city will be without a Land Titles Office.

This has caused a great deal of concern among local governments, real estate professionals, lawyers, developers and citizens who use the services of this office. The RDN's legal counsel is among those who have written directly to the Honourable Stan Hagan, Minister of Sustainable Resource Management indicating concerns about the impact of the closure on their local government clients. At issue are the increased costs and decreased efficiencies that will result from the closure of this office.

It is anticipated that the RDN will incur increased (and non-budgeted) costs due to courier charges from Vancouver (significantly higher than charges from Victoria). In addition, citizens will lose the ability to travel to Victoria to view documents in person (at no charge) and there will be increased costs to the purchasers of property or the registrants of covenants.

Decreased efficiencies will result with increased courier times and lack of local knowledge among Land Title's staff.

In addition, the public will lose the ability to speak 'face to face' with a staff person specially trained in Land Title issues. While citizens may use the local Government Agent's Office to obtain a copy of a Title for a particular property, staff in these offices should not be expected to be fully versed in the intricacies of preparing, submitting, and filing land title documents. For personal assistance with more complicated filings or to research a complicated history for a property, the public would be required to travel to the New Westminster office.

It should be noted that the Kamloops Land Title Office was also scheduled for closure, but due to expressions of concern from local development professionals, that office will remain open.

ALTERNATIVES

1. To receive the staff report and direct staff to write to Minister Stan Hagan requesting that the decision to close the Victoria Land Title Office be reconsidered.
2. To receive the staff report and take no further action.

LEGAL AND PUBLIC CONSULTATION IMPLICATIONS

While the RDN has not been requested to provide comments or input on this issue by the province, our legal counsel has recommended that the RDN write to the Honourable Stan Hagan, Minister of Sustainable Resource Management, requesting that the decision to close the Land Title Office in Victoria be reconsidered due to the importance of this office to local governments, the development community, and the citizens of Vancouver Island.

Staff would support legal counsel's recommendation in light of the impacts of this closure on citizens of the Regional District.

VOTING

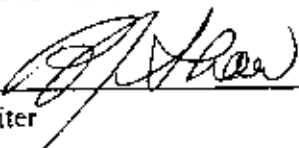
All Directors— one vote.

SUMMARY/CONCLUSIONS

The Victoria Land Title Office is scheduled to close on March 31, 2004. The RDN's legal counsel (as well as other land professionals) is appealing to the Minister of Sustainable Resource Management requesting that this decision be reconsidered. A recommendation in support of legal counsel's request follows.

RECOMMENDATIONS

1. To receive this staff report on the closure of the Victoria Land Title Office for information.
2. To direct staff to write a letter to the Honourable Stan Hagan, Minister of Sustainable Resource Management, requesting that the decision to close the Land Title Office in Victoria be reconsidered due to the importance of this office to local governments, the development community, and the citizens of Vancouver Island.


Report Writer


General Manager Concurrence


CAO Concurrence

COMMENTS:

devsvs/reports/2003/closure VLTO



**REGIONAL
DISTRICT
OF NANAIMO**

REGIONAL DISTRICT OF NANAIMO			
AUG 14 2003			
CHAIR		GMCrS	
CAO		GMDS	
GMCmS		GMES	

MEMORANDUM

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

DATE: August 12, 2003

FROM: Dennis Trudeau
Manager of Liquid Waste

FILE: 5500-22-25

SUBJECT: Drinking Water Protection

PURPOSE

To provide options to the Board on strategies the district could implement for drinking water protection.

BACKGROUND

Drinking water protection has been an important issue for the Regional District of Nanaimo. Members of the public have brought forward their concerns related to this issue and it has been identified as a priority in the Board's strategic plan.

At the February 2003 Committee of the Whole meeting staff provided information to the Board and identified strategies and associated implications for drinking water protection initiatives. RDN has no established function or budgets for drinking water protection and therefore limited current ability to fund activities in this area.

The staff report reviewed the following alternatives:

1. Advise the province that watershed protection initiatives are considered a provincial responsibility and request that they initiate watershed protection plans within designated watersheds in the RDN.
2. Establish a regional function and service area for watershed/drinking water protection and develop a regional drinking water protection plan with associated management strategies.
3. Establish a Development Permit Area over the regional electoral area land base and request the municipalities to consider a similar course of action within their boundaries.
4. Establish a Development Permit Area over some or all of the regional electoral area land base now. Proceed with the two studies (related to the Englishman River & French Creek watersheds hydrogeological study and the Arrowsmith watersheds drinking water protection plan scope analysis) currently approved by the Board. Begin a process to establish a regional function, service area, revenue generating authority and resources for watershed/drinking water protection with an initial focus on education and awareness. Await legislative direction from the province regarding new drinking water protection requirements and at that time consider expanding the function as necessary.

The February 2003 report discusses these alternatives in detail.

Following Board review and discussion of these alternatives, a motion was passed at the March 11, 2003 Board meeting to refer the item on drinking water protection initiatives back to Committee to allow an opportunity to consult with staff from the municipalities and the Greater Nanaimo Water District.

As directed by the Board, staff from the RDN met with staff from the City of Nanaimo, City of Parksville, Qualicum Beach and Greater Nanaimo Water District on May 13, 2003 to discuss drinking water protection initiatives. RDN staff presented background information and discussed the need for creating service functions to support and fund any work initiated in this area. While there was support for protecting drinking water there was no support at the staff level for initiating any new regional functions in this regard. Municipal staff indicated willingness to participate in selected drinking water initiatives, on an as-needed project-by-project basis, but not to participate in a regional district drinking water function.

Without municipal participation in funding a new function protecting drinking water, the costs would have to be borne by the electoral areas alone. This may not be the best long-term approach for funding the protection of drinking water in the regional district since the district's water resources do not adhere to electoral and municipal boundaries. Under this approach, individual purveyors would look after their own responsibilities and funding needs, but there may be opportunities to participate or work cooperatively on certain initiatives (perhaps, for example, education and awareness).

The Drinking Water Protection Act (DWPA) and regulations came into force on May 16, 2003, replacing the Safe Drinking Water Regulation under the Health Act. These are new measures governing drinking water from "source to tap". They will affect all water purveyors and implicate municipalities, regional districts and private water companies.

The DWPA includes provisions for the province to designate specific areas for the purpose of developing a drinking water protection plan and to establish the process and who is responsible for preparing a plan within a designated area. The province may retain legislative and enforcement activities but it is believed that local government may be expected to take on a more significant role in watershed protection. There is a need to approach this complex subject strategically, recognizing the significant associated cost and resource implications.

While there is recognition by the Board, provincial government, municipal staff, and the public that drinking water protection is an important issue it is not clear what the role of the RDN will or should be.

A clearly defined RDN role would enable staff to plan and implement strategies associated with drinking water protection. A method that has been successfully used by the RDN in the past when dealing with complex issues is to have a workshop on the subject. A workshop could bring in experts from different disciplines, government officials, municipal staff, directors and members of the public to discuss drinking water issues and methods for addressing these issues.

Discussions have taken place with officials of the Ministry of Community, Aboriginal and Women's Services on obtaining a Local Government Infrastructure Planning (Study) Grant or a Smart Development Partnership for the workshop and the ministry appears supportive of the initiative. A Terms of Reference (Appendix A) has been prepared for the workshop initiative. The terms of reference will be used in the RDN's application for either a Local Government Infrastructure Planning (Study) Grant or a Smart Development Partnership from the Ministry of Community, Aboriginal and Women's Services.

ALTERNATIVES

1. Staff organize a workshop that will assist the RDN in defining its role in drinking water protection and to make application for a Local Government Infrastructure Planning Grant or a Smart Development Partnership to cover or offset the costs of the workshop.
2. Do not have a workshop but instead liaise with the provincial government to determine what requirements have to be met to meet the new Drinking Water Protection Act and regulations with respect to RDN water service areas.

FINANCIAL IMPLICATIONS

Funds for a workshop initiative are available in the Regional Growth strategy 2003 budget. If the provincial government does not approve the Local Government Infrastructure Planning Grant or a Smart Development Partnership, the project can be scaled back in size accordingly.

It should be noted that once our role has been established that significant resources (staff, budget, etc.) may be required to move forward with delivering any drinking water protection initiatives.

INTERDEPARTMENTAL IMPLICATIONS

Protecting drinking water resources is a regional issue that has been addressed in the past by Regional Growth Strategies and it is appropriate that this function assist in defining the RDN's future role in this area. A safe long term drinking water supply of sufficient quality and quantity is necessary to accommodate the current and projected population of the region.

While Community Services will be taking the lead role in this workshop initiative it is expected that both Development Services and Environmental Services will be providing significant support since this is a multi-departmental issue.

CITIZENS/PUBLIC RELATIONS IMPLICATIONS

There is increasing concern about the quality and security of our drinking water. Recent events across Canada associated with drinking water supplies have raised the sensitivity of this issue and water purveyors are under increasing pressures to provide safe drinking water and insure drinking water protection. There is growing recognition that effective drinking water system management includes addressing the quality and protection of water sources.

The proposed workshop will provide an opportunity for the Board to undertake an in-depth examination of the issue with the involvement of interested residents, key stakeholders and government representatives. It will also provide opportunities to raise public awareness about the challenges faced in securing and providing drinking water in the region, and to involve the public in the development of solutions to respond to these challenges.

SUMMARY/CONCLUSIONS

At the February 2003 Committee of the Whole meeting staff provided information to the Board and identified strategies and associated implications for drinking water protection initiatives. RDN has no established function or budgets for drinking water protection and therefore limited current ability to fund activities in this area. Options available to local government to start addressing concerns about drinking

water protection include wellhead protection programs, watershed protection plans, stormwater management plans, establishing development permit areas and amending zoning and land use bylaws.

RDN staff met with staff from the City of Nanaimo, City of Parksville, Qualicum Beach and Greater Nanaimo Water District on May 13, 2003 to discuss drinking water protection initiatives. RDN staff presented background information and discussed the need for creating service functions to support and fund any work initiated in this area. While there was support for protecting drinking water there was no support at the staff level for creating a new regional function in this regard.


Without municipal participation in funding a new function protecting drinking water, the costs would have to be borne by the Electoral Areas alone. This may not be the best long-term approach for funding the protection of drinking water in the regional district since the district's water resources do not adhere to electoral and municipal boundaries.


There is a need to approach this complex subject strategically, recognizing the significant associated cost and resource implications. A clearly defined RDN role would enable staff to plan and implement strategies associated with drinking water protection. One method that has been successfully used by the RDN in the past when dealing with complex issues is to have a workshop on the subject. A workshop could bring in experts from different disciplines, government officials, municipal staff, directors and members of the public to discuss drinking water issues and methods for addressing these issues.

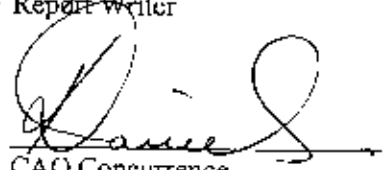
Discussions have taken place with officials of the Ministry of Community, Aboriginal and Women's Services on obtaining a Local Government Infrastructure Planning (Study) Grant for the workshop and the Ministry appears supportive of this initiative.

RECOMMENDATIONS

1. That the Board direct staff to organize a workshop that will assist the RDN in defining its role in drinking water protection;
2. That the Board direct staff to make application for a Local Government Infrastructure Planning Grant or a Smart Development Partnership to cover or offset the costs of a workshop;
3. That the Drinking Water Protection Workshop Terms of Reference be approved;
4. That, after the workshop, staff report back to the Board on the results of the workshop and with recommendations regarding a drinking water protection strategy for the regional district.

for

Report Writer


General Manager Concurrence


CAO Concurrence

COMMENTS:



Drinking Water Protection Initiative Workshop Terms of Reference / Consultation Plan

Issue

Every resident in the region requires a safe and sufficient supply of drinking water, yet drinking water is a very sensitive, precious, finite natural resource.

Public awareness and interest in drinking water protection is heightened, in part as a result of the recent tragedy in Walkerton, Ontario that clearly demonstrated the linkage between human health and drinking water quality, and in part because of fear that there might not be sufficient measures in place to ensure the availability of a drinking water of sufficient quantity and quality.

Human activity can have a negative impact on the quality and quantity of drinking water regardless of whether the drinking water comes from a groundwater or surface water source, and regardless of whether the drinking water is supplied by a well, a water utility, a water user community, or a municipal water system. Human activities in one area of the region can impact drinking water quality and quantity in another area of the region, irrespective of jurisdictional boundaries.

Responsibilities related to providing drinking water and protecting drinking water are dispersed among numerous individuals, organizations and governmental bodies. This results in a complex patchwork of potentially overlapping roles and responsibilities, and may mean that particular drinking water quality and quantity issues are overlooked.

There is a trend towards shifting provincial government responsibilities related to the provision and protection of drinking water away from the province and toward local governments, individuals and self-policing professions. Recent legislation enacted by the provincial government related to drinking water protection, sewage disposal, agriculture and forestry are a few examples of this responsibility shift.

Very little is known regarding the amount and sources of drinking water in the region and how many people it will support. Very little is also known regarding how to remediate polluted water sources.

The Regional District of Nanaimo has taken steps to protect water sources at the long range, strategic level by adopting a *regional growth strategy* which focuses development into less sensitive areas and limits development elsewhere. Members of the public asked the Regional District of Nanaimo to ensure that there is safe and sufficient drinking water supply for the current and future population as a part of the recent project to update the regional growth strategy. It is inevitable that the population of the region will increase from its current population of approximately 130,000, thereby placing increased demands upon water supply and increased threats to water quality.

In light of these realities, the Regional District of Nanaimo Board identified Watershed/Drinking Water Protection as Strategic Priority #3 in its *Strategic Plan for 2003-2005*. The Drinking Water Protection Initiative is intended to lay the foundation for the definition of an appropriate role for the RDN related to drinking water protection, as proposed in the Strategic Plan.

August 6, 2003

PAGE
64

Purposes

The over-arching purpose of the Drinking Water Protection Workshop Initiative is to define the regional role in drinking water protection. In fulfilling this purpose, the Drinking Water Protection Workshop Initiative will also serve the following sub-purposes:

- To raise the level of public awareness about the quality and quantity of drinking water in the region, the sources of drinking water in the region, the methods of providing drinking water in the region, the methods used to protect drinking water in the region, the issues associated with protecting drinking water in the region, and possible methods of addressing these issues.
- To provide an opportunity for individuals, organizations and governmental bodies with responsibilities or interests related to drinking water supply and protection to discuss and or provide written feedback regarding the methods used to protect drinking water in the region, the issues associated with protecting drinking water in the region, and possible methods of addressing these issues.
- To provide an opportunity learn from other jurisdictions regarding the protection of drinking water, and to consider the advancement of new and innovative approaches to drinking water protection in the region to help ensure that a sufficient, high quality drinking water is available now and in the future.

Components and Deliverables

1. A **discussion paper** will be published to raise awareness about the quality and quantity of drinking water in the region, the sources of drinking water in the region, the methods of providing drinking water in the region, the methods used to protect drinking water in the region, the issues associated with drinking water protection, and possible methods of addressing these matters.
 - The discussion paper will be a key tool to facilitate public discussion and feedback about drinking water protection issues.
 - Advertisements will be published in local newspapers and on the RDN web site to inform the public about the availability of the paper and the opportunity to provide feedback about the issues discussed in the paper.
 - The discussion paper will be made available at the RDN offices and it will be posted on the RDN web site.
2. A **discussion paper feedback report** will be published to share with the public the feedback received from the public regarding the issues raised in the discussion paper.
 - The discussion paper feedback report will be made available at the RDN offices and it will be posted on the RDN web site.
3. A **public workshop** will be conducted to raise awareness about the issues associated with drinking water protection and to facilitate discussion among stakeholders regarding how to address these issues.
 - Stakeholders to be invited to the workshop include all levels and branches of government with responsibility related to drinking water protection, non-governmental organizations with interests related to drinking water protection, water purveyors and providers in the region, and interested residents from throughout the region.

- The public workshop will provide an opportunity to learn from the experiences of other jurisdictions through one or more key note speakers and or an expert panel discussion.
 - The public workshop will provide an opportunity for stakeholders to discuss drinking water protection issues and possible methods of addressing the issues.
 - The workshop will be either a half day or full day event, similar to the Village Centre and Economic Development Opportunities workshops conducted as a part of the Regional Growth Strategy Review.
4. A **public workshop report** will be published to document the proceedings of the workshop.
 - The workshop report will be made available at the RDN offices and it will be posted on the RDN web site.
 5. A **final report** that provides recommendations regarding drinking water protection based on the discussion paper, discussion paper feedback report, public workshop, public workshop report, and other pertinent information.
 - The final report will be made available at the RDN office and it will be posted on the RDN web site.
 6. **Consideration of drinking water protection role** as a part of a Regional Services Review or future cooperative agreements between water providers and government. As a part of this consideration information and perspectives will be drawn from the discussion paper, the discussion paper feedback report, the public workshop, the public workshop report, and the final report.

Timeline

The following provides an *estimated* timeframe for each component of the Drinking Water Protection Workshop Initiative:

1. Write discussion paper.	Aug/03 – Sept/03
2. Make discussion paper available to the public and invite feedback about the issues discussed in the paper.	Oct/03
3. Organize public workshop.	Aug/03 – Oct/03
4. Conduct public workshop.	Oct/03 - Nov/03
5. Write discussion paper results report.	Nov/03
6. Write public workshop report.	Nov/03
7. Make public workshop report available to the public.	Dec/03 – Jan/03
8. Write final report.	Dec/03 – Jan/03
9. Consideration of drinking water protection role	Jan/03 – Feb/03

Resources

It is suggested that the budget for the Initiative provide for the following hard costs, in addition to staff time:

Discussion Paper		
<ul style="list-style-type: none"> • Advertise availability to solicit input (6 newspaper advertisements at approximately \$300 per ad) 		\$1800
<ul style="list-style-type: none"> • Inform Regional Growth Strategy Mailing List about discussion paper and solicit input 		\$ 400
Public Workshop		
<ul style="list-style-type: none"> • Advertise workshop (6 newspaper advertisements at approximately \$300 per ad) 		\$1800
<ul style="list-style-type: none"> • Facilitator fees and expenses 		\$2000
<ul style="list-style-type: none"> • Speaker fees and expenses 		\$2000
<ul style="list-style-type: none"> • Facility rental and catering expenses for event with 100 to 200 participants 		\$6000
Total		\$14,000

The Drinking Water Workshop Initiative is a cooperative, interdepartmental project involving the expertise of several departments within the organization. Community Services Regional Growth Strategy staff will take the lead role in the Workshop Initiative. Development Services and Environmental Services staff will also support the Workshop Initiative.

Current RDN staff will write, organize and coordinate the Workshop Initiative deliverables. Consultant assistance may be obtained to provide facilitation expertise at the public workshop.

The RDN may be able to obtain an Infrastructure Planning (Study) Grant or a Smart Development partnership financial support from the Provincial Government for the Initiative. The scope of the project will be tailored to the budget available.



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

MEMORANDUM

TO: Dennis Trudeau
Manager of Liquid Waste

DATE: August 12, 2003

FROM: Chris Brown
Engineering Technologist

FILE: 4520-20-55/56/57

SUBJECT: Liquid Waste
Northern and Southern Communities
Pump and Haul Bylaw Amendment

PURPOSE

To consider an amendment to Bylaw 975 which established the Regional District of Nanaimo Pump and Haul program.

BACKGROUND

The pump and haul service was established to provide a solution for those properties unable to obtain a permit for an on site septic disposal system. In order to apply for a permit under this bylaw the following conditions must be met:

- the applicant must have been formally rejected by the Ministry of Health for an on site system
- the parcel must be greater than 700 m²
- the parcel is for existing uses and the disposal system has failed, or the parcel is currently vacant and will only be used for the construction of a single family residence
- the parcel cannot be further subdivided or stratified according to existing zoning or a restrictive covenant
- a community sewer system is not available
- including the parcel will not facilitate development of any additional units on the property
- the development conforms to zoning bylaws.

A person wishing to incorporate a property (or properties) into the Pump and Haul Service Area must first apply to the Regional District of Nanaimo to amend the Pump and Haul Bylaw No. 975. A Restrictive Covenant shall be registered against the title of the land in question in accordance with section 219 of the Land Title Act. The Restrictive Covenant shall require that the owner of the lot maintain a contract with a pump out company with a copy of the current contract always deposited with the Regional District of Nanaimo; the owner of the lot connect to sewers when they become available and the owner shall not subdivide or construct any additional units on the property.

Requests have been received to include the following properties into the Pump and Haul function:

1. Lot 108 , Section 12, Plan 23435, Nanaimo Land District
1169 McGillvary Avcnuc, Gabriola
Helen Rosemary Labelle
Area B
2. Lot 3, District Lot 28, Plan 22249, Newcastle Land District
Seaview Drive, Bowser
Mr. Anthony Thomas Melvyn
Area H
3. Lot 28 Plan 26472 District Lot 28 Nanoose Land District
796 Miller Road, Parksville
Vivian Weldon
Area G

Ms. Labelle, Mr. Melvyn and Mr. Weldon have petitioned the RDN to include their properties into the Regional District of Nanaimo Pump and Haul Local Service Area, Bylaw No. 975. Letters from the Environmental Health officer at the Central Vancouver Island Health Region indicate the properties could not be approved for sewage disposal permits. The properties are all greater than 700 m² and all conform to the existing zoning bylaws.

With respect to the application from Mr. Weldon, area G is not included in the Pump and Haul Local Service Area Establishment Bylaw. The boundaries of the local service area will have to be amended to include Electoral Area 'G' as a participating area.

Restrictive Covenants will be registered on all of the properties requiring that continuous contracts with a pump out company be on file with the Regional District of Nanaimo, that the owners will connect to sewers when they become available and that the owners shall not subdivide or construct any additional units on the properties.

ALTERNATIVES

1. Do not accept the applications.
2. Accept the applications.

FINANCIAL IMPLICATIONS


There are no financial implications. The applicants pay an application fee and an annual user fee. The Pump and Haul program is a user pay service.

SUMMARY/CONCLUSION


The applications meet all requirements for inclusion into the Pump and Haul function, specifically the parcel size is greater than 700m², a community sewer is not available, sewage disposal permits could not be obtained under the Provincial Sewage Disposal Regulation and the properties conform to zoning bylaws. Appropriate Restrictive Covenants have been prepared for the properties and have been approved by Planning and Environmental Services staff.

RECOMMENDATIONS

1. **That** the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to include Area 'G'.
2. **That** the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to include 796 Miller Road, Parksville (Weldon).
3. **That** the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to include 1169 McGillvary Avenue, Gabriola Island (Labelle).
4. **That** the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to include Lot 3 Seaview Drive, Bowser (Melvyn).
5. **That** "Regional District of Nanaimo Pump & Haul Local Service Area Amendment Bylaw No. 975.30, 2003" be read three times and forwarded to the Inspector of Municipalities for approval.




Report Writer

for 

Manager Concurrence

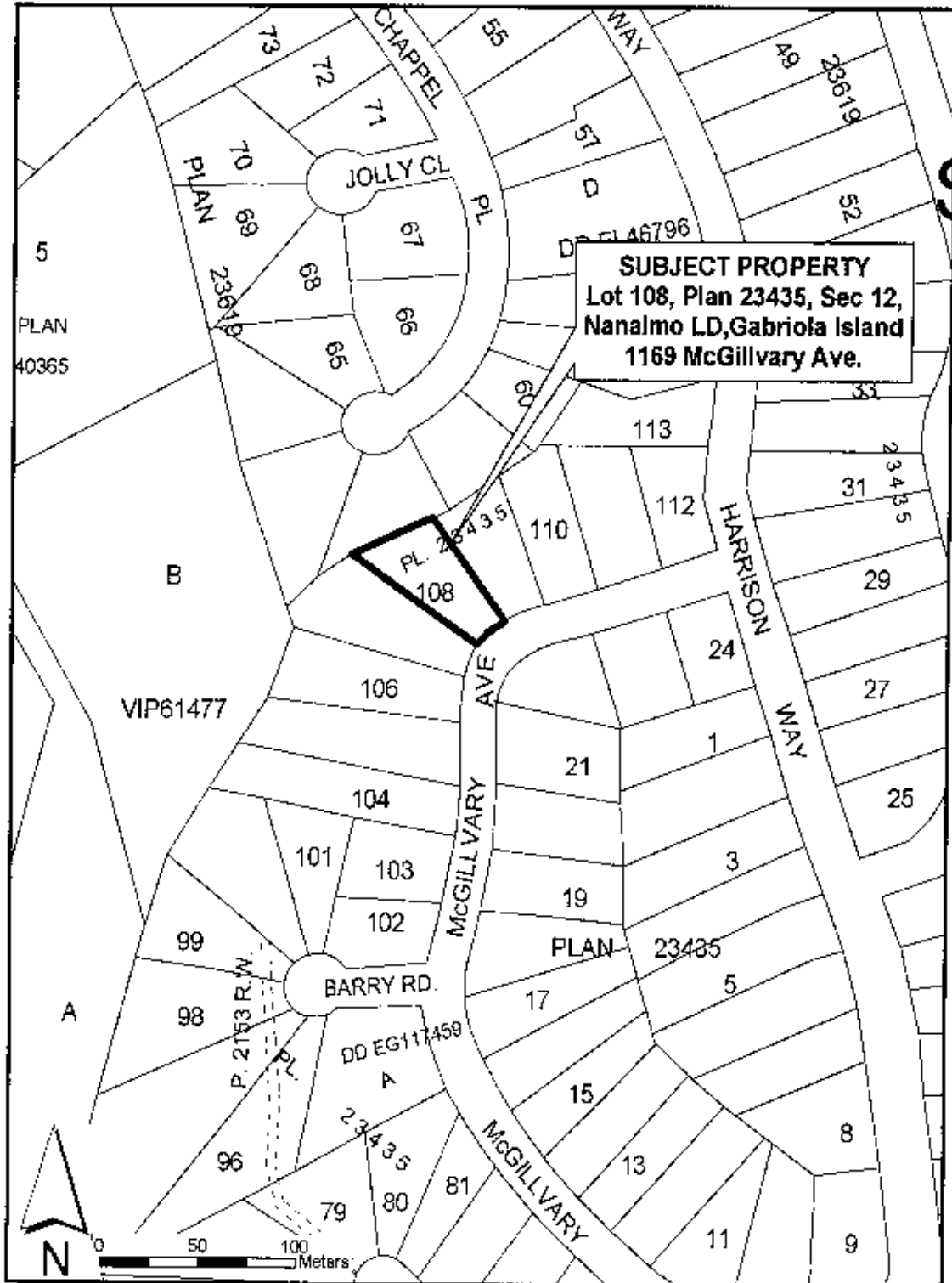


General Manager Concurrence

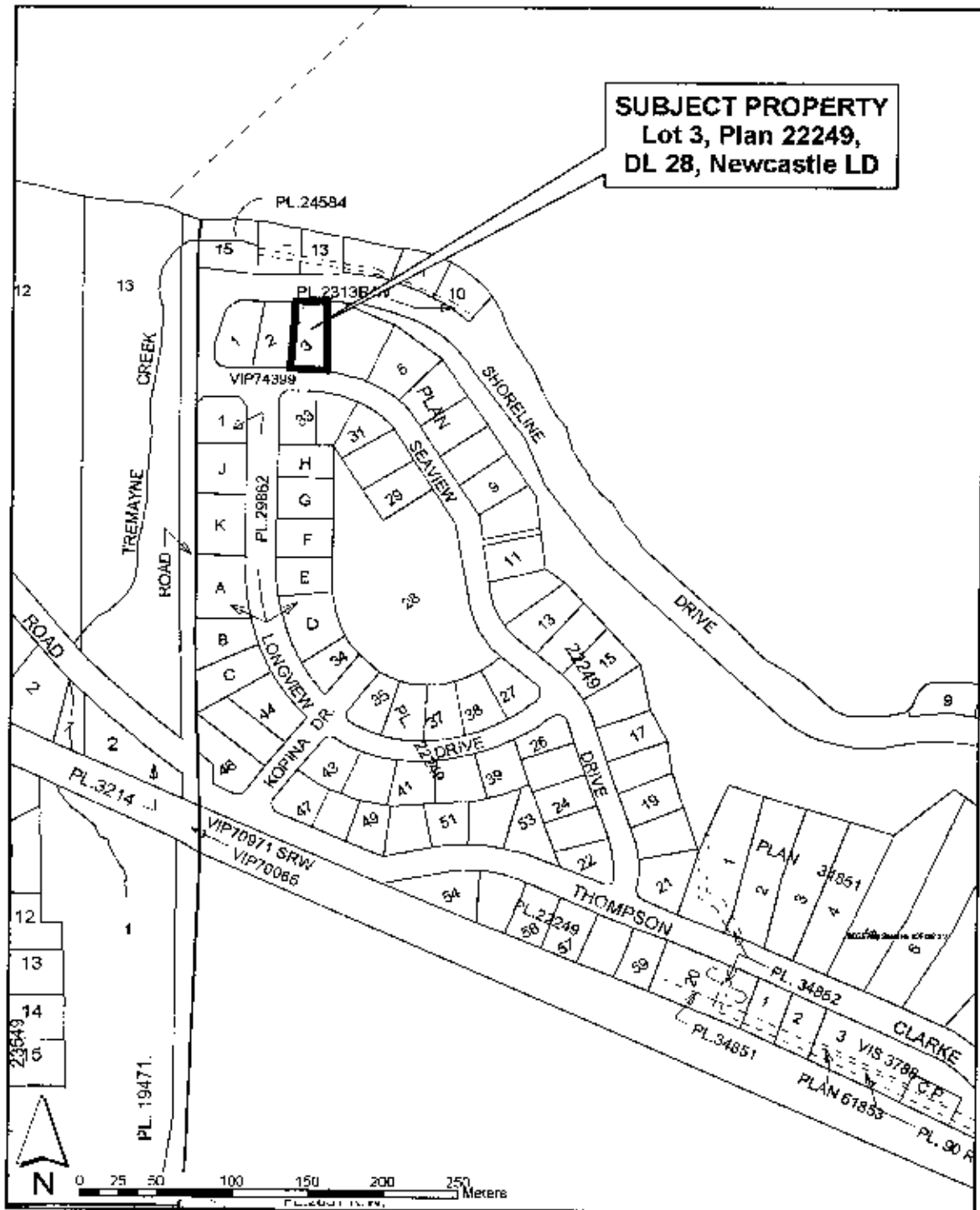


CAO Concurrence

COMMENTS



SUBJECT PROPERTY
Lot 108, Plan 23435, Sec 12,
Nanaimo LD, Gabriola Island
1169 McGillvary Ave.



BCGS Map Sheet No. 92F 047.3 2

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 975.30

**A BYLAW TO AMEND THE REGIONAL
DISTRICT OF NANAIMO PUMP AND
HAUL LOCAL SERVICE AREA
ESTABLISHMENT BYLAW NO. 975**

WHEREAS Regional District of Nanaimo Pump and Haul Local Service Area Establishment Bylaw No. 975, as amended, established the pump and haul local service area;

AND WHEREAS the Regional Board wishes to amend the boundaries of the local service area to include Electoral Area 'G' as a participating area;

AND WHEREAS the Directors of Electoral Areas 'B', 'D', 'E', 'F', 'G' and 'H' have consented, in writing, to the adoption of this bylaw;

AND WHEREAS the Council of the City of Nanaimo has consented, by resolution, to the adoption of Bylaw No. 975.30;

AND WHEREAS the Board has been requested to amend the boundaries of the local service area to include the following properties:

Lot 108, Section 12, Nanaimo Land District, Gabriola Island, Plan 23435 (Electoral Area B)

Lot 28, District Lot 28, Nanoose Land District, Plan 26472 (Electoral Area G)

Lot 3, District Lot 28, Newcastle Land District, Plan 22249 (Electoral Area H)

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

1. Schedule 'A' of Bylaw No. 975.29 is hereby repealed and replaced with Schedule 'A' attached hereto and forming part of this bylaw.
2. This bylaw may be cited for all purposes as "Regional District of Nanaimo Pump and Haul Local Service Area Amendment Bylaw No. 975.30, 2003".

Introduced and read three times this 9th day of September, 2003.

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

Adopted this ____ day of _____, 2003.

CHAIRPERSON

GENERAL MANAGER, CORPORATE SERVICES

PAGE
74

Schedule 'A' to accompany "Regional District of Nanaimo Pump and Haul Local Service Area Amendment Bylaw No. 975.30, 2003"

Chairperson

General Manager, Corporate Services

BYLAW NO. 975.30

SCHEDULE 'A'

Electoral Area 'B'

1. Lot 108, Section 31, Plan 17658, Nanaimo Land District.
2. Lot 6, Section 18, Plan 17698, Nanaimo Land District.
3. Lot 73, Section 31, Plan 17658, Nanaimo Land District.
4. Lot 24, Section 5, Plan 19972, Nanaimo Land District.
5. Lot 26, Section 12, Plan 23619, Nanaimo Land District.
6. Lot 185, Section 31, Plan 17658, Nanaimo Land District.
7. Lot 177, Section 31, Plan 17658, Nanaimo Land District.
8. Lot 120, Section 31, Plan 17658, Nanaimo Land District.
9. Lot 7, Section 18, Plan 17698, Nanaimo Land District.
10. Lot 108, Section 12, Plan 23435, Nanaimo Land District.

Electoral Area 'D'

1. Lot 24, District Lot 44, Plan 27557, Wellington Land District.
2. Lot A, District Lot 27G, Plan 29942, Wellington Land District.

Electoral Area 'E'

1. Lot 69, District Lot 68, Plan 30341, Nanoose Land District.
2. Lot 1, District Lot 72, Plan 17681, Nanoose Land District.
3. Lot 2, District Lot 117, Plan 18343, Nanoose Land District.
4. Lot 17, District Lot 78, Plan 14212, Nanoose Land District.
5. Lot 32, District Lot 68, Plan 26680, Nanoose Land District.
6. Lot 13, Block E, District Lot 38, Plan 13054, Nanoose Land District.
7. Lot 5, District Lot 78, Plan 25366, Nanoose Land District.
8. Lot 24, District Lot 68, Plan 30341, Nanoose Land District.
9. Lot 13, District Lot 78, Plan 25828, Nanoose Land District.
10. Lot 58, District Lot 78, Plan 14275, Nanoose Land District.
11. Lot 28, District Lot 78, Plan 15983, Nanoose Land District.
12. Lot 23, District Lot 78, Plan 14212, Nanoose Land District.

Electoral Area 'F'

1. Lot 22, District Lot 74, Plan 29012, Cameron Land District.
2. Lot 2, District Lot 74, Plan 36425, Cameron Land District.
3. Lot A, Salvation Army Lots, Plan 1115, Except part in Plan 734 RW, Nanoose Land District.
4. Strata Lot 179, Block 526, Strata Plan VIS4673, Cameron Land District.
5. Strata Lot 180, Block 526, Strata Plan VIS4673, Cameron Land District.
6. Strata Lot 181, Block 526, Strata Plan VIS4673, Cameron Land District.
7. Strata Lot 182, Block 526, Strata Plan VIS4673, Cameron Land District.
8. Strata Lot 183, Block 526, Strata Plan VIS4673, Cameron Land District.

Electoral Area 'G'

1. Lot 28, District Lot 28, Plan 26472, Nanoose Land District.

Electoral Area 'H'

1. Lot 22, District Lot 16, Plan 13312, Newcastle Land District.
2. Lot 29, District Lot 81, Plan 27238, Newcastle Land District.
3. Lot 46, District Lot 81, Plan 27238, Newcastle Land District.
4. Lot 9, District Lot 28, Plan 24584, Newcastle Land District.
5. Lot 41, District Lot 81, Plan 27238, Newcastle Land District.
6. Lot 20, District Lot 16, Plan 13312, Newcastle Land District.
7. Lot 2, District Lot 9, Plan 2160, Newcastle Land District.
8. Lot 3, District Lot 28, Plan 22249, Newcastle Land District.

City of Nanaimo

1. Lot 43, Section 8, Plan 24916, Wellington Land District.



REGIONAL DISTRICT OF NANAIMO	
AUG 18 2003	
CHAIR	GMCrS
CAO	GMOS
GRCmS	GMES
Callahan	

MEMORANDUM

TO: Carey McIver
Manager of Solid Waste

DATE: August 14, 2003

FROM: Alan Stanley
Solid Waste Program Coordinator

FILE: 5365-65

SUBJECT: Waste Stream Management Licensing – Progress Report

PURPOSE

To report on the establishment of a Waste Stream Management Licensing system for the regional district.

BACKGROUND

The goal of the 1996 3Rs Plan was to meet or exceed the province's 50 % waste reduction goal through a variety of programs that are environmentally, socially and economically sustainable. To get beyond 50% the plan recommended the establishment of a privately owned and operated composting facility as well as a private construction/demolition waste recycling facility.

To date, these facilities have not been established due to concerns by the waste management industry that their investment may be undercut by businesses that operate with less than ideal standards but for which there is minimal authority to prevent their operation. Establishing and enforcing appropriate standards of operation would allow waste managers who have a genuine interest in establishing a reputable business to proceed with a greater degree of certainty than exists at present.

Legislative Support

One of the tools provided to regional districts through the Provincial Environmental Management Act (previously Waste Management Act) to establish and enforce standards is licensing of solid waste management facilities. Under the Act, a waste stream management license (WSML) means a license issued by a regional district, under the authority of a bylaw, to the owner or operator of a site that accepts and manages municipal solid waste. Licenses can be used as a means to administer and enforce any bylaw developed by a regional district under the Act's authority.

RDN and CVRD Bylaw Development

The RDN Board supported the development of a WSML bylaw in 1999 for composting facilities and in 2000 for construction/demolition recycling facilities. The Board also directed that a common regulatory framework be developed amongst regional districts. To that end staff have been working in partnership with the Cowichan Valley Regional District (CVRD) to develop an identical WSML bylaw. This insures that implementation of a WSML bylaw in either district will not simply push problems into the other jurisdiction.

Bylaw Objectives

The licensing of waste management facilities in the RDN and CRD is intended to fulfill the following objectives:

1. Create a high standard of operation for waste management facilities located in the RDN and CVRD by establishing some level of control over the types and quantities of waste materials managed at a site, the operation of a site and the recording and submission of information to the regional district.
2. Encourage and protect legitimate waste management operations within the RDN and CVRD.
3. Establish a reporting system for the flow of waste materials within the RDN and CVRD to assist in tracking our waste reduction rate.
4. Protect and enhance the waste reduction rate achieved in both regional districts.
5. Provide a level playing field in the two regional districts.

Who Would Require Licensing?

All facilities (operations or properties) that handle municipal solid waste (MSW) in whole or part are to be included in the licensing system with the exception of those facilities noted below. This means that transfer stations, recycling depots, composting facilities, material recovery facilities and brokers will be subject to the licensing system. It is proposed that non-profit/charity depots and brokers of materials for which money has been paid will be subject to a lower cost license and no security fees due to their minimal threat to the local waste management infrastructure and the environment.

Facilities that will be excluded from obtaining a license are:

- Disposal facilities such as landfill and incinerators;
- Soil facilities;
- Stewardship program depots,;
- Concrete and asphalt recycling operations and auto wreckers; and
- Municipally owned facilities.

Bylaw Development Progress

Regional district staff and consultants have drafted a licensing bylaw. The regional office of BC Ministry of Water, Land and Air Protection and the RDN's Regional Waste Advisory Committee have been involved in the development of the bylaw since it was first discussed in 2001.

The draft bylaw and licensing system are currently going through a consultation process with stakeholders in both regional districts. Stakeholders include waste management businesses, waste haulers, non-profit organizations involved in waste management, local governments, First Nations and neighbouring regional districts.

Stakeholder Issues

Two stakeholder sessions have been held, one in each district. Staff from both districts are reviewing feedback from the consultations. A second draft of the bylaw will be produced and another round of stakeholder consultations will be held.

Issues that have been discussed at the stakeholder consultation include: security amounts, enforcement, non-licensees, First Nations facilities, hauler licensing and an appeal process. Each of the above issues will be considered for the second draft of the bylaw.

Future Steps

The province requires regional districts to submit Solid Waste Management Plans (SWMP) as part of the statutory requirement by regional districts to manage solid waste. Intention to adopt a WSML bylaw must be included in the district's SWMP. The current RDN SWMP does not include this element; therefore the RDN must submit a SWMP amendment that will include the intention to adopt a WSML bylaw. A Stage III SWMP is currently being developed and the requisite public consultation is scheduled to take place in late fall, 2003.

Once the second draft of the bylaw is finalized, the RDN and CVRD Boards will give consideration to first and second reading of the bylaw, after which the intent to adopt a WSML bylaw can be included in the SWMP. Then the bylaw will be submitted to the Minister of Water, Land and Air Protection for approval. At that time, stakeholders may provide comment to the Minister for consideration while reviewing the bylaw. If the Minister approves the bylaw, the bylaw will require third and final reading by the Board before it can be implemented. If supported by the Board, staff would target adoption of the bylaw by mid-2004.

FINANCIAL IMPLICATIONS

Staff has designed the Waste Stream Management Licensing program to be primarily self-financing. It is expected that licensing and inspection fees will pay for the program. The total initial revenue will be approximately \$12,000 without hauler licensing and \$19,500 if haulers are included.

The GVRD has been licensing sites since 1996 and they estimate approximately 20 hours to complete a site license and 10 hours for a hauler license. A further 10 hours per year for annual and spot inspections will be required per site license and 5 hours per year for a hauler license. For the RDN to effectively implement and manage a WSML bylaw, roughly .5 FTE for the first year and .25 FTE for subsequent years will be required.

INTERGOVERNMENTAL IMPLICATIONS

Staff from RDN municipalities have received the draft WSML bylaw and were invited to attend a consultation session. Nanaimo and Qualicum Beach staff attended the session and agreed in principle with the intent of the bylaw. The bylaw has been discussed with staff from Parksville and Lantzville and both staffs agreed with the intent of the bylaw.

The RWAC has supported a WSML bylaw since the concept was first discussed in 2001 and also supported the inclusion of a WSML bylaw in the RDN draft Zero Waste Plan.

MWLAP staff has attended all stakeholder and municipal consultation meetings and MWLAP strongly supports implementation of a WSML bylaw.

Adoption of a WSML bylaw by the RDN and CVRD may create repercussions in neighbouring districts. The Capital Regional District is adopting elements of WSML for specific types of facilities and is a relatively highly regulated district so that there should be little or no impact. The Comox Strathcona Regional District (CSRD) is not pursuing a regulatory role at this time. If adoption of a WSML bylaw in the RDN and CVRD results in an increase of problem sites in the CSRD it is likely that a WSML bylaw would be implemented in the CSRD.

ENVIRONMENTAL IMPLICATIONS

In terms of solid waste management, adoption of a WSML bylaw is a logical step given the statutory requirement that regional districts manage solid waste. This regulatory function will give the RDN the authority required to successfully administer the solid waste responsibilities delegated by the provincial government.

The requirement of the WSML bylaw to adhere to a strict operating plan that has environmental protection as a primary responsibility, plus the effectiveness of the security mechanism to insure self-policing by operators, will reduce the environmental risk profile of the RDN's private sector operations.

PUBLIC RELATIONS IMPLICATIONS

A well-regulated private sector waste management industry will give the private sector confidence to invest in waste management infrastructure. Within this model is the potential to have most if not all of the waste and recyclable material in the district diverted to private sector facilities. The RDN public will benefit from a greater number of waste management options and the pricing that will result from competition.

SUMMARY/CONCLUSIONS

The goal of the 1996 3Rs Plan was to meet or exceed the province's 50 % waste reduction goal through a variety of programs that are environmentally, socially and economically sustainable. The RDN Board supported the development of a WSML bylaw in 1999 for composting facilities and in 2000 for construction/demolition recycling facilities. The Board also directed that a common regulatory framework be developed amongst regional districts. The proposed licensing bylaw intends to set a high standard of operation for waste management facilities in the Regional District of Nanaimo and Cowichan Valley Regional District.

Regional district staff and consultants have drafted a licensing bylaw. The regional office of BC Ministry of Water, Land and Air Protection and the RDN's Regional Waste Advisory Committee have been involved in the development of the bylaw since it was first discussed in 2001. The RDN SWMP must be amended to include intent to adopt a WSML bylaw and the WSML bylaw must be approved by MWLAP prior to third reading by the RDN Board.

The draft bylaw and licensing system are currently going through a consultation process with stakeholders. Staff has designed the Waste Stream Management Licensing program to be primarily self-financing. All RDN municipal partners have agreed in principle with the intent of the proposed bylaw. MWLAP strongly supports implementation of a WSML bylaw. The RWAC supported the inclusion of a WSML bylaw in the RDN draft Zero Waste Plan.

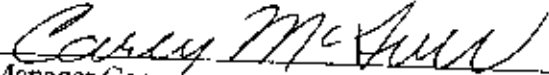
A WSML bylaw will reduce the environmental risk profile of the RDN's private sector operations. The RDN public will benefit from a greater number of waste management options and the pricing that will result from competition.

RECOMMENDATION

That the Board receive the staff report on development of a Waste Stream Management Licensing system for information.




Report Writer



Manager Concurrence



General Manager Concurrence



CAO Concurrence

COMMENTS:



**REGIONAL
DISTRICT
OF NANAIMO**

**REGIONAL DISTRICT
OF NANAIMO**

AUG 14 2003

CHAIR	GMCrS
GAO	GMDS
GMCmS	GMES

MEMORANDUM

TO: Carey McIvor
Manager of Solid Waste

FROM: Alan Stanley
Solid Waste Program Coordinator

SUBJECT: Product Stewardship Developments

DATE: August 14, 2003

FILE: 5380-20-STEW

PURPOSE

To update the RDN Board on Product Stewardship Developments in BC.

BACKGROUND

At the July 3, 2003 Regional Waste Advisory Committee (RWAC) meeting, the committee requested that a report updating the Board on product stewardship development in BC be prepared.

Definition of Product Stewardship

Product stewardship is intended to provide waste management systems whereby producers and consumers assume the cost and lifecycle responsibility for the products they produce and use. Product stewardship by definition is user-pay waste management instead of a government operated and taxpayer-financed waste management system.

Product stewardship is a proven, equitable and effective method of diverting wastes from disposal. Current BC product stewardship programs include industry-operated deposit systems on almost all beverage containers, automotive tires and batteries, and industry-funded collection of waste paint, used oil, solvents, fuels, pesticides and pharmaceuticals. These industry-led, user-pay programs generate high recovery rates, divert material from regional disposal facilities, stimulate the local economy and promote fairness for taxpayers. From a long-term sustainability perspective, the potential to influence product design is one of the most important aspects of product stewardship programs.

Due in large part to product stewardship programs, the costs for managing materials in the local government blue box programs have been kept lower, are less vulnerable to fluctuations in material commodity prices and disposal issues and risks have been substantially reduced. Product stewardship programs promote sustainability and are one of the keys that helped the RDN achieve the 50% waste diversion goal.

British Columbia's industry-led product stewardship programs are recognized internationally as innovative and effective approaches to waste management.

Regional District of Nanaimo Product Stewardship Position

Most solid waste professionals in the province and the RDN have consistently supported producer-led stewardship programs. RDN support was recently demonstrated by the RWAC recognition of stewardship

PAGE
83

programs as a significant component in the draft Zero Waste Plan reviewed by RWAC. The Recycling Council of BC (RCBC), a multi-stakeholder organization, made up of private sector, governmental and environmental organizations and dedicated to waste prevention has endorsed the implementation of product stewardship programs. The RDN has contributed to the development of RCBC policy directives.

British Columbia Product Stewardship Review

In early 2003, the provincial Ministry of Water, Land and Air Protection (MWLAP), who are responsible for product stewardship programs, initiated a review process. The process is intended to analyze all existing stewardship programs and determine if they are consistent with the four guiding principles that MWLAP published in 2002 that were to form the basis of all product stewardship plans in BC. The MWLAP vision sees the end-of-life of products and packaging managed under environmentally sound and effective waste management systems that are financed and operated by producers and users, rather than by general taxpayers. To achieve this vision, MWLAP is proposing four guiding principles, which in brief, are:

1. Producer/User Responsibility
 - a. *Waste management responsibility is shifted from taxpayers to producers and consumers.*
 - b. *Responsibility is not shifted to other levels of government without consent.*
2. Level Playing Field
3. Results Based
4. Transparency and Accountability

A number of stakeholder consultation sessions were held throughout the province to generate feedback and commentary. Stakeholders representing the private sector, stewardship agencies, non-profit organizations and RDN and City of Nanaimo staff attended the session in Nanaimo. The City and RDN contributed to the session with particular emphasis and agreement on the producer/user responsibility principle of the business plan.

The review is an ongoing process and recently MWLAP has published some stakeholder submissions on their web site. Of concern are the many industry submissions that urge partnerships with local government in the delivery of stewardship programs. Some industry submissions go as far as to suggest that local government be somehow compelled to assist in the delivery of their stewardship programs. The suggested form of partnerships varies, however the conclusion is that local government should assume certain responsibilities and, by extension, liabilities of the various programs. There is little discussion in the industry submissions regarding how these responsibilities and liabilities are to be financed. The inference is that local taxpayers would be financially responsible. This approach contradicts the accepted definition of product stewardship, the MWLAP product stewardship vision and the first principle of the MWLAP product stewardship business plan.

One of the main reasons given by industry for the establishment of stewardship partnerships is that the existing waste management infrastructure is the best way to handle stewardship materials. This means including stewardship materials in the curbside recycling collection programs and locating drop-off depots at sites managed by local government.

This approach has two basic flaws. For a program to be piggybacked onto existing programs assumes an excess of capacity that can handle the additional material. In the RDN, all recycling collection programs

are contracted out and operating at capacity. Full capacity is a hallmark of a well-designed system and to a lesser degree, the efficiency of a public-private partnership service delivery model. Any materials that may be added to local curbside collection systems would require contract addendums and possibly additional equipment. This could be further exacerbated by possible requirements to separate out, track and report on any materials that may be covered by such an arrangement.

The other flaw in the partnership model is that there is a widely held assumption within industry stewardship organizations that services can be added to local government facilities at no extra cost because the facility and staff are already there. This is not true, and with RDN facilities operating at capacity, extra programs will mean additional infrastructure, staffing and staff training. By implication, these additional costs would be expected to be absorbed by the local jurisdiction.

In discussion with other regional districts and municipalities the shared responsibility model is seen as inefficient and likely to entrench bureaucratic systems, reducing flexibility and innovation in the design of future waste management systems. The Greater Vancouver and Capital Regional Districts in submissions to MWLAP have both rejected the shared responsibility model.

Strategic Implications

In the long-term, product stewardship programs can potentially capture a significant portion of post-consumer waste. Combined with other waste reduction and diversion programs such as organics composting, for example, pressure on RDN and municipal facilities can be considerably decreased. This will result in more accurate and equitable user-pay systems and reduce the burden on the local government and taxpayer. Also, innovation in both product and packaging design and innovative residual waste management methods will be developed which will enhance general sustainability and accountability.

Making producers and consumers responsible for their waste has far more potential for material diversion, packaging redesign and waste minimization than the shared responsibility model. The shared responsibility stewardship model removes most of the incentives that encourage innovation.

ALTERNATIVES

1. Support the MMWLAP four guiding principles for developing a new product stewardship regulation in BC.
2. Do not support the MMWLAP four guiding principles for developing a new product stewardship regulation in BC.

FINANCIAL IMPLICATIONS

Stewardship programs that adhere to MWLAP's four guiding principles have the potential to significantly reduce the amount of waste that must be handled by local government and paid for by the taxpayer. The removal of more toxic materials from the municipal waste stream through product stewardship programs has correctly transferred problematic disposal issues, risks and costs from the local government to producers and consumers of these materials.

As the producer and consumer fund current stewardship programs, there are no immediate financial implications for the RDN. If the shared responsibility model were to be adopted, there would be a number of currently undetermined financial impacts on the RDN.

ENVIRONMENTAL IMPLICATIONS

Product stewardship programs are a proven and reliable mechanism to remove material from the disposal stream and to ensure that the diverted materials are recycled. In the case of household hazardous wastes, for example, materials with higher levels of toxicity are removed from disposal and recycled.

PUBLIC RELATIONS IMPLICATIONS

The public has responded favourably to the current stewardship programs. The current stewardship programs also serve as a public education tool, helping to make consumers more aware of their responsibilities and impacts in terms of the waste that they generate. The shared responsibility model would likely blunt this growing awareness by creating the appearance that the local government would be the responsible agency for dealing with the problems created by the producers and consumers. Personal responsibility for managing and financing waste generated by the individual consumer creates powerful incentives for a consumer to reduce waste.

INTERGOVERNMENTAL IMPLICATIONS

The provincial government currently administers stewardship programs. The shared responsibility model proposed by some industry groups infers that some of the administrative and management responsibilities would shift to local government. Currently, local government has no legislative authority to direct or otherwise influence stewardship plans. If the shared responsibility model were to be adopted, the RDN and member municipalities would be expected to participate financially, administratively and provide infrastructure to manage the stewardship materials.

SUMMARY/CONCLUSIONS

Product stewardship is intended to provide waste management systems whereby producers and consumers assume the cost and lifecycle responsibility for the products they produce and use. In early 2003, the provincial Ministry of Water, Land and Air Protection (MWLAP), who are responsible for product stewardship programs, initiated a product stewardship review process. The process is intended to analyze all existing stewardship programs and determine if they are consistent with the four guiding principles that MWLAP published in 2002 that were to form the basis of all product stewardship plans in BC.

The review is an ongoing process and recently MWLAP has published some stakeholder submissions on their web site. Of interest and concern are the many industry submissions that urge partnerships with local government in the delivery of stewardship programs. Some industry submissions go as far as to suggest that local government be somehow compelled to assist in the delivery of their stewardship programs. This approach contradicts the accepted definition of product stewardship, the MWLAP product stewardship vision and the first principle of the MWLAP product stewardship business plan.

Making producers and consumers responsible for their waste has far more potential for material diversion, packaging redesign and waste minimization than the shared responsibility model. The shared responsibility stewardship model removes most of the incentives that encourage innovation. The shared responsibility model would create the appearance that the local government would be the responsible agency for dealing with the problems created by the producers and consumers. Personal responsibility for managing and financing waste generated by the individual consumer creates powerful incentives for a consumer to reduce waste.

If the shared responsibility stewardship model were to be adopted, the RDN and member municipalities would be expected to participate financially, administratively and provide infrastructure to manage the stewardship materials. Also, it would be necessary to transfer stewardship authority to local government for this model to be accountably managed.

RECOMMENDATION

That the Board send a letter to the BC Premier, copied to the Minister of Water, Land and Air Protection and UBCM supporting the four principles of the product stewardship business plan emphasizing the principle that the revised regulation support the producer and consumer as the responsible parties for product stewardship materials, and rejecting the shared responsibility model.

for A. Garkas
Report Writer

 P. *for* C. Mckelver
Manager Concurrence

 D. Fine
General Manager Concurrence

 D.
CAO Concurrence

COMMENTS:



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

MEMORANDUM

TO: Carey McIver
Manager of Solid Waste

DATE: August 14, 2003

FROM: Alan Stanley
Solid Waste Program Coordinator

FILE: 5380-20-STEW

SUBJECT: Dairy Industry Product Stewardship Proposal

PURPOSE

To consider a product stewardship proposal submitted by the BC Dairy Council (BCDC).

BACKGROUND

Of all of the product stewardship programs in operation in BC, the most effective has been the deposit-refund systems for beverage containers. In a relatively short period of time, a very high diversion rate for beverage containers has been achieved. For some container types, diversion rates of around 90% are being reported. The BC system is highly regarded around the world and works far better than most alternative systems. In Ontario, beverage containers are generally collected in municipal blue box programs and they divert less than 30% of the beverage container stream, very poor performance when compared to the deposit-refund system.

When the expanded deposit-refund system for beverage containers was introduced in 1998, the dairy industry lobbied for a reprieve from the regulation and was exempted from participating. As a result high-density polyethylene (HDPE) milk containers are still being collected in curbside recycling programs rather than through deposit-refund as is the case for liquor, wine and juice containers.

Since the exemption was granted, many organizations including the Recycling Council of BC have formally requested that milk containers be included in the deposit-refund system. Recently, the Regional District of Kootenay Boundary (RDKB) has requested support from other regional districts to have milk containers added to the deposit-refund system (attached).

Many regional districts, including the CRD and GVRD have supported the RDKB position through letters to the Minister of Water, Land and Air Protection. There appears to be a consensus amongst local government organizations that milk containers should be included in the deposit-refund system. As a result the MWLAP has requested that the dairy industry provide stewardship options or possibly face imposition of the deposit system.

Nevertheless the dairy industry has been very resistant to the deposit-refund system, lobbying the Ministry of Water, Land and Air Protection (MWLAP) and the Ministry of Agriculture to continue the exemption. Based on a recent one year pilot project undertaken in Abbotsford that collected plastic milk jugs and polycoat dairy cartons in the City's blue bag program, the BCDC is informally circulating a proposal that would pay local governments a "top-up fee" based on the market value of milk jugs and polycoat containers collected in the blue box. The RDN has received the BCDC proposal (attached).

ALTERNATIVES

1. Accept the BCDC proposal and do not support the RDKB request.
2. Do not accept the BCDC proposal and support the RDKB request.

FINANCIAL IMPLICATIONS

Alternative 1

The Abbotsford pilot project achieved a claimed 80% capture rate for plastic milk jugs and 30% for polycoat containers. Based on total units sold in the RDN (extrapolated from provincial sales and RDN population) and the Abbotsford recovery rates, the RDN curbside program could collect 42 tonnes of plastic jugs and 19 tonnes of polycoat containers. This would result in an annual top-up fee of roughly \$8,600.

The extra work to collect the polycoat cartons and the additional sorting, weighing and remittance of weigh slips would add costs of around \$5,000 per year based on initial projected recovery rates. These marginal costs would increase with the higher recovery rates that would be expected over time. Additional administrative costs for RDN staff are estimated at \$1,200 per year resulting in a total cost to the RDN of roughly \$6,200 per year. Subtracting the estimated BCDC subsidy, results in a net benefit of \$2,400 per year or about 11 cents per household serviced per year.

The true cost to the RDN recyclables collection program is determined by the volume, or space the containers take up, not the weight. HDPE milk containers are currently collected and are a lightweight, high volume material. On average, milk containers consume approximately 30% of the space of the recyclables collection trucks. The limiting factor in collection is the space consumed by a given material, not the weight, therefore the percentage of space consumed by a material stream is directly related, and dictates the overall system costs of the material.

Recyclable collection contract costs and the administration and public education associated with recyclables collection comprises approximately 30% of the total garbage and recyclables collection budget, or \$509,000 annually for 23,000 households. Of this, 30% of the costs, or \$153,000 are for the handling of milk containers. The BCDC proposes taking responsibility for less than 6% of the true costs to handle their waste stream and has attached administrative overhead to be done by the RDN and their contractors as a condition. The net benefit of their proposal to the RDN is less than 2% of the current cost to handle milk containers.

Alternative 2

If milk containers were included in the deposit refund system, there would be no cost or administration overhead to the RDN. Costs of the system would likely be far less than the current curbside collection costs and would be correctly borne by the producer and consumer. Deposit refund systems are proven to be the most effective way to divert a given material stream from disposal. It is likely that over time, as the deposit refund system captured more of the material currently collected at curbside, costs could be reduced. Adding milk containers to the deposit refund system would mitigate the financial burden of solid waste management on local government, provide a consistent, level playing field for producers and consumers and correctly place responsibility for managing milk container recycling with the producers rather than the general taxpayer. Also, deposits are fully recovered by the consumer and do not add any additional costs to milk. The BCDC proposal would internalize all program costs and must inevitably add these internalized costs to the price of milk, potentially harming low-income consumers of milk.

PUBLIC RELATIONS IMPLICATIONS

Based on the public participation level in the deposit-refund system for other beverage containers, the public would respond very favourably to the inclusion of milk containers in this system. Rejecting the BCDC proposal and the minute cost benefit per household of adopting the proposal would likely be a non-issue. On the other hand, including milk in the deposit-refund system would create an alternative to the blue box system. In the other cases where the RDN was collecting material streams that went under deposit-refund, specifically glass wine and liquor bottles, RDN customers showed a clear and overwhelming preference for the deposit-refund system. Within two months of inclusion of the glass and liquor bottles, the amount of these containers in the blue box dropped to almost nothing.

ENVIRONMENTAL IMPLICATIONS

Including milk in the deposit-refund system and operating the system without local government subsidies will encourage private sector innovation in the handling of the milk containers and in the design of the product packaging towards more recyclability and removal of hard to recycle container types such as polycoat milk cartons. This will result in a greater positive environmental impact than could be anticipated by continued subsidization by local government of the costs to handle milk containers.

In the absence of a stewardship plan and clear targets, the main purpose of the BCDC proposal appears to be avoidance of the imposition of a deposit-refund system for milk containers. Adoption of the proposal would have negligible positive impact on the environment.

INTERGOVERNMENTAL IMPLICATIONS

The BCDC proposal has not been approved by MWLAP. There has been little consultation with stakeholders and there are no waste diversion goals indicated in the proposal. In the absence of a plan, it is impossible to determine if the BCDC proposal is consistent with the MWLAP vision and guiding principles for stewardship plans. All regional districts contacted, including the GVRD, CRD and FVRD have declined participation in the BCDC proposal and would prefer milk containers to be included in the deposit refund system.

The BCDC proposal, if widely implemented would result in a complex network of agreements and cross-subsidies and would likely result in uneven access to the program across the province. Additionally, the cumulative administrative burden would be unfunded by BCDC with the financial burden for this work being borne by local government. There is concern amongst other local government jurisdictions that adoption of the BCDC proposal by any local government agency will set a precedent that would encourage other stewardship agencies to seek a shared partnership model of stewardship, resulting in what would be in effect, de facto subsidies.

SUMMARY/CONCLUSIONS

Of all of the product stewardship programs in operation in BC, the most effective has been the deposit-refund systems for beverage containers. When the expanded deposit-refund system for beverage containers was introduced in 1998, the dairy industry lobbied for a reprieve from the regulation and was exempted from participating. Since the exemption was granted, many organizations including the Recycling Council of BC have formally requested that milk containers be included in the deposit-refund system. Recently, the Regional District of Kootenay Boundary (RDKB) has requested support from other regional districts to have milk containers added to the deposit-refund system.

The dairy industry has been very resistant to the deposit-refund system, lobbying the Ministry of Water, Land and Air Protection (MWLAP) and the Ministry of Agriculture to continue the exemption. The BCDC is informally circulating a proposal that would pay local governments a "top-up fee" based on the market value of milk jugs and polycoat containers collected in the blue box. The RDN has received the BCDC proposal. The net benefit of their proposal to the RDN is less than 2% of the current cost to handle milk containers or about 11 cents per household serviced per year. Adoption of the proposal would have negligible positive impact on the environment.


If milk containers were included in the deposit refund system, there would be no cost or administration overhead to the RDN. Costs of the system would likely be far less than the current curbside collection costs and would be correctly borne by the producer and consumer.

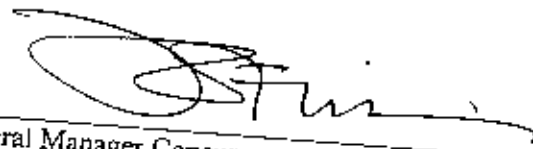
The BCDC proposal has not been submitted to, or approved by MWLAP. There has been little consultation with stakeholders and there are no waste diversion goals indicated in the proposal. In the absence of a plan, it is impossible to determine if the BCDC proposal is consistent with the MWLAP vision and guiding principles for stewardship plans.

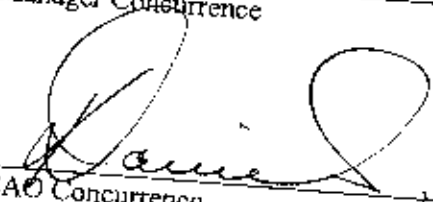
RECOMMENDATION

That the Board send a letter to the BC Premier, copied to the Minister of Water, Land and Air Protection, BC Dairy Council, UBCM and all regional districts supporting the Regional District of Kootenay Boundary position that milk containers be included in the deposit refund system and that the Board request all RDN municipalities to send similar letters.

for 
Report Writer

 *for* *concurrence*
Manager Concurrence


General Manager Concurrence


CAO Concurrence

COMMENTS:



May 26, 2003

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

REGIONAL DISTRICT OF NANAIMO			
JUN - 2 2003			
CHAIR	NA	GMCrs	
CAO		GMDS	
GMCms		GMES	✓
<i>Brad vigo</i>			

RE: INCLUSION OF MILK CONTAINERS IN THE DEPOSIT/REFUND SYSTEM

At its regular meeting on May 22, 2003, the Board of Directors of the Regional District of Kootenay Boundary resolved to communicate to the Minister of Water, Land & Air Protection its position supporting the inclusion of milk and milk substitute containers in the deposit/refund system. The Board concurs with the following principles of Extended Producer Responsibility Programs as laid out in the Ministry's *Industry Product Stewardship Business Plan*:

- *Responsibility for waste management is shifted from general taxpayers to producers and users*
- *All brand-owners for a particular product category are subject to the same stewardship responsibilities*

Given these principles and the fact that the industry sponsored pilot program to collect these containers has shown that recovery rates using a publicly funded collection system cannot match the deposit/refund system, the Board of Directors of the Regional District of Kootenay Boundary urges you to communicate your support for an expansion of the deposit/refund system to the Minister of Water, Land & Air Protection as soon as possible.

Thank you for your support.

Yours truly,

R. Hardie
 Rick Hardie
 Chair

BOARD INFORMATION
 June 10, 2003

PAGE

92

BRITISH COLUMBIA DAIRY COUNCIL

Milk Container Recycling Program Outline of the Participant Package June 2003

The British Columbia Dairy Council proposes to assist local communities in the collection and recycling of used milk containers. To this end, the *Milk Container Recycling Program* will make the following package available to participating regional districts, municipalities and/or their designated agents:

The Top-Up Program:

Top-up payments are intended to provide revenue stability for communities that collect and recycle used milk containers. The program will provide registered participants with top-up payments based on the following *target prices*:

- C\$450 per tonne for used, natural High Density Polyethylene (HDPE) milk jugs (subject to a C\$200 per tonne floor price).
- C\$250 per tonne for used polycoat milk cartons (subject to a C\$0 per tonne floor price).

Example: If the market price for used HDPE is C\$400 per tonne, the program will pay participants C\$50 per tonne. If the market price for polycoat is C\$50 per tonne, the program will pay C\$200 per tonne.

Floor prices are the minimum market prices to which top-up payments apply. For example, if the market price for HDPE is C\$150 per tonne, the maximum top-up payment is C\$250 per tonne.

The Transportation & Collection Program:

(a) Standard Supplement: The program offers a financial supplement to communities for the collection and shipment of used milk containers to recycling markets. Payments are based on the following 'zoned' schedule:

(1)	Fraser Valley	\$ 7.50/MT
(2)	Vancouver Island	\$30.00/MT
(3)	Bulkley Valley	\$40.00/MT
(4)	Cariboo	\$35.00/MT
(5)	Kootenays	\$35.00/MT
(6)	Okanagan	\$25.00/MT
(7)	Peace River	\$40.00/MT

(b) 'Collection Only' option for remote communities: In Zones 3, 4, 5 and 7, registered communities may, at their option, forego the standard supplement in favour of:

- 'Rack and Bag' collection equipment (provided at the program's expense).
- No fee pickup and transportation services arranged and provided by the program (subject to the availability of contracted haulers).

The Communications & Education (C&E) Program:

A substantial budget allocation has been made to operate a province-wide Communications & Education (C&E) program to promote milk container recycling among BC residents. In addition:

- Early participants will have access to a pool of funds to help launch the promotion of milk container recycling in their communities. Funds will be available on a 'shared cost' basis.
- A C&E Advisory Group will be struck consisting of municipal and Dairy Council representatives. Its role will be to provide the program with input on C&E initiatives, particularly as they relate to local/community promotion.

Technical Support:

Through its affiliation with CSR: Corporations Supporting Recycling, the Dairy Council will make available technical support *at the participants' request* to facilitate operational improvements such as the identification and implementation of collection and processing efficiencies, cost analysis and system design.

Over the longer term, a Working Group of municipal recycling coordinators may be established to help identify opportunities for further operational improvements.

How to Participate:

The BC Dairy Council plans to implement an on-line registration system through which regional districts, municipalities and/or designated agents will be able to join the program quickly and easily. Until this system is in place, arrangements between the Dairy Council and the applicable Regional District/municipality/designated agent will be governed by a simple Letter of Understanding.

□

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR MEETING OF THE
REGIONAL WASTE ADVISORY COMMITTEE HELD ON
THURSDAY, JULY 3, 2003, AT 4:00 PM IN THE
RDN BOARD CHAMBERS

Present:

Loyd Sherry	Chairperson
Lou Biggemann	Director, Electoral Area F
Randy Longmuir	Director, RDN
Gary Franssen	City of Nanaimo
David Coombe	CVI Health Unit
Mike Gallo	Business Community
Gordon Proctor	General Public (South)
John Beute	Waste Management Private Sector
Norman Abbey	Environment Community

Also in Attendance:

Dennis Trudeau	Manager of Liquid Waste
Sean De Pol	Engineering Technologist
Alan Stanley	Solid Waste Program Coordinator

The Chairperson called the meeting to order at 4:05 pm.

MINUTES

Minutes of the Regional Waste Advisory Committee meeting of May 15, 2003 were adopted.

2002 ANNUAL REPORT ON LIQUID WASTE MANAGEMENT PLAN (LWMP)

Dennis Trudeau explained that the annual report will be presented to the committee and will then be forwarded to the Board for information.

Sean De Pol explained the key components of the report to the committee and presented an overview of the 2002 annual report, which was included in the agenda package. In addition to the information presented in the report, Mr. De Pol noted that the issue of garbage burners would be investigated. The following discussion took place during and after Mr. De Pol's presentation:

Chairman Sherry asked for an update on odour problems at the French Creek Pollution Control Centre (FCPCC).

Mr. De Pol responded that the amount of odour complaints this spring were slightly higher than at the same time last year. He added that operations at the plant had not changed.

Mr. Trudeau noted that the area director in French Creek indicated that the odour problems might be attributed to excessive herring roe on the beach this spring. Mr. Trudeau added that there were only four odour complaints in June of this year compared to as many as 60 a month in the past.

Gary Franssen asked what the load increase the treatment plant would experience with the use of garbage burners.

Mr. De Pol responded that based on individual use of garbage burners, Biological Oxygen Demand (BOD) and Suspended Solids (SS) would be increased by 25%.

Mr. Trudeau noted that additional loads would mean infrastructure improvement planning and that 85-90% of the flow at the Greater Nanaimo Pollution Control Centre (GNPCC) is residential. Mr. Trudeau confirmed that if all residential generators installed garbage processors the load would increase by 25% and that much of the garbage processor waste would end up in the screening system at the plant, therefore increasing biosolids.

Mr. Franssen asked if there would be a positive influence of food waste via garbage processors into the biosolid stream.

Mr. Trudeau responded that biosolids would be diluted and there would be a benefit to the biosolids.

Chairman Sherry asked Mr. Trudeau if he would recommend the use of garbage processors.

Mr. Trudeau recommended a cost benefit analysis of the affect of garbage processors on the waste stream to see how it would impact the long range capital plan.

Mr. Proctor noted that the issue of garbage processors needed serious consideration and that the cost of organic waste in the solid waste stream may be more costly than in the liquid waste stream. Mr. Proctor suggested that businesses such as restaurants might need to use the solid waste stream as a disposal option for their organic waste. Mr. Proctor also suggested that the percentage of garbage processor use in the past ten years has increased but has not been noticeable at treatment plants.

Mr. Franssen stated that there is a fair amount of organic waste presently in the solid waste stream and that a cost and benefit analysis may need to be addressed.

Mr. Stanley stated that the result of organic waste in either the liquid or solid waste stream is the same – it all goes to a compost facility. Some items are compostable through solid waste but not always through liquid waste (garbage processor), such as a pizza box.

Mr. Beute responded that pizza boxes could now be recycled. Mr. Beute also indicated the need for a waste audit.

Mr. Stanley noted that a cost benefit analysis of the two options is needed.

MOVED Lou Biggemann, SECONDED Randy Longmuir that the 2002 Annual Report on the Liquid Waste Management Plan be received.

CARRIED

DRAFT ZERO WASTE PLAN

Mr. Stanley announced that the Zero Waste Plan being presented was a draft only and invited feedback from the committee. Mr. Stanley continued with a presentation of the Draft Zero Waste Plan, which was included in the agenda package.

4:50 committee member Norman Abbey arrived.

Mr. Beute informed the committee that he has been informed of possible landfill bans in the future for all blue box materials in the Victoria area. Regarding the small appliance repair component of the draft plan, Mr. Beute commented that it is often less expensive to replace an item than to repair it.

Mr. Franssen asked about the status of a Demolition Land Clearing (DLC) facility in the RDN.

Mr. Stanley responded that the RDN has received requests from three companies indicating that they would like to see DLC materials in the RDN go to tender. Mr. Stanley emphasized the importance of completing the Waste Stream Management Licensing (WSML) bylaw process before considering tendering DLC materials.

Mr. Franssen asked why a battery collection program is not higher on the priority list.

Mr. Stanley discussed batteries and the fact that household batteries are not a serious concern in the landfill due to the low volume, however rechargeable batteries are a concern and there is a need to get involved with industry stewardship and/or use education funds to encourage consumers to take batteries back to the place of purchase.

Chairman Sherry suggested that the Regional Perspectives Newsletter be used as a vehicle to educate people about recycling batteries.

Mr. Beute noted the need for a cost analysis of waste drop off sites and curbside collection of yard waste.

Mr. Stanley responded that the RDN recently completed a survey to residents with the result being that the residents were not willing to pay for curbside collection of yard waste.

Mr. Biggemann raised the issue of pump and haul being effective for decreasing water consumption and asked if this should be promoted to the public.

Mr. Trudeau stated that the pump and haul system is a user pay system and that trucking costs are more than the disposal costs. More pump and haul effluent would mean more concentrated waste and the plant would be required to process more, therefore disposal costs may have to be increased.

Chairman Sherry raised the issue of demolition drywall disposal in the regional district.

Mr. Stanley informed the members that demolition drywall generally goes into demolition waste piles at the landfill as it is commonly painted and wallpapered.

Mr. Beute noted that drywall is very expensive to dispose of and there is a substantial profit to handlers.

Chairman Sherry asked the members if there were any more questions and asked if the committee was in favour of recommending a waste audit to the Board.

Mr. Beute stated that the Waste Stream Management Licensing Bylaw needs to be pushed hard and it is key to promote industry growth in the area.

Mr. Franssen noted that a waste audit and WSML are the two highest priorities. Mr. Franssen also noted the need for addressing the issues of fluorescent tubes/ballasts and the stewardship materials. In addition, Mr. Franssen said it would be worthwhile to see what is garbageable in the waste stream analysis; organic waste stream may or not have potential.

Mr. Trudeau asked what the next step is following the Draft Zero Waste Plan.

Mr. Stanley responded that the committee needs to identify priorities and their input will be incorporated into the finalized plan and a recommendation will be made to take the final Zero Waste Plan to the Board.

Chairman Sherry noted that it should be a 2-step process, that the draft report should go to the Board for input before being received by the committee and finalized. Chairman Sherry reiterated that the committee recommend an audit to the Board.

Mr. Beute asked about stewardship programs, what is seen as major impacts on the waste stream.

Mr. Stanley responded that basically everything with an identifiable brand name would be under pressure to have stewardship programs,

Mr. Beute noted that some municipalities are now taking glass out of bluebox programs.


Chairman Sherry commented that the Board should be made aware of attempts to dismantle stewardship programs. Chairman Sherry suggested the Board take the information to UBCM to make the rest of the province aware of the situation.

Mr. Franssen noted that Ontario programs have always had very strong lobbying; bottling companies in particular. Mr. Franssen said that plastic milk jugs have revenue attached while gable end milk containers have no revenue and need to go back into the deposit program. Mr. Franssen encourages strengthening stewardship programs.

Chairman Sherry suggested that a report be prepared for the Board for a resolution to endorse stewardship programs. It was agreed that Mr. Franssen and Mr. Stanley prepare the report.

ADJOURNMENT

The meeting was adjourned at 6:15 pm.


CHAIRPERSON

BILL C-325 AN ACT TO AMEND THE INCOME TAX ACT

It's great to see Federal bills coming forward to recognize the work and needs of Volunteer Firefighters. Lately, we have seen lots of action provincially, but we all hope this is the beginning of a national trend to "STEP IT UP" for Volunteers.

What follows is a bill that is waiting for second reading. It is allowing a \$3,000 tax deduction from any source, for Volunteers. On the opposite page is a note from Rick Casson, the MP who brought this bill forward. Because it is a private members' bill, and they don't often become law, our hopes for this one are guarded. However, now is the time to write, call, and email. Take a minute to make a difference. It's how things change.

BILL C-325

An Act to amend the Income Tax Act (deduction for volunteer emergency service)

First reading, December 5, 2002

SUMMARY

This enactment amends the Income Tax Act to allow volunteer emergency workers to deduct \$3,000 from their taxable income from any source.

2nd Session, 37th Parliament,
51 Elizabeth II, 2002

HOUSE OF COMMONS OF CANADA
BILL C-325

An Act to amend the Income Tax Act (deduction for volunteer emergency service)

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. Section 60 of the Income Tax Act is amended by striking out the word "and" at the end of paragraph (w), by adding the word "and" at the end of paragraph (x) and by adding the following after paragraph (x):

60(y) 3 000 \$, si le contribuable a accompli au moins 200 heures de service de volontariat en tant que technicien ambulancier, pompier volontaire ou de volontaire participant à des activités de recherche ou de sauvetage ou à d'autres situations d'urgence.

2. The Act is amended by adding the following after section 60.02:

60.03 In order to claim a deduction under paragraph 60(y), a taxpayer must provide a certificate from the appropriate municipality or other authority verifying that the taxpayer performed at least 200 hours of volunteer service referred to in that paragraph. For the purposes of that paragraph, volunteer service includes time spent carrying out related duties and in training.

PROJET DE LOI C-325

Loi modifiant la Loi de l'impôt sur le revenu (déduction pour volontaires des services d'urgence)

Première lecture le 5 décembre 2002

SOMMAIRE

Le texte modifie la Loi de l'impôt sur le revenu afin d'accorder aux volontaires des services d'urgence une déduction de 3,000 \$ sur leur revenu imposable de toute source.

2e session, 37e législature,
51 Elizabeth II, 2002

CHAMBRE DES COMMUNES DU CANADA
Projet de loi C-325

Loi modifiant la Loi de l'impôt sur le revenu (déduction pour volontaires des services d'urgence)

Sa Majesté, sur l'avis et avec le consentement du Sénat et de la Chambre des communes du Canada, édicte:

1. L'article 60 de la Loi de l'impôt sur le revenu est modifié par adjonction, après l'alinéa x), de ce qui suit:

(y) 3 000 \$, si le contribuable a accompli au moins 200 heures de service au cours de l'année d'imposition à titre de technicien ambulancier volontaire, de pompier volontaire ou de volontaire participant à des activités de recherche ou de sauvetage ou à d'autres situations d'urgence.

2. La même loi est modifiée par adjonction, après l'article 60.02, de ce qui suit:

60.03 Le contribuable doit, pour se prévaloir de la déduction visée à l'alinéa 60(y), remettre une attestation délivrée par la municipalité ou toute autre autorité compétente et certifiant qu'il a accompli au moins 200 heures de services dans les fonctions qui y sont énumérées. Pour l'application de cet alinéa, sont comprises dans les heures de service le temps consacré à l'exercice de fonctions connexes et à la formation.