

REGIONAL DISTRICT OF NANAIMO

**COMMITTEE OF THE WHOLE
TUESDAY, SEPTEMBER 12, 2006
7:00 PM**

(RDN Board Chambers)

A G E N D A

PAGES

CALL TO ORDER

DELEGATIONS

MINUTES

4-9 Minutes of the regular Committee of the Whole meeting held July 11, 2006.

BUSINESS ARISING FROM THE MINUTES

CORPORATE SERVICES

ADMINISTRATION

10-14 Islands Trust Protocol Agreement.
Airport Service Bylaws. (Report to be circulated)

FINANCE

15-21 Reserve Fund Bylaw Approvals:
Electoral Area Local Government Elections Reserve Fund Establishment
Bylaw No. 1501.
Decourcy Water Reserve Fund Establishment Bylaw No. 1502.
Nanoose Bay Peninsula Water Reserve Fund Establishment Bylaw No. 1503.
District 69 Arcna Reserve Fund Establishment Bylaw No. 1504.

22-23 2006 Expenditure of Reserve Funds.

24-27 Barclay Crescent Sewer Project Financing.

DEVELOPMENT SERVICES

ENGINEERING STANDARDS AND SUBDIVISIONS

28-32 Rural Streetlighting Local Service Area Boundary Amendment Bylaw No.
791.15 – Area E.

33-36 Proposed Board Policy for Registration of Covenants.

REGIONAL PLANNING

- 37-38 RDN Strategic Plan 2006-2009. (Plan included as separate enclosure)

ENVIRONMENTAL SERVICES

LIQUID WASTE

- 39-47 Pump and Haul Local Service Area Amendment Bylaw No. 975.45 -- 626 South Road -- Area B and 306 Kinkade Road -- Area G.
- 48-51 Flamingo Drive/McFeely Drive/Surfside Drive - Sanitary Sewer Servicing Options.

SOLID WASTE

- 52-83 Cedar Road LFG - Amending Agreement, Waiver and Licence of Occupation.

RECREATION AND PARKS SERVICES

- 84-90 Potlatch Ventures Density Transfer Proposal -- Cox Community Park -- Area B.

REGIONAL TRANSPORTATION SERVICES

COMMISSION, ADVISORY & SELECT COMMITTEE

Area 'A' Parks and Green Spaces Advisory Committee.

- 91-93 Minutes of the Electoral Area 'A' Parks and Green Spaces Advisory Committee meeting held July 20, 2006. (for information)

East Wellington -- Pleasant Valley Parks and Open Space Advisory Committee.

- 94-96 Minutes of the East Wellington -- Pleasant Valley Parks and Open Space Advisory Committee meeting held June 15, 2006. (for information)

Regional Growth Monitoring Advisory Committee/State of Sustainability Project.

- 97-99 Minutes of the Regional Growth Monitoring Advisory Committee/State of Sustainability Project meeting held July 5, 2006. (for information)

Regional Parks & Trails Advisory Committee.

- 100-102 Minutes of the Regional Parks & Trails Advisory Committee meeting held September 5, 2006. (for information)

Verbal Reports As Available:

Arrowsmith Water Service Management Committee
Deep Bay Harbour Authority

Island Corridor Foundation
Mt. Arrowsmith Biosphere Foundation
Municipal Finance Authority
Municipal Insurance Association
North Island 911 Corporation
Oceanside Tourism Association
Regional Library Board
Regional Transportation Advisory Committee
Treaty Advisory Committee
Vancouver Island Health Authority – Joint Capital Planning Committee

ADDENDUM

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

NEW BUSINESS

BOARD INFORMATION (Separate enclosure on blue paper)

ADJOURNMENT

IN CAMERA

That pursuant to Section 90(1) (g) of the Community Charter the Board proceed to an In Camera meeting to consider items relating to legal matters.

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE COMMITTEE OF THE WHOLE
MEETING HELD ON TUESDAY, JULY 11, 2006, AT 7:00 PM
IN THE RDN BOARD CHAMBERS**

Present:

Director J. Stanhope	Chairperson
Director J. Burnett	Electoral Area A
Director B. Sperling	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director L. Biggemann	Electoral Area F
Director D. Bartram	Electoral Area H
Alternate	
Director S. Herle	City of Parksville
Director T. Westbrook	Town of Qualicum Beach
Director C. Haime	District of Lantzville
Director B. Bestwick	City of Nanaimo
Director B. Holdom	City of Nanaimo
Director D. Brennan	City of Nanaimo
Director L. McNabb	City of Nanaimo
Alternate	
Director J. Cameron	City of Nanaimo
Director J. Manhas	City of Nanaimo

Also in Attendance:

C. Mason	Chief Administrative Officer
T. Osborne	General Manager of Recreation & Parks
J. Finnie	General Manager of Environmental Services
W. Moorman	Manager of Engineering Standards & Subdivision
D. Trudeau	Manager of Transportation Services
D. Porteous	Manager of Recreation
C. Thomas	A/Manager of Regional Planning
N. Tonn	Recording Secretary

CALL TO ORDER

The Chairperson welcomed Alternate Directors Herle and Cameron to the meeting and introduced Godson Ehorke, Esther Tegah, Dalous Yaw and Kwame Twumasi-Awuah, the District's visiting delegates from Sunyani.

SPECIAL PRESENTATION

Christina Thomas, re Academic Award of Honour for the Professional Certificate Program in Local Government Administration, Capilano College.

The Chairperson presented Christina Thomas with her Academic Award of Honour in the Professional Certificate Program in Local Government Administration which was awarded for her excellent academic achievements in the program.

DELEGATIONS

Michele Deakin, re Little Qualicum River Watershed Plan.

Ms. Deakin provided an overview of results obtained during a feasibility study on a watershed plan for the Little Qualicum River in conjunction with the Qualicum Beach Streamkeepers and the Real Estate Foundation of BC. A map of the area and a copy of the presentation were distributed to Committee members for their information.

MOVED Director Bartram, SECONDED Director Westbrook, that the report and map be referred to the Drinking Water – Watershed Protection Stewardship Committee.

CARRIED

Dave Jamieson, re Recreation Services Master Plan for Oceanside.

Director Holme noted that this request to speak has been withdrawn.

MINUTES

MOVED Director Westbrook, SECONDED Director McNabb, that the minutes of the Committee of the Whole meeting held June 13, 2006 be adopted.

CARRIED

CORPORATE SERVICES

HOSPITAL

Nanaimo Regional Hospital District (2006 Capital Equipment and Projects) Borrowing Bylaw No. 140, 2006.

MOVED Director McNabb, SECONDED Director Manhas, that “Nanaimo Regional Hospital District (2006 Capital Equipment and Projects) Borrowing Bylaw No. 140, 2006” be introduced for first three readings.

CARRIED

MOVED Director McNabb, SECONDED Director Manhas, that “Nanaimo Regional Hospital District (2006 Capital Equipment and Projects) Borrowing Bylaw No. 140, 2006” having received three readings be adopted.

CARRIED

ENVIRONMENTAL SERVICES

LIQUID WASTE

Union of British Columbia Municipalities Community Excellence Awards – Environmental Management System.

MOVED Director Westbrook, SECONDED Director McNabb, that the Board support the application to the Union of British Columbia Municipalities Community Excellence Awards from the Liquid Waste Department for their Environmental Management System.

CARRIED

SOLID WASTE

Waste Stream Management Licensing Bylaw Progress Report.

MOVED Director Burnett, SECONDED Director Brennan, that the Board receive the progress report on Waste Stream Management Licensing Bylaw No. 1386 for information.

CARRIED

Organics Diversion Strategy Progress Report.

MOVED Director Burnett, SECONDED Director Manhas, that the progress report on the Organics Diversion Strategy be received for information.

CARRIED

RECREATION AND PARKS SERVICES

Review of Park Land Dedication in Conjunction with the Subdivision Application Process – Policy No. C1.5.

MOVED Director Bartram, SECONDED Director Herle, that this item be referred back to staff.

CARRIED

REGIONAL TRANSPORTATION AND PLANNING SERVICES

REGIONAL GROWTH STRATEGY

Urban Containment Implementation Agreement.

MOVED Director Bartram, SECONDED Director Herle, that staff be directed to refer the UCIA to the Electoral Area Planning Committee and RDN member municipalities for comment and confirmation that the UCIA is acceptable.

CARRIED

COMMISSION, ADVISORY & SELECT COMMITTEE

Regional Hospital District Select Committee.

MOVED Director McNabb, SECONDED Director Brennan, that the minutes of the Regional Hospital District Select Committee meeting held June 28, 2006 be received for information.

CARRIED

Arrowsmith Water Service Management Committee.

MOVED Director Holme, SECONDED Director McNabb, that the minutes of the Arrowsmith Water Service Management Committee meeting held April 18, 2006 be received for information.

CARRIED

Climate Change Select Committee.

MOVED Director Bartram, SECONDED Director Holdom, that the minutes of the Climate Change Select Committee meeting held June 29, 2006 be received for information.

CARRIED

Regional Waste Advisory Committee.

MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Regional Waste Advisory Committee meeting held June 29, 2006 be received for information.

CARRIED

Transit Business Plan Update Select Committee.

MOVED Director Brennan, SECONDED Director McNabb, that the minutes of the Transit Business Plan Update Select Committee meeting held June 15, 2006 be received for information.

CARRIED

MOVED Director McNabb, SECONDED Director Brennan,:

1. That the District 68 Transit service adjustments for September 5, 2006 be approved.
2. That a report from staff be prepared on partnership opportunities for hospital transportation services.
3. That staff prepare a report on opportunities to obtain more funding for handyDART.

CARRIED

Regional Growth Monitoring Advisory Committee/State of Sustainability Project.

MOVED Director Holdom, SECONDED Director Bartram, that the minutes of the Regional Growth Monitoring Advisory Committee/State of Sustainability Project meetings held June 14, 2006 and June 28, 2006 be received for information.

CARRIED

Intergovernmental Advisory Committee.

MOVED Director McNabb, SECONDED Director Bartram, that the minutes of the Intergovernmental Advisory Committee meeting held June 22, 2006 be received for information.

CARRIED

Regional Parks & Trails Advisory Committee.

MOVED Director McNabb, SECONDED Director Young, that the minutes of the Regional Parks and Trails Advisory Committee meeting held June 13, 2006 be received for information.

CARRIED

MOVED Director McNabb, SECONDED Director Young,:

1. That the Regional Board authorize the execution of a 99-year lease with the Nature Trust of BC for the operation and management of Englishman River Regional Park, legally described as Block 602, Nanoose District except Part in Plan VIP76721.
2. That the Regional District be directed to work with the City of Nanaimo on identifying the means to develop a formal parking area and trailhead for the Mt. Benson Regional Park.

CARRIED

Area 'A' Parks and Green Spaces Advisory Committee.

MOVED Director McNabb, SECONDED Director Burnett, that the minutes of the Electoral Area 'A' Parks and Green Spaces Advisory Committee meeting held May 18, 2006 be received for information.

CARRIED

Electoral Area 'B' Parks and Open Space Advisory Committee.

MOVED Director Sperling, SECONDED Director McNabb, that the minutes of the Electoral Area 'B' Parks and Open Space Advisory Committee meeting held April 10, 2006 be received for information.

CARRIED

Nanoose Bay Parks and Open Space Advisory Committee.

MOVED Director Holme, SECONDED Director Marhas, that the minutes of the Nanoose Bay Parks and Open Space Advisory Committee meeting held June 5, 2006 be received for information.

CARRIED

Area 'H' Parks and Open Space Advisory Committee.

MOVED Director Bartram, SECONDED Director Cameron, that the minutes of the Electoral Area 'H' Parks and Open Space Advisory Committee meeting held April 19, 2006 be received for information.

CARRIED

PRESENTATION

Recreation Master Plan.

The General Manager of Recreation and Parks Services introduced Dan Porteous, Don Hunter and Fran Van Eynde, who participated in the compilation of the Recreation Master Plan and provided a visual and verbal overview of the plan including the public survey, Oceanside's demographic review, trends, leisure service planning, recreation facilities, parks and open space, recreation services and marketing, administration and implementation.

District 69 Recreation Commission.

MOVED Director Bartram, SECONDED Director Bestwick, that the minutes of the District 69 Recreation Commission meeting held June 22, 2006 be received for information.

CARRIED

MOVED Director Bartram, SECONDED Director Westbroek, that the Recreation Services Master Plan for Oceanside (2006-2017) be approved to guide the development, management, administration and operations of recreation services in District 69.

CARRIED

MOVED Director Bartram, SECONDED Director Biggemann, that the applicable admission and rental rates in Appendices A, B and C be amended to reflect the new six percent GST rate that will take effect July 1, 2006.

CARRIED

MOVED Director Bartram, SECONDED Director Cameron, that the program, admission and rental fees for Oceanside Place in 2006/07 be approved as outlined in Appendix A.

CARRIED

MOVED Director Bartram, SECONDED Director McNabb, that the program, admission and rental fees for Ravensong Aquatic Centre in 2007 be approved as outlined in Appendix B.

CARRIED

MOVED Director Bartram, SECONDED Director Bestwick, that the Recreation Coordinating program fees and recovery rates, administration fee and revenue-sharing percentage ratio for Term Instructor (Companies) agreements for 2007 be approved as outlined in Appendix C.

CARRIED

Director Holme left the meeting citing a possible conflict of interest with the next item.

MOVED Director Bartram, SECONDED Director Burnett, that the Regional District of Nanaimo approve the revised Sublease with the Parksville Curling Club Society with amendments made to Section 5.21 and the addition of Sections 5.22 and 5.23 for the use of the District 69 Arena for the term of October 1, 2003 to March 31, 2008.

CARRIED

Director Holme returned to the meeting.

NEW BUSINESS

Building Inspection – Electoral Areas A, F and H.

MOVED Director Bartram, SECONDED Director Biggemann, that staff be instructed to bring forward a report on the implementation of the building inspection function within parts of Electoral Areas 'A', 'F' and 'H'.

CARRIED

Transit Busses.

Director Biggemann noted that BC Transit will be showcasing new busses at Malaspina College on August 1, 2006 and urged Directors to attend.

Construction Costs.

The General Manager of Environmental Services provided statistical information on the rising costs associated with construction in the Regional District.

ADJOURNMENT

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

CARRIED

TIME: 8:07 PM

CHAIRPERSON



R D N			
CAO		GMES	
GMCS		GMR&P	
GMDS		GMRT&P	
SEP - 5 2006			
CHAIR		BOARD	

MEMORANDUM

TO: Board of Directors

FROM: C. Mason
Chief Administrative Officer

SUBJECT: Islands Trust Protocol Agreement

DATE: September 5, 2006

FILE:

PURPOSE

To consider the renewal of the Protocol Agreement between the Regional District of Nanaimo and the Gabriola Island Local Trust Committee of the Islands Trust.

BACKGROUND

Since October 1996, the Gabriola Island Local Trust Committee (GILTC) and the Regional District of Nanaimo have been operating under a Protocol Agreement which covers issues of mutual interest such as community planning, parks planning, school site acquisition, servicing arrangements and administrative arrangements. This agreement is established under s.24(2) of the *Islands Trust Act* for the purpose of coordinating activities between a local trust area and a regional district. An updated Agreement has been prepared for the Board's consideration and is attached for information.

The GILTC is a body established under the Islands Trust Act for the purpose of preserving and protecting the Gabriola Trust Area and has the authority to regulate the development and use of land. The Regional District has the authority to provide a variety of services on the Island, including parks planning and building inspection. The intent of the Agreement is to acknowledge that the Trust and the Regional District agree that it is in the interest of the residents of Gabriola Island that the parties cooperate in the coordination of their activities.

The Agreement in Section 1 recognizes agreed upon principles regarding inter-agency relations. Section 2 provides for the parties to coordinate activities and develop letters of understanding regarding such topic areas as community planning, park land servicing arrangements and administrative arrangements. Regular communication is provided for in Section 4.

The Agreement sets the stage for the renewal of a Letter of Understanding on specific topic areas which have been discussed at the administrative level but are awaiting Protocol Agreement approval. The Letter of Understanding will be forwarded to the Board for information upon approval of this Agreement.

ALTERNATIVES

1. That the Agreement be approved as presented.
2. That the Agreement be approved with amendments as proposed by the Board.
3. That the Regional District decline the request to renew the Agreement.

FINANCIAL IMPLICATIONS

The proposed Agreement has no direct cost implications. It provides a framework for liaison between the Islands Trust and the Regional District of Nanaimo on matters that impact each jurisdiction.

INTERGOVERNMENTAL IMPLICATIONS

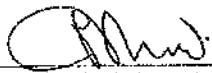
The Islands Trust has similar Agreements in place with other Regional Districts. The *Islands Trust Act* provides for local trust committees to enter into agreements with municipalities, school districts, and regional districts respecting the coordination of activities. The proposed agreement has been modeled after these other agreements.

CONCLUSION

A Protocol Agreement between the GILTC and the Regional District has existed since October 1996. The Islands Trust has asked that the Regional District consider renewing the Agreement to formalize the recognition that the principles of mutual cooperation, coordination and communication continue between the two local government agencies. The Agreement is attached for the Board's consideration.

RECOMMENDATION

That the Board approve the Protocol Agreement (dated July 27, 2006) between the Regional District of Nanaimo and the Gabriola Island Local Trust Committee.



Chief Administrative Officer

**REGIONAL DISTRICT/LOCAL TRUST COMMITTEE
PROTOCOL AGREEMENT**

This Protocol Agreement ("Agreement") dated for reference July 27, 2006 is

BETWEEN:

GABRIOLA ISLAND LOCAL TRUST COMMITTEE
("Local Trust Committee")

AND:

REGIONAL DISTRICT OF NANAIMO
("Regional District ")

(referred to as the "Parties")

WHEREAS:

A. Under Section 24(2)(c) of the *Islands Trust Act*, a local trust committee may enter into an agreement with a regional district respecting the coordination of activities in a local trust area;

B. The Gabriola Island Local Trust Committee is a local trust committee established under s.23 of the *Islands Trust Act* for the purpose of preserving and protecting the unique amenities and environment of the Gabriola Island Local Trust Area and has the authority to regulate the development and use of land in this local trust area;

C. The Regional District of Nanaimo is a regional district established by letters patent, dated the 24th day of August, 1967 and continued under s.774 of the *Local Government Act*, R.S.B.C. 1996, c. 323, and has the authority to provide services in this local trust area which is a part of Electoral Area B; and

D. The Parties consider it in the interest of the residents of the Gabriola Island Local Trust Area that the Parties cooperate in the coordination of their activities.

NOW THEREFORE, the Local Trust Committee and the Regional District agree as follows:

1.0 PRINCIPLES

1. The Local Trust Committee and Regional District agree to the following principles regarding interagency relations:
 - a. recognition of each others' jurisdictions and capabilities with a commitment to promoting a spirit of partnership through joint legislative, policy, program and communication initiatives;
 - b. coordination of planning, servicing and growth management activities that is responsive to the needs of the local trust area and the electoral area of which it is a part;

- c. commitment by the Regional District to take the object of the Islands Trust and the land use planning authority of the Local Trust Committee into consideration in matters involving the local trust area;
- d. commitment by the local trust committee to take the servicing functions of the Regional District into consideration in matters involving the local trust area; and
- e. cooperation through regular liaison sharing of information and notification of significant initiatives that may impact the other Party.

2.0 COOPERATION

1. The Parties agree to cooperate with respect to the implementation, coordination and administration of each Party's legislative authority that may impact the other Party.
2. The Parties agree to coordinate activities within the local trust area/electoral area including such matters as:
 - (a) community planning;
 - (b) park planning and parkland acquisition
 - (c) school site acquisition, should the Regional District in its discretion enter into an agreement with the Board of School Trustees of School District No. 68 (Nanaimo-Ladysmith);
 - (d) servicing arrangements; and
 - (e) administrative arrangements.
3. It is the intent of the Parties to formalize their cooperation by way of letters of understanding as required for specific matters.
4. Each Party agrees to notify and consult the other Party on legislative, municipal incorporation and boundary restructure initiatives that may affect the other Party.

3.0 COMMUNICATIONS

1. The Parties agree to schedule regular meetings of the regional director, the local trust committee and appropriate staff to review the implementation of the protocol and letter of understanding.
2. Neither Party is obligated to convey information to the other Party that is protected from disclosure under the *Freedom of Information and Protection of Privacy Act*, any other legislation protecting information from disclosure, or that is subject to solicitor-client privilege.
3. Each Party agrees to pursue alternate methods of dispute resolution before initiating legal proceedings directed at the other Party.

4.0 CONDITIONS

1. Nothing in this Agreement shall be construed so as to fetter the legislative discretion of either of the Parties within their respective areas of jurisdiction or, without limiting the generality of the foregoing, to oblige either of the Parties to adopt or prevent either of the Parties from adopting any bylaw or resolution.
2. The interpretation of terms used in this Agreement shall be governed by the interpretation provisions of the *Islands Trust Act* and the *Local Government Act*.
3. This Agreement may be amended by agreement in writing between the Regional District and the Local Trust Committee.
4. Any Party to this Agreement may terminate this Agreement at any time by delivering three months' written notice to the other Party.
5. Information and notification pertinent to this Agreement shall be delivered to:

Gabriola Island Local Trust Committee	Islands Trust 2nd Floor, 1627 Fort Street Victoria, BC V8R 1H8
---------------------------------------	--

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

6. The officials of each Party who shall be responsible for the notices and the administration of this Agreement are:

Gabriola Island Local Trust Committee:	the Chief Administrative Officer of the Islands Trust; and
Regional District of Nanaimo:	the Chief Administrative Officer of the Regional District

As evidence of their agreement to the above terms, the Local Trust Committee and the Regional District have executed this Agreement as set out below:

Kim Benson, Chair
Gabriola Island Local Trust Committee

Linda Adams, Chief Administrative Officer
Islands Trust

Joe Stanhope, Chair
Regional District of Nanaimo

Carol Mason, Chief Administrative Officer
Regional District of Nanaimo



R D N	
CAO	GMES
GMCS	GMR&P
GMDS	GMRT&P
SEP - 5 2006	
CHAIR	BOARD
<div style="text-align: center;"> </div>	
DATE: August 31, 2006	

MEMORANDUM

TO: C. Mason
Chief Administration Officer

FROM: W. Thexton
Acting Manager, Financial Services

SUBJECT: Reserve Fund Bylaw Approvals

FILE:

August 31, 2006

PURPOSE:

To introduce for three readings and adoption the following reserve fund establishing bylaws:

- Electoral Area Local Government Elections Reserve Fund Establishment Bylaw No. 1501, 2006.
- Decourcey Water Reserve Fund Establishment Bylaw No. 1502, 2006.
- Nanoose Bay Peninsula Water Reserve Fund Establishment Bylaw No. 1503, 2006.
- District 69 Arena Reserve Fund Establishment Bylaw No. 1504, 2006.

BACKGROUND:

The 2006 approved budget includes several 'transfers to reserves' amounts for various functions. It is necessary to first establish the reserve funds for each of these functions before these transfers can be made.

The purpose of the proposed reserve funds are as follows:

1. Electoral Area Local Government Elections (Bylaw 1501) - to set aside funds for the cost of elections which occur every three years;
2. Decourcey Water (Bylaw 1502) - for major repairs, replacement or improvements to the water system infrastructure;
3. Nanoose Bay Peninsula Water (Bylaw 1503) - for major repairs, replacement or improvements to the water system infrastructure;
4. The District 69 Arena (Bylaw 1504) - for major maintenance, upgrades and replacement of equipment and facilities.

ALTERNATIVES:

1. Approve the bylaws as presented.
2. Do not approve the bylaws.

FINANCIAL IMPLICATIONS:

Alternative 1:

If the bylaws are adopted, the following initial amounts will be transferred to the proposed Reserve Funds as approved in the 2006 financial budget:

Electoral Area Local Government Elections reserve	\$ 20,000
Decourcey Water reserve	1,500
Nanoose Bay Peninsula Water reserve	22,595
District 69 Arena reserve	<u>5,000</u>
Total transfers to new reserves	\$ <u>49,095</u>

These and future year contributions to these reserves will be available to fund costs related to the purposes for which they were established.

Alternative 2:

If these bylaws are not approved, any related significant future expenditures will need to be fully accommodated within the annual operating budget of these functions in the year incurred, with the associated negative impact on tax requisitions for those years.

SUMMARY/CONCLUSIONS:

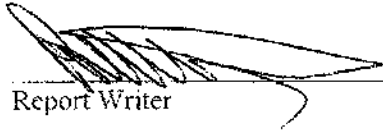
A number of 'transfer to reserves' amounts are contained in the approved 2006 budget. Bylaw Nos. 1501 to 1504, which establish the associated Reserve Funds, must be adopted before these transfers can be made.

Staff recommend adopting the bylaws as presented.

RECOMMENDATION:

1. That "Electoral Area Local Government Elections Reserve Fund Establishment Bylaw No. 1501, 2006" be introduced for first three readings.
2. That "Electoral Area Local Government Elections Reserve Fund Establishment Bylaw No. 1501, 2006" having received three readings be adopted.
3. That "Decourcey Water Reserve Fund Establishment Bylaw No. 1502, 2006" be introduced for first three readings.
4. That "Decourcey Water Reserve Fund Establishment Bylaw No. 1502, 2006" having received three readings be adopted.
5. That "Nanoose Bay Peninsula Water Reserve Fund Establishment Bylaw No. 1503, 2006" be introduced for first three readings.
6. That "Nanoose Bay Peninsula Water Reserve Fund Establishment Bylaw No. 1503, 2006" having received three readings be adopted.

7. That "District 69 Arena Reserve Fund Establishment Bylaw No. 1504, 2006" be introduced for first three readings.
8. That "District 69 Arena Reserve Fund Establishment Bylaw No. 1504, 2006" having received three readings be adopted.



Report Writer



C.A.O. Concurrence

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1501

**A BYLAW TO ESTABLISH A RESERVE FUND FOR
ELECTORAL AREA LOCAL GOVERNMENT ELECTIONS**

WHEREAS Section 814(3) of the *Local Government Act* authorizes a Board to establish by bylaw a reserve fund for a specified purpose;

AND WHEREAS it is considered desirable to establish a reserve fund to provide for costs related to electoral area local government elections;

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

1. There is hereby established a reserve fund, pursuant to Section 814(3) of the *Local Government Act*, to be known as the "Electoral Area Local Government Elections Reserve Fund".
2. Money from the current revenue of the 'Electoral Areas Only' function, to the extent to which it is available, or as otherwise provided in the *Local Government Act*, may from time to time be paid into the reserve fund.
3. The money set aside may be deposited in a separate bank account or invested in the manner provided by the *Local Government Act* until its use is required.
4. Money in the reserve fund shall be used for costs related to electoral area local government elections.
5. This bylaw may be cited as the "Electoral Area Local Government Elections Reserve Fund Establishment Bylaw No. 1501, 2006".

Introduced and read three times this 26th day of September, 2006.

Adopted this 26th day of September, 2006.

CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1502

**A BYLAW TO ESTABLISH A RESERVE FUND
FOR THE DECOURCEY WATER SERVICE**

WHEREAS Section 814(3) of the *Local Government Act* authorizes a Board to establish by bylaw a reserve fund for a specified purpose;

AND WHEREAS it is considered desirable to establish a reserve fund to provide for costs related to the repair, replacement or improvement of the water system infrastructure;

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

1. There is hereby established a reserve fund, pursuant to Section 814(3) of the *Local Government Act*, to be known as the "Decourcey Water Reserve Fund".
2. Money from the current revenue of the Decourcey Water Service Area, to the extent to which it is available, or as otherwise provided in the *Local Government Act*, may from time to time be paid into the reserve fund.
3. The money set aside may be deposited in a separate bank account or invested in the manner provided by the *Local Government Act* until its use is required.
4. Money in the reserve fund shall be used for capital improvements, major repairs, expansions or expenditures of a like nature for the Decourcey Water Service Area Water System.
5. This bylaw may be cited as the "Decourcey Water Reserve Fund Establishment Bylaw No. 1502, 2006".

Introduced and read three times this 26th day of September, 2006.

Adopted this 26th day of September, 2006.

CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1503

**A BYLAW TO ESTABLISH A RESERVE FUND FOR
THE NANOOSE BAY PENINSULA WATER SERVICE**

WHEREAS Section 814(3) of the *Local Government Act* authorizes a Board to establish by bylaw a reserve fund for a specified purpose;

AND WHEREAS it is considered desirable to establish a reserve fund to provide for costs related to the repair, replacement or improvement of the water system infrastructure;

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

1. There is hereby established a reserve fund, pursuant to Section 814(3) of the *Local Government Act*, to be known as the "Nanoose Bay Peninsula Water Reserve Fund".
2. Money from the current revenue of the Nanoose Bay Peninsula Water Service Area, to the extent to which it is available, or as otherwise provided in the *Local Government Act*, may from time to time be paid into the reserve fund.
3. The money set aside may be deposited in a separate bank account or invested in the manner provided by the *Local Government Act* until its use is required.
4. Money in the reserve fund shall be used for capital improvements, major repairs, expansions or expenditures of a like nature for the Nanoose Bay Peninsula Water Service Area Water System.
5. This bylaw may be cited as the "Nanoose Bay Peninsula Water Reserve Fund Establishment Bylaw No. 1503, 2006".

Introduced and read three times this 26th day of September, 2006.

Adopted this 26th day of September, 2006.

CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1504

**A BYLAW TO ESTABLISH A RESERVE FUND
FOR THE DISTRICT 69 ARENA SERVICE AREA**

WHEREAS Section 814(3) of the *Local Government Act* authorizes a Board to establish by bylaw a reserve fund for a specified purpose;

AND WHEREAS it is considered desirable to establish a reserve fund to provide for costs related to the repair, replacement or improvement of the District 69 Arena equipment or infrastructure;

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

1. There is hereby established a reserve fund, pursuant to Section 814(3) of the *Local Government Act*, to be known as the "District 69 Arena Reserve Fund".
2. Money from the current revenue of the District 69 Arena Service Area, to the extent to which it is available, or as otherwise provided in the *Local Government Act*, may from time to time be paid into the reserve fund.
3. The money set aside may be deposited in a separate bank account or invested in the manner provided by the *Local Government Act* until its use is required.
4. Money in the reserve fund shall be used for major repair, replacement upgrade or expansion of the District 69 Arena Service Area arena equipment or infrastructure.
5. This bylaw may be cited as the "District 69 Arena Reserve Fund Establishment Bylaw No. 1504, 2006".

Introduced and read three times this 26th day of September, 2006.

Adopted this 26th day of September, 2006.

CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES



RD N			
CAO	<i>CM</i>	GMES	
GMCS		GMR&P	
GMDS		GMRT&PI	
SEP - 5 2006			
CHAIR		BOARD	
<i>CM</i>			
		DATE	

MEMORANDUM

TO: C. Mason
Chief Administration Officer

FROM: W. Thexton
Acting Manager, Financial Services

SUBJECT: 2006 Expenditure of Reserve Funds

FILE:

DATE: August 22, 2006

PURPOSE

To obtain Board approval for expenditures from reserve funds for 2006.

BACKGROUND

A number of Reserve Fund expenditures are anticipated to be incurred in 2006 and are contained in the 2006 financial plan.

The following 2006 reserve fund expenditures require approval from the Board. Budget amounts are shown in brackets to indicate differences between the budget and current estimated amounts:

- a) "School District 68 E911 Reserve Fund Establishment Bylaw No. 1069, 1996" - \$5,346 (budget \$8,000) to upgrade the Gabriola Island base radio;
- b) "Coombs-Hilliers Fire Protection Reserve Fund Establishment Bylaw No. 833, 1991" - \$49,310 (budget \$50,000) for the acquisition of SCBA breathing apparatus equipment;
- c) "Northern Community Sewer Service Area Development Cost Charges Bylaw No. 1442, 2005" - \$875,000 for a headworks expansion project \$275,000 (budget \$275,000), additional effluent pumping capacity \$100,000 (budget \$100,000) and upgrading the power supply to the plant \$500,000 (budget \$500,000);
- d) "French Creek Water Local Service Area Reserve Fund Establishment Bylaw No. 1167, 1999" - \$83,125 (budget \$100,000) to upgrade the Sandpiper reservoir; and
- e) "Nanoose Bay Bulk Water Local Service Area Development Cost Charge Bylaw No. 1088, 1997" - \$218,400 (budget \$218,400) for the Regional District's portion of the cost for the Craig Bay reservoir.

ALTERNATIVES

- 1. Approve the reserve fund expenditures as outlined in this report.
- 2. Use an alternate source of funds.

FINANCIAL IMPLICATIONS

Alternative 1

The various Reserve Funds have sufficient funds available to pay for the expenditures as outlined and approved in the 2006 financial plan. Funds would only be used to the extent necessary to complete the projects. Should a project budget exceed this authorization an amended approval would be obtained prior to the project commencing.

Alternative 2

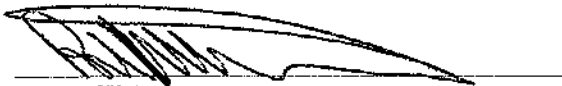
There are no alternative funding sources available to complete these projects in 2006. Without this approval, the projects would not proceed in a timely manner.

SUMMARY

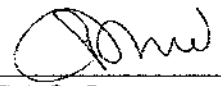
The 2006 budget contains several capital expenditures from established Reserve Funds. These expenditures require separate approval by the Board.

RECOMMENDATION

1. That \$5,346 to upgrade the Gabriola Island base radio be approved as an expenditure from the "School District 68 E911 Reserve Fund Establishment Bylaw No. 1069, 1996".
2. That \$49,310 for the acquisition of SCBA breathing apparatus equipment be approved as an expenditure from the "Coombs-Hilliers Fire Protection Reserve Fund Establishment Bylaw No. 833, 1991".
3. That \$875,000 for the headworks expansion project (\$275,000), additional effluent pumping capacity (\$100,000) and upgrading the power supply to the plant (\$500,000), be approved as an expenditure from the "Northern Community Sewer Service Area Development Cost Charges Bylaw No. 1442, 2005".
4. That \$83,125 to upgrade the Sandpiper reservoir be approved as an expenditure from the "French Creek Water Local Service Area Reserve Fund Establishment Bylaw No. 1167, 1999".
5. That \$218,400 for the Regional District's portion of the cost for the Craig Bay reservoir be approved as an expenditure from the "Nanoose Bay Bulk Water Local Service Area Development Cost Charge Bylaw No. 1088, 1997".



Report Writer



C.A.O. Concurrence

COMMENTS:



RDN			
CAO	(CW)	GMES	
GMCS		GMRS&P	
GMDS		GMRT&P	
SEP - 6 2006			
CHAIR		BOARD	
(CW)			

MEMORANDUM

TO: C. Mason
Chief Administrative Officer

DATE: August 9, 2006

FROM: N. Avery
Manager, Financial Services

FILE:

SUBJECT: Barclay Crescent Sewer project financing

PURPOSE:

To provide an update on the Barclay Crescent sewer initiative and to seek Board direction on finalizing the project financing.

BACKGROUND:

We are nearing the completion of the Barclay Crescent sewer construction project and have begun claiming reimbursement for costs under the Canada/BC Infrastructure Grant program. The grant approval was based on a budget which included an amount for capital charges payable under our Bylaw 1331 (Northern Community Sewer Treatment). Bylaw 1331 imposes a capital charge on a property which is included into the wastewater treatment service following a boundary expansion. The Barclay Crescent neighbourhood is the first significant expansion of the "benefiting areas" in many years and the capital charges would amount to approximately \$483,490 (232 properties x \$2,084 (2005 rate)).

We have very recently been advised that the capital charges included in the budget submission are not considered an eligible project cost. The capital charges resulting from Bylaw 1331 are an "equity" adjustment between taxpayers and not a direct "capital" cost incurred to install the sewer system. Staff estimate that the project will not receive grant funding of approximately \$360,700 following this clarification. This report examines the alternatives available under these changed circumstances.

Property Owner Implications:

The Barclay Crescent Sewer initiative was financially challenging. The Board may recall that two attempts were made to obtain grants to reduce the cost of installing sewers. With the successful approval of a two thirds grant under the Canada/BC Infrastructure program, the Regional District adopted a borrowing bylaw for Barclay Crescent which assumed financing for one third of the capital charges noted above. At this point in time, staff estimate the cost per property would be \$6,520 versus an original estimate of \$5,000. The Regional District's borrowing authority will cover \$4,960 per property, leaving a funding gap of \$1,560 per property.

Capital Charge Revision:

To ensure that the capital charge represented a fair value, staff reviewed Bylaw 1331 using criteria established for the Southern Community Sewer Service. Under that methodology, property taxes raised within the non-benefiting portions of Electoral Area G are offset against inflated/depreciated asset values resulting in a slightly lower capital charge of \$1,743 per property. As a result, staff recommend revising the Northern Community Sewer service capital charge to \$1,743 to be consistent with the methodology

applied in the Southern Community Sewer service. This change will reduce the individual property cost to \$6,250.

Capital Charge Assist Factor:

In the context of Development Cost Charges, an 'assist' factor reflects an assessment of the benefits and costs of supporting growth. Legislatively, all jurisdictions must apply a minimum 1% assist factor to the projected capital plan costs before calculating a final DCC rate. It is not uncommon for jurisdictions to apply an assist factor of between 5% and 10% to encourage growth or to encourage connections to services to address environmental impacts.

The same premise could be applied to Capital Charges. An assist factor may be appropriate given that there is a community interest in encouraging properties with failing septic systems to connect to the French Creek Sewage Treatment Plant. The following alternatives are provided for the Board's consideration.

The Regional District's current DCC assist factor is 1%, the minimum required under the *Local Government Act*. The Board may wish to consider a similar assist factor or a higher assist factor to recognize the benefit to the entire surrounding area of connecting the Barclay Crescent properties to the treatment plant.

The long term impact of providing an assist factor would be borne largely by the connected benefiting areas, which includes the City of Parksville, the Town of Qualicum Beach, and portions of Electoral Area G (including the new Barclay Crescent Sewer Area). The remainder of the District 69 Electoral Areas are assessed only for the costs of treating septic tank waste. It is estimated that a 1% assist factor on the revised capital charge rate would represent an amount of \$0.33 per property in lost revenue, and a 5% assist factor would represent an amount of \$1.67 per property.

As noted above, the rationale for applying an assist factor is to encourage connections to address environmental issues. Although the treatment plant budget is projected to increase to provide additional capital reserve funds for the future, there is a benefit to existing properties in terms of the "per unit" operating cost which would be slightly lower because of new taxpayers in the service.

ALTERNATIVES:

1. That a capital charge of \$2,084 be applied as a project cost and be recovered as a parcel tax phased in over a 25 year period.
2. That a capital charge of \$1,743 be applied as a project cost and be recovered as a parcel tax phased in over a 25 year period.
3. That a capital charge of \$1,726 be applied as a project cost and be recovered as a parcel tax phased in over a 25 year period (1% assist factor).
4. That a capital charge of \$1,656 be applied as a project cost and be recovered as a parcel tax phased in over a 25 year period (5% assist factor).

FINANCIAL IMPLICATIONS:

Under any of the alternatives property owners can choose to pay the revised capital cost in a lump sum or as outlined below, pay an additional parcel tax amount for the difference above the original \$5,000 over 25 years. This will reduce the financial impact in the first ten years to a more manageable amount.

	Alternative 1 - \$2,084 (100% current rate)	Alternative 2 - \$1,743 (100% revised rate)	Alternative 3 - \$1,726 (1% assist factor)	Alternative 4 - \$1,656 (5% assist factor)
Capital Charges Assessed to Project	\$483,488	\$404,375	\$400,330	\$384,160
Difference to recover	\$1,555	\$1,287	\$1,270	\$1,200
Year 1	5	5	5	5
Year 2	10	8	8	8
Year 3	15	12	12	12
Year 4	20	17	17	17
Year 5	25	23	23	23
Year 6	30	30	30	30
Year 7	35	38	38	38
Year 8	40	45	45	45
Year 9	45	52	52	52
Year 10	50	59	59	59
Year 11	65	66 Year 11-24	66 Year 11-24	61 Year 11-24
Year 12	70	66	66	61
Year 13	75	66	66	61
Year 14	80	66	66	61
Year 15	85	66	66	61
Year 16	90	66	66	61
Year 17-25	91	74	57	57

Following Table 2 above, the recovery would begin with a relatively modest \$5 additional parcel tax in 2007 rising by about \$3 to \$8 dollars per year until Year 11 when the rate remains stable for the balance of the recovery period. The exception to this pattern is the first column which is based on the current rate of \$2,084 per property – despite a longer collection period the rise in the annual parcel tax rate is considerably more dramatic. As noted above, staff believe there is a rationale for revising the capital charge rate and therefore would focus on Alternatives 2 through 4.

SUMMARY/CONCLUSIONS:

Staff have been advised that the capital charges being applied to the Barclay Crescent Sewer project are not eligible for two-thirds grant funding under the Canada/BC Infrastructure program. As a result the projected cost to an individual property owner has increased from \$5,000 to approximately \$6,500.

An examination of the method for calculating the capital charge for the Northern Community Sewer Service indicates that the rate should be revised to be consistent with the method used to establish the Southern Community Sewer service capital charge. The latter capital charge calculation was reviewed by an external consultant during a 2004 review of the process for expanding the boundaries of the Southern Community Sewer service. A revised capital charge rate has been calculated at \$1,743 per property (2005 rate \$2,084).

Staff have also outlined the rationale and implications of applying an assist factor to reduce the capital charges assessed to the project. The “assist factor” acknowledges the value brought to the service by these new taxpayers and the importance of encouraging properties at risk of polluting the environment to


connect to a common wastewater treatment facility. The reduced revenue resulting from applying a 5% assist factor is less than \$2.00 per property in the service area.


Finally staff recommend offering a 25 year recovery period to owners wishing to pay their share of the additional capital costs through parcel tax levies.

The Barclay Crescent project is the first significant new servicing initiative in the Regional District in over 15 years and while every effort was made to ensure equity between taxpayers, the project area will not be receiving the full benefit of grant funding to assist in those efforts. Staff provide the following recommendations for the Board's consideration.

RECOMMENDATIONS:

1. That the capital charge rate in the "Northern Community Sewer Local Service Area Capital Charge Bylaw 1331" be amended to an amount of \$1,743 per lot and that staff proceed to amend the bylaw accordingly.
2. That an assist factor of 5% be applied to the capital charge rate for the Barclay Crescent project resulting in a capital charge rate of \$1,656 per property.
3. That property owners be offered the option of paying the additional capital cost by way of a parcel tax as generally outlined in the table shown in this report.


Report Writer


C.A.O. Concurrence

COMMENTS:



RDN			
CAO	GMES		
GMCS	GMR&P		
GMDS	GMRT&P		
SEP - 5 2006			
CHAIR	BOARD		
COW			
DATE:			

MEMORANDUM

TO: Carol Mason,
Chief Administrative Officer

September 1, 2006

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

FILE: 5500-21-RG, Engineering Standards and Subdivisions

SUBJECT: Rural Streetlighting Local Service Area Boundary Amendment
Electoral Area 'E', Bylaw 791.15

PURPOSE

To consider the inclusion of a property in Area 'E' off Northwest Bay Road in the Rural Streetlighting Local Service Area (LSA) (see Map, Schedule 'A', page 3).

BACKGROUND

The owner of a property at the corner of Powder Point Road and Northwest Bay Road in Nanoose Bay is currently planning to develop the property for commercial use. The development of the property will add traffic to the existing intersections on Northwest Bay Road at Apollo Drive and Power Point Road and may cause safety issues with increased traffic movement and potential pedestrian activity at these intersections. The owner of the property has petitioned the Regional District to install streetlights on existing BC Hydro poles at these intersections. These streetlights will provide better visibility at night and are considered to be in the public interest for safety issues. In order to tax the properties for the operation of the streetlighting the property must be included in the Rural Streetlighting LSA.

ALTERNATIVES

1. To amend the boundaries of the Rural Streetlighting LSA (Bylaw No. 791.15, 2006) to include the property legally described as Lot A, Plan VIP58653, District Lot 6, Nanoose District, PID 018700136 into the Rural Streetlighting Local Service Area.
2. To not amend the boundaries of the Rural Streetlighting LSA to include the subject property into the Rural Streetlighting LSA.

FINANCIAL IMPLICATIONS

There is no financial implication to the RDN. The operating costs of the additional streetlights are charged to the benefiting properties through taxation. In 2006, the estimated tax rate for this service is \$0.131/\$1000 of assessment.

CITIZENS/PUBLIC RELATIONS IMPLICATIONS

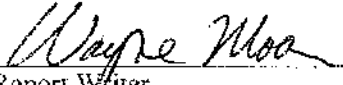
Staff sent letters to the residents/properties owners in the immediate vicinity of the proposed streetlights and received only one response. The comment from the one resident was, "we can see no added benefit in controlling the traffic." Therefore staff has concluded that the installation of streetlighting on Northwest Bay Road at Apollo Drive and Powder Point Road is not a major negative impact on the existing community and in fact the community supports this initiative.

SUMMARY/CONCLUSIONS

The property owner developing their property on Northwest Bay Road at Powder Point Road has petitioned the RDN to install streetlights on existing BC Hydro poles at the intersections of Northwest Bay Road and Powder Point Road and Apollo Drive. These streetlights will provide additional visibility at the subject intersections for both vehicular and pedestrian movements and are considered to be in the public interest for safety reasons. Residents of the immediate intersections were requested to express their objection and/or support of these streetlights. There was one property owner living in the immediate vicinity of the intersections who only suggested the streetlights would not control traffic. Staff has concluded that the residents near the affected intersections support the installation of these streetlights.

RECOMMENDATION

1. That the parcel legally described as Lot A, Plan VIP58653, District Lot 6, Nanoose Land District, PID 018700136 be included in the Rural Streetlighting Local Service Area.
2. That "Rural Streetlighting Local Service Area Boundary Amendment Bylaw No. 791.15, 2006" be introduced, read three times and forwarded to the Inspector of Municipalities for approval.


Report Writer

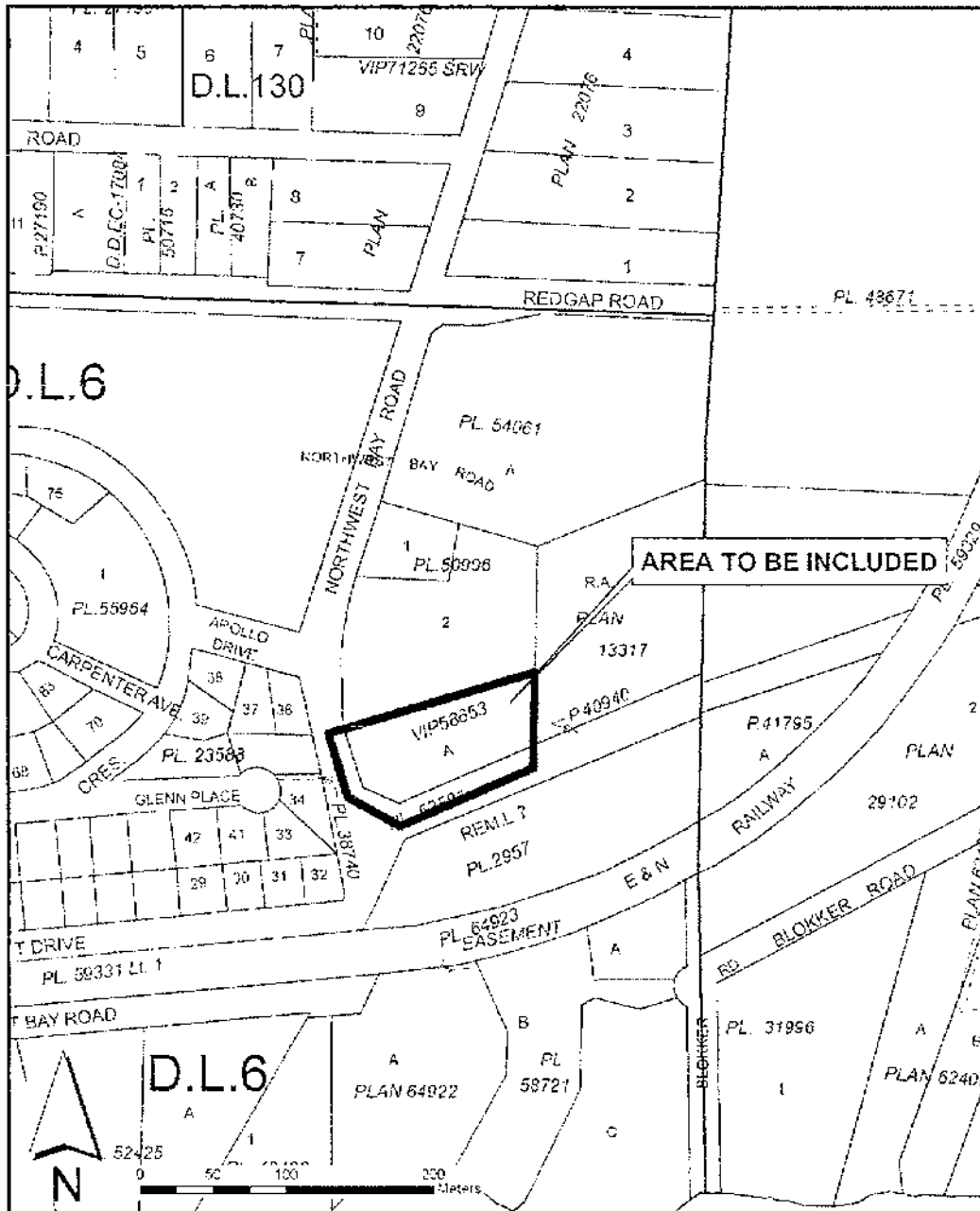
General Manager Concurrence

Manager Concurrence


CAO Concurrence

COMMENTS:

SCHEDULE 'A'



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 791.15

**A BYLAW TO AMEND THE RURAL
STREETLIGHTING LOCAL SERVICE AREA
ESTABLISHMENT BYLAW NO. 791**

WHEREAS Regional District of Nanaimo Bylaw No. 791 established the Rural Streetlighting Local Service;

AND WHEREAS the Board wishes to amend the Local Service Area boundaries in accordance with Section 802(1)(b) of the *Local Government Act* to include 1 additional property from Electoral Area 'E' into the service area;

AND WHEREAS the consent of the Directors of Electoral Areas 'A', 'E' and 'G' has been obtained;

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

1. The boundaries of the Rural Streetlighting Local Service Area are hereby revised to include the properties outlined on Schedule 'A' attached hereto and forming part of this bylaw.
2. The amended boundaries of the Rural Streetlighting Local Service Area shall be as shown outlined on Schedules 'B-1', 'B-2' and 'B-3' attached hereto and forming part of this bylaw.
3. Bylaw No. 791.14 is hereby repealed.
4. This bylaw may be cited as "Rural Streetlighting Local Service Area Boundary Amendment Bylaw No. 791.15, 2006."

Introduced and read three times this ____ day of _____, 2006.

Received the approval of the Inspector of Municipalities this _____ day of _____, 2006.

Adopted this _____ day of _____, 2006.

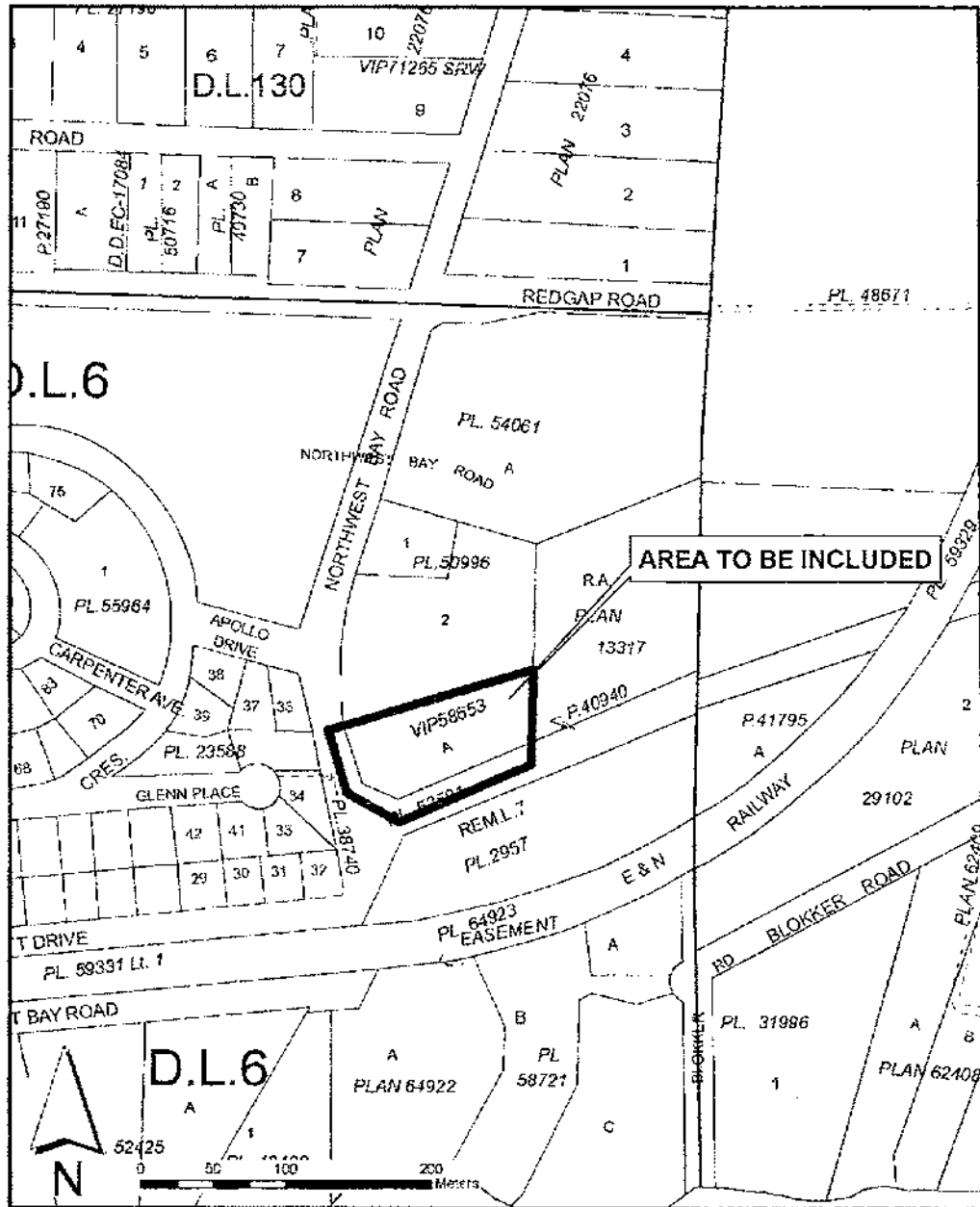
CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES

Schedule 'A' to accompany "Rural Streetlighting Local Service Area Boundary Amendment Bylaw No. 791.15, 2006"

Chairperson: _____

Manager, Administrative Services



BOGS MAP SHEET NO. 927.030.3.1



R D N			
CAO	GMES		
GMCS	GMRAP		
GMDS	GMRT&P		
SEP - 5 2006			
CHAIR		BOARD	
[Signature]			

MEMORANDUM

TO: Wayne Moorman
Manager, Engineering & Subdivisions

DATE: September 5, 2006

FROM: Susan Cormie
Senior Planner

FILE: 0115-00

SUBJECT: Proposed Board Policy for Registration of Covenants

PURPOSE

To consider a new Board Policy that will provide a consistent approach for the registration of Land Title Office documents as part of the zoning and/or official community plan amendment application review process.

BACKGROUND

As part of a zoning amendment and/or official community plan (OCP) amendment application process, the Regional Board may require that a number of conditions be met prior to considering a corresponding amendment bylaw for adoption. Often these condition(s) will include the registration of covenant documents on title of the property under consideration for zoning and/or OCP amendment.

As of late, there has been some inconsistency in the application as to when the registration of covenants is required to be completed. Recently, for subdivision-related amendment applications, the registration of the required covenant documents has been deferred to the subdivision approval process. To secure this condition the Regional District has been accepting letters of legal undertaking that the covenant documents will be registered concurrently with a subdivision.

For other types of amendment applications, the registration of covenant documents has been required prior to the Board considering adoption of the corresponding amendment bylaw. Recently, amendment applications have not gone forward due to the required documents not being registered on title.

ALTERNATIVES

1. That the Board Policy entitled *Registration of Land Title Office Documents in Conjunction with the Amendment Application Process*, be adopted as presented in Schedule No. 1.
2. That the Board Policy, as presented in Schedule No. 1, not be adopted and alternative direction be provided.

LEGAL IMPLICATIONS

The Regional District has received a written legal opinion from the RDN solicitor concerning the registration of covenant documents and other related matters including accepting legal letters of undertaking to register documents at a later date. In summary, the RDN solicitor recommends that the Board is advised **not to adopt** an amendment bylaw until after the covenants are registered on title. The opinion comments that securing covenant documents at time of subdivision is a high risk approach that could result in the covenants never being registered, which is considered not in public interest.

Zoning Amendment vs. Subdivision

The RDN solicitor notes that the interests of the Board in adopting a bylaw are distinct from the interests of the Approving Officer in his consideration of approving a plan of subdivision and that once a bylaw has been adopted, the land use regulatory power has been exercised. As such a degree of control is lost over the property that has been subject to the zoning amendment application.

Process of Registration at Land Title Office

With respect to the process of registering covenant documents at the Land Title Office, the RDN solicitor comments that it is important to ensure that the document has '*final*' registration on title and '*not pending*' registration as a document may be defected or bounced if the land title examiner finds a flaw or error in the document. Therefore, it is recommended that, in order for the Board to guarantee that the covenant documents required as part of the amendment process are secured, these documents need to have received '*final*' registration from Land Title Office and be shown on title as such. Anything less brings a degree of uncertainty to the amendment process.

Registration of Covenant Documents Secured by Letters of Undertaking

Securing the registration of covenant documents by means of a legal letter of undertaking is considered to be the highest risk approach and is strongly **not** recommended by the RDN solicitor. A lawyer can only provide an undertaking that can be fulfilled and, in the case of registering covenant documents on title, a lawyer cannot promise this as he or she does not have control over the process, namely with the Land Title Office and the examiner. Other concerns with this practice include the landowner changing lawyers or selling the property. While a lawyer still has a legal obligation to fulfill the undertaking, the uncertainty of the covenants being registered increases if the lawyer no longer works for the landowner. In the case of a new landowner acquiring the property, a new owner would only need to meet the requirements of subdivision control, not the requirements of the zoning amendment. The Board would have no power to demand the covenants from a new owner.

PUBLIC INTEREST IMPLICATIONS


The solicitor notes that there is a high degree of risk to the public interest if the Board proceeds to adoption of an amendment bylaw based on a lawyer's letter of undertaking. The potential risk to the public interest outweighs any inconvenience or private interests an applicant may cite in registering covenant documents prior to the Board's consideration of adoption of an amendment bylaw.

SUMMARY

This is to consider a new Board Policy to provide a consistent approach with respect to the registration of documents at Land Title Office as part of the zoning and/or official community plan amendment application review process. Based on a recent written legal opinion, the RDN solicitor recommends that the Board is advised **not to adopt** an amendment bylaw until after all required covenant documents are fully registered on title. The reasons for this approach are to ensure that the Board's conditions for amendment applications will be completed and that the public interest is being upheld. Given this recent legal opinion, staff recommends Alternative No. 1 to adopt a new Board policy as outlined in Schedule No. 1 to provide consistency in the registration of Land Title Office documents required as part of an amendment application process.

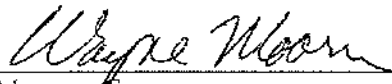
RECOMMENDATION

That the Board Policy entitled *Registration of Land Title Office Documents in Conjunction with the Amendment Application Process*, be adopted as outlined in Schedule No 1.



Rommie
Report Writer

General Manager Concurrence



Wayne Moon
Manager Concurrence



CAO Concurrence

COMMENTS:

devsrs/reports/0115-00 re proposed Board policy

Schedule No. 1

REGIONAL DISTRICT OF NANAIMO
P O L I C Y

SUBJECT:	<i>Registration of Land Title Office Documents in Conjunction with the Amendment Application Process</i>	POLICY NO:	
		CROSS REF.:	
EFFECTIVE DATE:		APPROVED BY:	Board
REVISION DATE:		PAGE	1

PURPOSE

To provide a consistent approach for the registration of Land Title Office documents as part of the zoning and/or official community plan amendment application review process.

BACKGROUND

Based on a recent written legal opinion, the RDN solicitor has recommended that the Board is advised **not to adopt** an amendment bylaw until after all required covenant documents are fully registered on title. The reasons for this approach are to ensure that the Board's conditions for amendments applications will be completed and that the public interest is being upheld.

PROCEDURES

1. Where the Regional Board requires the applicant to prepare and register documents, including covenant documents, at Land Title Office as a condition of a zoning amendment and/or an Official Community Plan amendment application process, the applicant is required to prepare at his/her expense and to the satisfaction of the Regional District and to register such documents on title of the subject property(ies) at Land Title Office.
2. All documents must have received from the Land Title Office final registration on title of the subject property(ies).
3. The applicant is to submit to the Regional District proof of final registration of all documents required to be registered on title of property(ies), including a copy of each registered document and title(s) of property(ies), prior to the corresponding amendment application being forwarded for consideration to the Regional Board of Directors.



RDN		
CAO	GMCS	GMDS
GMCS	GMRSP	
GMDS	GMRSP	
SEP - 5 2006		
CHAIR		
C.M.		

MEMORANDUM

TO: Board of Directors

DATE: September 5, 2006

FROM: Carol Mason
Chief Administrative Officer

FILE:

SUBJECT: RDN STRATEGIC PLAN 2006-2009

PURPOSE

The purpose of this report is to consider approval of the 2006-2009 RDN Strategic Plan.

BACKGROUND

The 2006-2009 RDN Strategic Plan is provided for consideration (see separate enclosure).

The RDN Board received the Strategic Plan at its July 25, 2006 meeting, and referred it to the electoral area directors and the municipalities for comment. Several RDN Board members submitted comments to staff about the Strategic Plan after the July Board meeting, and staff made minor amendments to the Plan to respond to the comments and to improve the clarity of the document.

A Board Seminar was conducted on August 29, 2006 to provide an opportunity for the Board to discuss the Strategic Plan in more detail. At the Seminar staff highlighted the above-noted amendments to the Plan, and the Board requested the following additional amendments:

- Include new actions regarding work to minimize noise nuisances that negatively impact the quality of life in the region;
- Include specific reference to the Nanaimo and Town of Qualicum Beach airports;
- Include specific reference to enhancing relationships between the RDN and adjacent regional districts, and between the RDN and other levels of government;
- Clarify, in the vision statement preamble, that the vision establishes what the RDN is striving to achieve over a 25+ year period, and include the sustainability nested circle diagram.

The Strategic Plan provided for consideration with this report includes these Board requested adjustments.

As noted in the July 18, 2006 report to the Board, the Strategic Plan sets out the RDN Board's priorities for the provision of services to residents in the region for the current term (2006 to 2009) as well as the longer term (2009 and beyond), to help ensure the region continues to be a place where people enjoy living, playing, visiting and doing business.

The six strategic priorities for Board action described in the Strategic Plan are:

1. the regional federation;
2. sustainable communities;
3. transportation;
4. energy and climate change;
5. regional utility systems; and
6. recreation and parks.

The Strategic Plan identifies specific actions and goals for each of these priority areas.

The strategic plan was developed based on discussion with the Board facilitated by consultant Mark Holland at the strategic planning retreat on March 31st and April 1st. Additional information to support the development of the Strategic Plan was obtained from RDN management staff at a June 14th discussion session with Mark Holland.

Given that some of the actions and goals established for the strategic priorities involve the RDN's member municipality partners it is recommended that the Strategic Plan be provided to the municipalities for information and future discussion.

ALTERNATIVES

1. To approve the strategic plan.
2. To provide alternative direction.

FINANCIAL IMPLICATIONS


The Strategic Plan includes a wide range of initiatives that will require human and financial resource allocations. Some of the initiatives can be accommodated within existing resource allocations. Some of the initiatives might require either the consideration of additional allocations, or a shifting of resources from other initiatives. Staff will bring forward these initiatives for the Board's consideration and decision as a part of the annual business planning and budget development process, and the Board will be able to make decisions about the timing of initiatives and the allocation of resources to the initiatives.

SUMMARY

The 2006-2009 RDN Strategic (*see separate enclosure*) establishes six priorities for Board attention between 2006 and 2009: [1] the regional federation; [2] sustainable communities; [3] transportation; [4] energy and climate change; [5] regional utility systems; and [6] recreation and parks. Specific actions and goals are identified for each of the six priority areas. The Strategic Plan is now submitted for the Board's consideration.

RECOMMENDATIONS

1. That the RDN Strategic Plan for the years 2006-2009 be approved.
2. That staff be directed to refer the 2006-2009 RDN Strategic Plan to the member municipalities for information.



Chief Administrative Officer



R D N			
CAO	GMES		
GMCS	GMRSF		
GMDS	GMRT&P		
SEP - 5 2006			
CHAIR	BOARD		
CoW			

MEMORANDUM

TO: Sean DePol
Acting Manager of Liquid Waste

DATE: August 29, 2006

FROM: Angela Mays
Engineering Technician

FILE: 4520-20-53 and 4520-20-71

SUBJECT: Liquid Waste - Northern and Southern Communities
Pump and Haul Bylaw Amendment
626 South Road, Gabriola Island and 306 Kinkade Rd, Qualicum Beach

PURPOSE

To consider an amendment to Bylaw 975 which established the Regional District of Nanaimo's 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 a valid holding tank permit issued by Vancouver Island Health Authority
- 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.

Inclusion into Pump and Haul

A request has been received to include the following property into the Pump and Haul function:

1. Lot 108, Section 13, Plan 21531, Nanaimo Land District
626 South Road, Gabriola Island

Emily F. Carrington has petitioned the RDN to include her property into the Regional District of Nanaimo Pump and Haul Local Service Area, Bylaw No. 975. Water wells are in close proximity to this lot therefore do not allow for a suitable location for a septic field. The only area available for the required 100 feet set back is along the east property line and which is very rocky with virtually no soil cover.

A permit from the Environmental Health officer at the Vancouver Island Health Authority approved the property for a holding tank. The property is greater than 700 m² in area and the property currently conforms to the existing zoning bylaw.

A Restrictive Covenant will be registered on the property requiring that a continuous contract with a pump out company be on file with the Regional District of Nanaimo, that the owner will connect to sewers when they become available and that the owner shall not subdivide or construct any additional units on the property.

Exclusion out of Pump and Haul

A request has also been received to have the following property removed from the Pump and Haul Local Service Area:

2. Lot 2, District Lot 9, Plan 21610, Newcastle Land District
306 Kinkade Road, Qualicum Beach

Mr. and Mrs. Schnirer have written to the RDN requesting that the Pump and Haul function on their property at 306 Kinkade Road be cancelled.

The original application for pump and haul was filed in May 2003 by Mr. and Mrs. Daniels. This application was accepted due to the inability to construct an on site septic system to the specifications required by the Vancouver Island Health Authority. The new property owners, Mr. and Mrs. Schnirer have relocated their well, thereby allowing the installation of a septic system in accordance with the plans and specifications filed with the Health Authority. This property therefore no longer requires the Pump and Haul service.

ALTERNATIVES

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

FINANCIAL IMPLICATIONS

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

SUMMARY/CONCLUSION

The application from Emily F. Carrington meets all requirements for inclusion into the Pump and Haul function, specifically the parcel size greater than 700m², a community sewer is not available, and the property conforms to zoning bylaws. Appropriate Restrictive Covenants have been prepared for the property and have been approved by Development Services and Environmental Services staff.

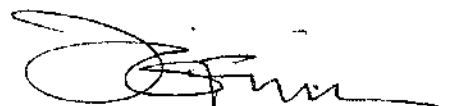
Mr. and Mrs. Schnirer have written to the RDN requesting that the Pump and Haul function on their property at 306 Kinkade Road be cancelled. They have relocated their well which has allowed a septic system to be constructed with the appropriate setbacks and specifications as required by the Health Authority. This property therefore no longer requires the Pump and Haul service.


RECOMMENDATIONS

1. That the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to include Lot 108, Section 13, Plan 21531, Nanaimo Land District, Gabriola Island, 626 South Road.
2. That the boundaries of the RDN Pump and Haul Local Service Area Bylaw 975 be amended to remove Lot 2, District Lot 9, Plan 21610, Newcastle Land District, Kinkade Road.
3. That "Regional District of Nanaimo Pump & Haul Local Service Area Amendment Bylaw No. 975.45, 2006" be read three times and forwarded to the Inspector of Municipalities for approval.

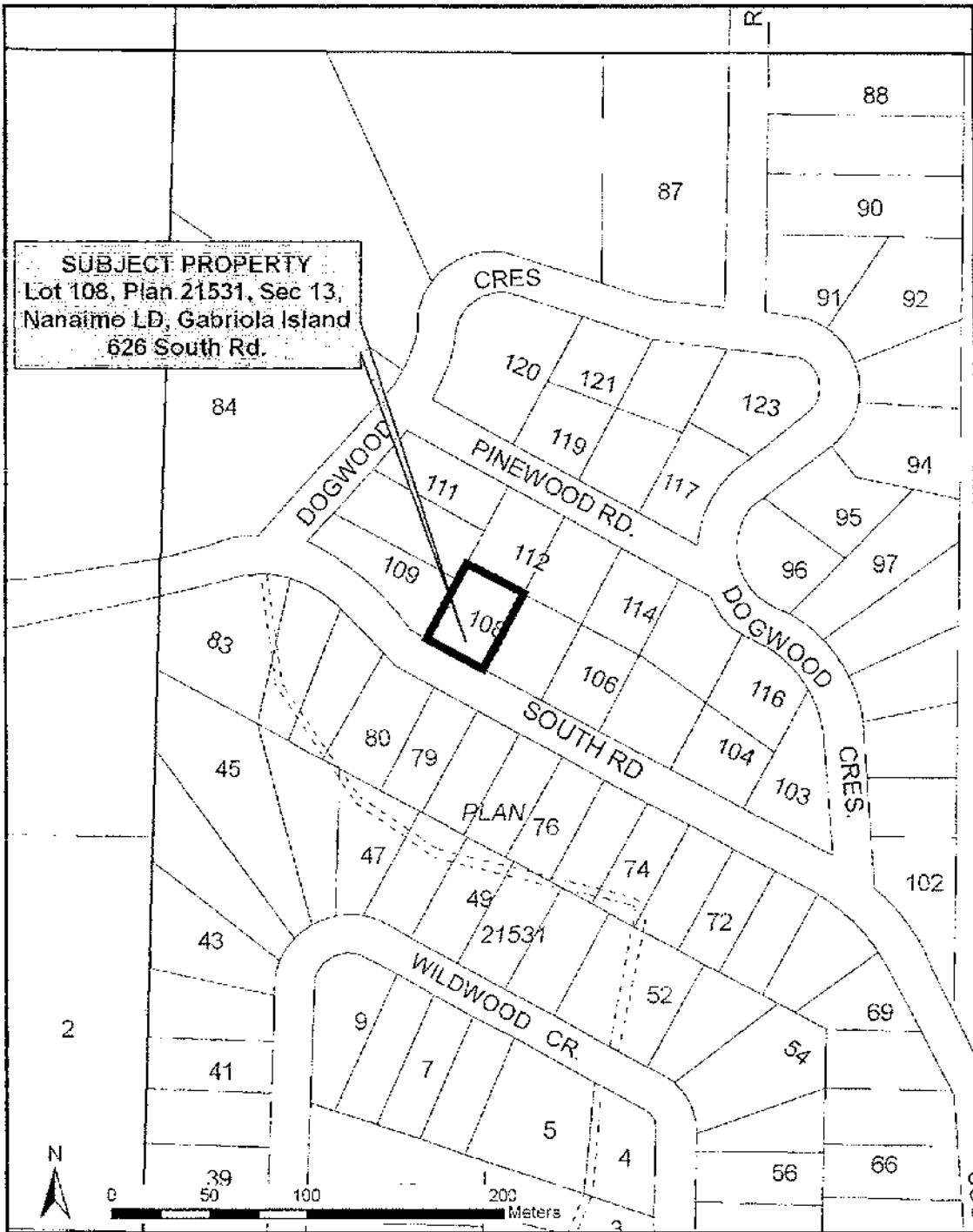

Report Writer

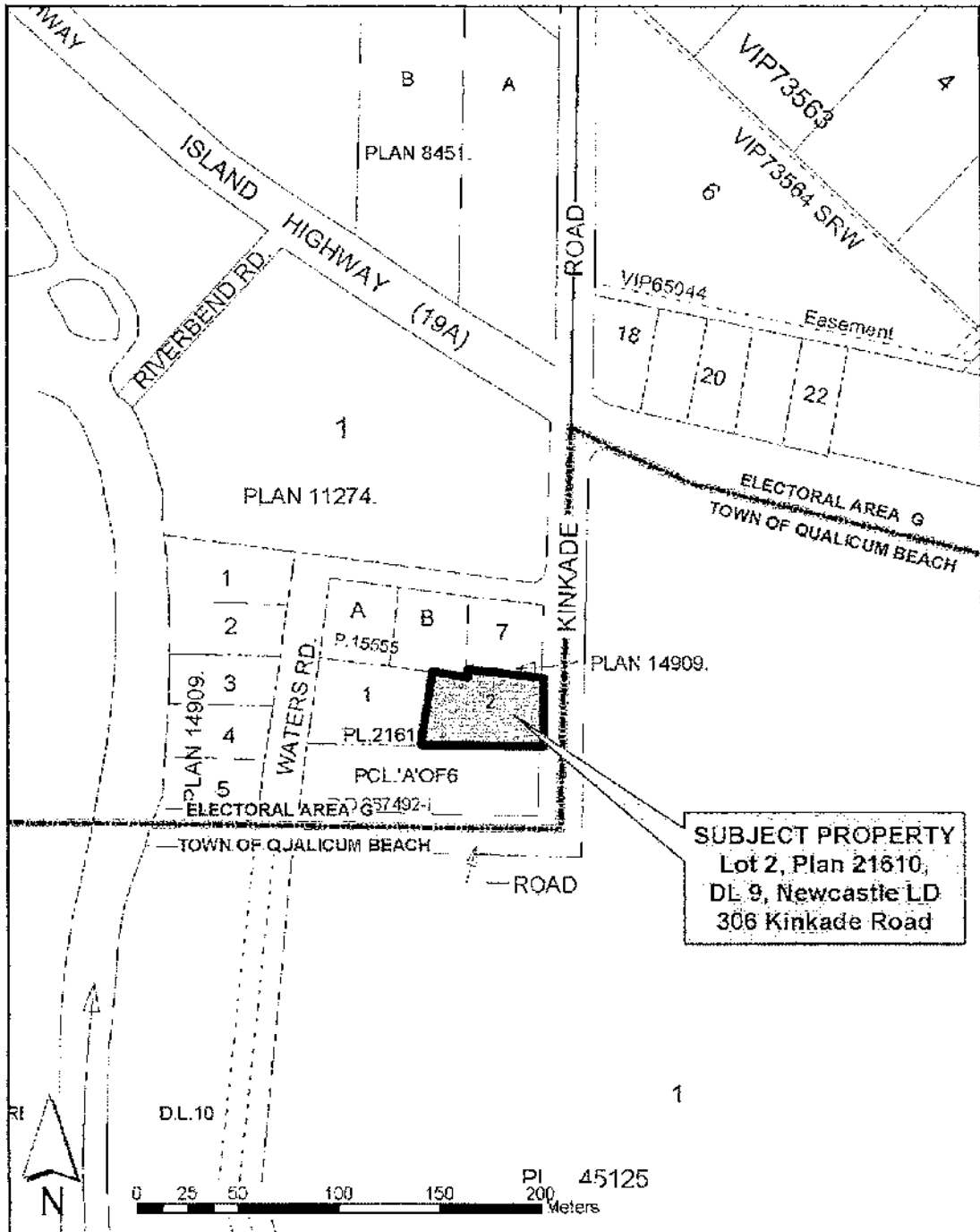

Manager Concurrence


General Manager Concurrence


CAO Concurrence

COMMENTS





REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 975.45

**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 Directors of Electoral Areas 'B', a defined portion of 'C', 'E', 'F', 'G' and 'H' have consented, in writing, to the adoption of this bylaw;

AND WHEREAS the Councils of the City of Nanaimo and the District of Lantzville have consented, by resolution, to the adoption of Bylaw No. 975.45;

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

Lot 2, District Lot 9, Plan 21610, Newcastle Land District (Electoral Area 'H');

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

Lot 108, Section 13, Plan 21531, Nanaimo Land District (Electoral Area 'B')

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

1. Schedule 'A' of Bylaw No. 975 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. 975.45, 2006".

Introduced and read three times this 26th day of September, 2006.

Received the approval of the Inspector of Municipalities this _____ day of _____, 2006.

Adopted this _____ day of _____, 2006.

CHAIRPERSON

MANAGER, ADMINISTRATIVE SERVICES

Chairperson

Manager, Administrative Services

BYLAW NO. 975.45

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.
11. Lot 75, Section 13, Plan 21531, Nanaimo Land District.
12. Lot 85, Section 18, Plan 21586, Nanaimo Land District.
13. Lot 14, Section 21, Plan 5958, Nanaimo Land District
14. Lot 108, Section 13, Plan 21531, Nanaimo Land District

Electoral Area ‘C’ (Defined portion)

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 17, District Lot 78, Plan 14212, Nanoose Land District.
4. Lot 32, District Lot 68, Plan 26680, Nanoose Land District.
5. Lot 13, Block E, District Lot 38, Plan 13054, Nanoose Land District.
6. Lot 5, District Lot 78, Plan 25366, Nanoose Land District.
7. Lot 24, District Lot 68, Plan 30341, Nanoose Land District.
8. Lot 13, District Lot 78, Plan 25828, Nanoose Land District.
9. Lot 58, District Lot 78, Plan 14275, Nanoose Land District.
10. Lot 28, District Lot 78, Plan 15983, Nanoose Land District.
11. Lot 23, District Lot 78, Plan 14212, Nanoose Land District.
12. Lot 23, District Lot 78, Plan 28595, Nanoose Land District.
13. Lot 53, District Lot 78, Plan 14275, Nanoose Land District.
14. Lot 12, District Lot 8, Plan 20762, 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.
2. Lot 1, District Lot 80, Plan 49865, Newcastle 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. District Lot 2001, Nanaimo Land District.
8. Lot 1, District Lot 40, Plan 16121, Newcastle District

City of Nanaimo

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

District of Lantzville

1. Lot 24, District Lot 44, Plan 27557, Wellington Land District.
2. Lot A, District Lot 27G, Plan 29942, Wellington Land District.
3. Lot 1, District Lot 85, Plan 15245, Wellington Land District.
4. Lot 15, District Lot 44, Plan 15245, Wellington Land District



R D N			
CAO	CoW	GMES	
GMCS		GMP&P	
GMDS		GMRT&P	
SEP - 5 2006			
CHAIR		BOARD	
CoW			

MEMORANDUM

TO: John Finnie
General Manager of Environmental Services

DATE: August 31, 2006

FROM: Mike Donnelly
Manager of Utilities

FILE: 5500-20-SR-01

SUBJECT: Flamingo Drive / McFeely Drive / Surfside Drive
Sanitary Sewer Servicing Options

PURPOSE

To present to the Board a recommended sanitary sewer servicing strategy for the Flamingo / McFeely / Surfside Drive area.

BACKGROUND

At the January 2006 RDN Board meeting a delegation from the Flamingo Drive area gave an overview of efforts, in past years, related to establishing sanitary sewer servicing for Flamingo Drive. The delegation asked that the Board consider the extension of sanitary sewer servicing to include all of Flamingo Drive in the Surfside Sanitary Sewer Service Area (SSSA). The Board directed staff to report on the status of sanitary sewer servicing to this area.

Since the delegation made their presentation there have been inquiries from various property owners in the Flamingo/McFeely/Surfside Drive area for sanitary sewer servicing. These requests include property that has a failed disposal field, one property where the owner hopes to provide servicing to his cabin and a formal application by Fern Road Consulting Ltd. representing two undeveloped properties that cannot obtain Health approval for a disposal field as the lots are under the minimum size requirements.

The attached drawing shows the existing sanitary sewer service area, the urban containment boundary, and the lots recommended for servicing in this report. The area in question is outside of the Urban Containment Boundary so consideration for servicing must be based on health and or environmental concerns as outlined in policy 7B of the Growth Management Strategy and servicing cannot allow additional development. Given the demand for sewer servicing in the area and the possible negative impacts of ground disposal on the foreshore habitat, an overall servicing strategy is recommended.

The majority of properties included in the proposed servicing initiative are those properties along the foreshore. Additional properties include the trailer park on Kinkade Road, and some other properties that have been included for reasons of providing a logical and contiguous servicing block. This dense grouping in proximity to the inter-tidal zone could result in negative shoreline and inter-tidal impacts.

A servicing strategy that would see the majority of parcels in the foreshore area included assists in making the project affordable for the property owners. Continuing to grant connections to the service area on an individual case-by-case basis erodes the ability to provide for a comprehensive servicing approach to the neighbourhood. Each property connected in this way eliminates one more cost sharing partner for the overall servicing strategy and reduces the likelihood that a comprehensive strategy will be put in place. By including all of those properties that may contribute to negative impacts on the inter-tidal zone in the strategy a lower per-property cost can be achieved.

There are other properties in the general area that have not been included in the proposed service area expansion due to their size and/or distance from the foreshore. Potential health or environmental impacts for these other properties could not be readily identified; it is unlikely that these properties would have a negative impact on the foreshore area.

The preliminary cost estimate for the extension of sewer to the proposed properties is approximately \$15,000 per property. Although only approximate, these costs are based on work recently completed in the Barclay Crescent area of French Creek. This estimate would be updated as part of the preparatory work leading up to a vote on this project.

Staff are uncertain of the level of public support for this servicing strategy. The risk to the environment has not been quantified and there are no known Health Department issues related to in ground disposal at this time. Justification for the servicing strategy as proposed will be based largely on the precautionary principle in that servicing would be provided to avoid future negative impacts on the foreshore. If the approach recommended in this report is supported it will be important to gauge public opinion early on in the process.

ALTERNATIVES

1. Continue expansion of the SSSA on a case by case basis, based on health and or environmental concerns with the applicant paying all costs associated with the establishment of the connection to their property.
2. Undertake the preliminary design, cost estimates and public consultation to include the 61 properties identified in this report in the SSSA as part of the 2007 work plan and hold individual and existing applications for servicing in abeyance at this time.

FINANCIAL IMPLICATIONS

There are no financial implications to Alternative 1 other than to the individual applicants.

Alternative 2 would require a public process which would include engineering pre-design, cost estimates, public meetings and the petitioning process to gain electoral consent. All costs would be attributed only to the expanded Surfside Sanitary Sewer Service Area property owners should the project be supported. Properties in the existing service area would not be attributed a share of these costs. Should this process not obtain public acceptance to undertake the project, all costs would be borne by the Electoral Area feasibility fund.

Senior government grants may be available for portions of the project and would be pursued where possible.

INTERGOVERNMENTAL IMPLICATIONS

Town of Qualicum Beach staff were contacted regarding this proposed sanitary sewer servicing option and are supportive of the proposed approach for environmental reasons.

SUMMARY/CONCLUSIONS

A number of properties in the Flamingo/McFeely/Surfside Drive area have either applied for or shown an interest in joining the Surfside Sanitary Sewer Service Area. Some of these properties are adjacent to existing sanitary sewer mains while others are a distance away from any existing mains which would require an extension of the service mains.

This area is outside of the urban containment boundary so servicing can only be considered for health or environmental reasons and cannot allow for additional development. The properties in question are, for the most part, within or near the foreshore area.

An overall servicing strategy is being proposed rather than the current case-by-case approach to servicing properties. This broader approach to servicing would focus on the foreshore properties along Flamingo Drive, McFeely Drive and Surfside Drive and would include a number of properties on Kinkade Road that due to their use and proximity to the foreshore may result in negative shoreline and inter-tidal impacts.

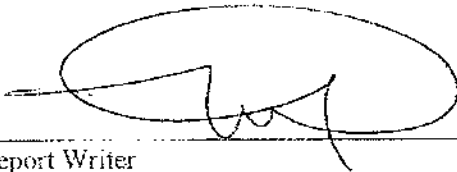
Preliminary cost estimates based on recent work in the Barclay Crescent area indicate a cost per property of approximately \$15,000 to provide servicing to the 61 properties (see attached drawing). Further work on a preliminary design to finalize the cost estimate is required as is a public process to ascertain the level of public support for this concept.

This will be a sizable project which is not included in the departmental work plans for 2006. It is recommended that this initiative be included in the 2007 work plan if the proposal is approved by the Board.

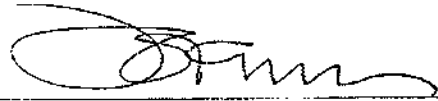
Maintaining the current approach of individual case-by-case expansions to the service area reduces the possibility of an overall strategy to servicing the area as the number of participating properties is reduced with each approved connection. The expansion of the service area with the proposed number of properties will reduce individual connection costs per property. The strategy would result in placing individual (and existing) requests for servicing in abeyance until the public's position on the servicing strategy is determined.

RECOMMENDATION

That staff include in the 2007 work plan, the preliminary design, cost estimates and public consultation activities to include the 61 properties as shown on the attached drawing in the Surfside Sanitary Sewer Service area and that individual applications for sanitary sewer service connections in the Surfside Sanitary Sewer Service Area be held in abeyance in the interim.



Report Writer

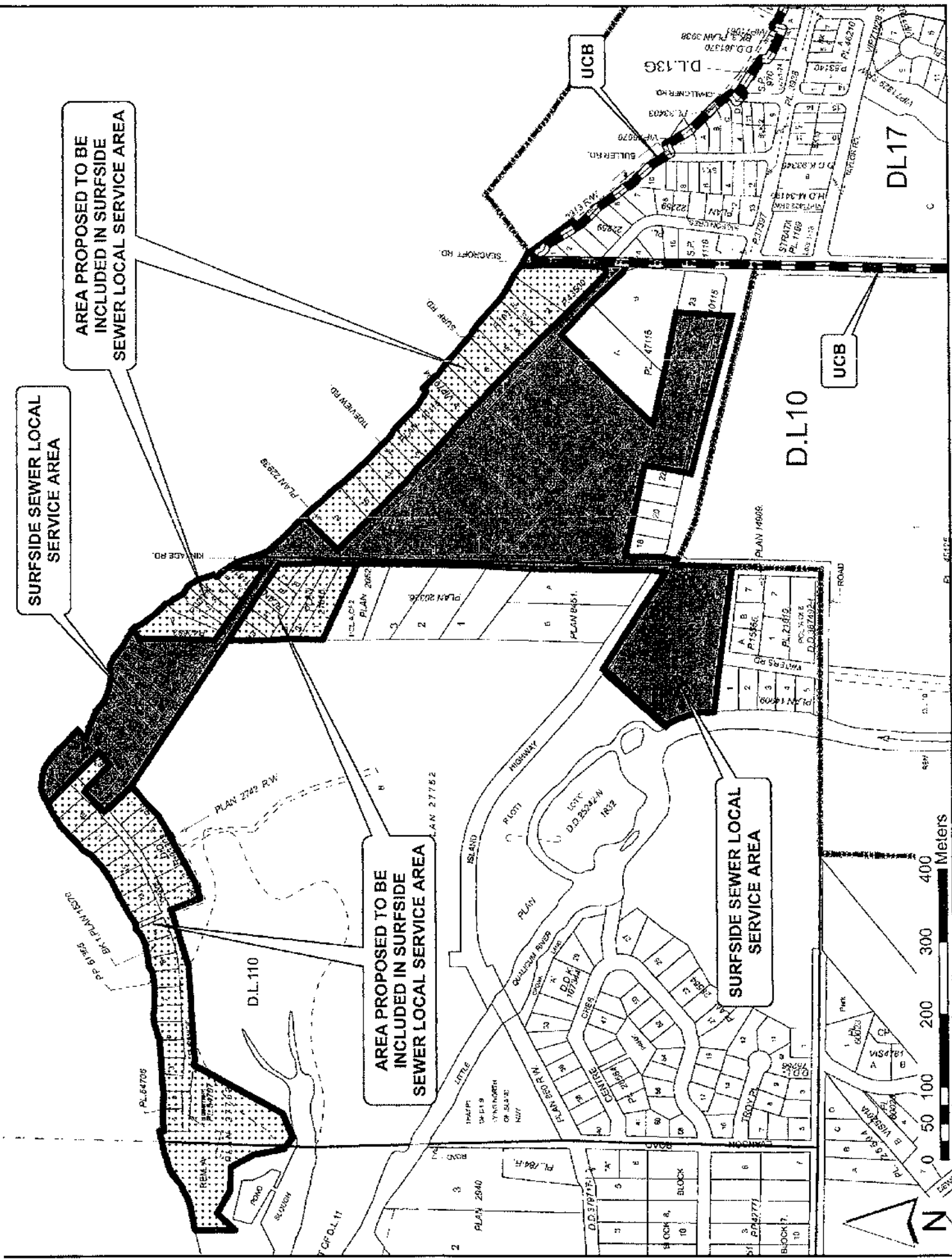


General Manager Concurrence



C.A.O. Concurrence

COMMENTS:



AREA PROPOSED TO BE INCLUDED IN SURFSIDE SEWER LOCAL SERVICE AREA

SURFSIDE SEWER LOCAL SERVICE AREA

AREA PROPOSED TO BE INCLUDED IN SURFSIDE SEWER LOCAL SERVICE AREA

SURFSIDE SEWER LOCAL SERVICE AREA



R D N			
CAO		GMES	
GMCS		GMR&P	
GMDS		GMRT&P	
SEP - 7 2006			
CHAIR		BOARD	

MEMORANDUM

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

DATE: August 29, 2006

FROM: Carey McIver
Manager of Solid Waste

FILE: 5360-46

SUBJECT: Cedar Road LFG Amending Agreement, Licence of Occupation and Waiver

PURPOSE

To obtain Board approval to amend existing Development and Operating Agreements, grant a Licence of Occupation and execute a Waiver of Emissions Rights to Cedar Road LFG Inc. (formerly Suncurrent Industries Inc.) for the operation and maintenance of an electrical generation facility on the RDN landfill.

BACKGROUND

In June 2005 the Board approved a Development Agreement with Suncurrent Industries Inc. to provide for the construction of a facility on the RDN landfill to demonstrate the commercial viability of operating external combustion engines to generate electricity using landfill gas as an alternative fuel source.

In October 2005 the Board consented to the assignment of the Development Agreement from Suncurrent Industries to Cedar Road LFG Inc. (Cedar LFG) and approved an Operating Agreement with Cedar LFG to govern the operation and maintenance of the facility as well as determine an annual royalty payment to the RDN. The Board reports recommending approval of these agreements are attached for information.

Cedar LFG's project objective at the time was to generate 0.5 MW of electricity, with the option to expand up to 1 MW, utilizing sterling engine external combustion technology. Cedar LFG's proposed facility was to include nine 55kW sterling generators housed in three pre-engineered modular enclosures with a configuration of three generators per enclosure. The sterling generator was to utilize LFG as a feedstock and not be supplemented by other non-renewable energy sources. This was to be the first demonstration of this technology using LFG in Canada.

Project Status

Since October 2005 Cedar LFG has been actively pursuing financing options for their \$1.8 million facility. In September 2005 they submitted an application to the Federation of Canadian Municipalities (FCM) Green Municipal Investment Fund for a \$1.2 million low interest loan. The remaining \$600,000 was to be financed through equity funding.

This application was based on Cedar LFG entering into an electricity purchase agreement with Powerex to sell electricity on the short-term spot power market. Unfortunately, due to the uncertainties associated with this market, in February 2006 FCM rejected their application for having too much risk related to the sale price of electricity from the facility. As equity financing from two private lenders was dependant on the FCM loan, Cedar LFG lost these funding commitments as well. As a consequence Cedar LFG was forced to restructure their project to include the sale of power into a fixed price long term contract.

The restructured project retains the objective of demonstrating external combustion engines, however to increase commercial viability and reduce commercial debt risk one conventional combustion engine will be installed at the facility. Cedar LFG's proposed \$2 million .7 MW facility will include three sterling 55kW generators and one conventional gas combustion engine housed in three pre-engineered modular enclosures. Both engines will utilize LFG as a feedstock and not be supplemented by other non-renewable energy sources. This will still be the first demonstration of this external combustion engines using LFG in Canada.

After considering the option to sell electricity to large industrial users in the RDN, Cedar LFG has concluded that BC Hydro is the only available option for a fixed price long term contract. Consequently they will be responding to the BC Hydro Open Call For Power from independent power producers expected in December 2006. Given that BC Hydro will likely not take any delivery of power prior to October 2007; the project will not be commercially operational until December 2007. This delay will require an amendment to the completion date in the Development and Operating Agreements.

Amending Agreement

RDN legal counsel has prepared the attached Amending Agreement to the Development and Operating Agreements changing the project completion date from July 21, 2006 to November 30, 2007 and the commercial operation date from August 21, 2006 to December 31, 2007. The project description has also been updated to reflect the inclusion of the conventional power engine.

Licence of Occupation and Waiver of Emissions Rights

Under the Development Agreement the RDN and Cedar LFG have agreed to negotiate a Licence of Occupation for use of the area at the Regional Landfill occupied by the facility as well as a Waiver of Emissions Rights associated with any reduction in greenhouse gases that result from the operation of their facility as required under the Project and Transfer Agreement with the FCM. RDN legal counsel and Cedar LFG have drafted and reviewed these two documents (attached for information) and they are now ready for execution subject to Board approval.

ALTERNATIVES

1. Approve the Amending Agreement, Licence of Occupation and Waiver of Emissions Rights with Cedar Road LFG Inc.
2. Do not approve the Amending Agreement, Licence of Occupation and Waiver of Emissions Rights with Cedar Road LFG Inc.

FINANCIAL IMPLICATIONS

As reported to the Board in past reports, the only direct costs to the RDN for this project have been engineering and legal services associated with the negotiation of the agreements as well as the integration of the RDN collection and flare system with the Cedar LFG facility. These costs are not anticipated to exceed \$20,000 and should be recovered from Cedar LFG's future payments to the RDN for the use of the gas. Based on a set of conservative assumptions, these payments may amount to roughly \$200,000 over the 10 year term of the project. This revenue will be in addition to the revenue received from emission reduction rights which could be as much as \$175,000 per year once the federal government establishes a domestic emission trading system.

SUMMARY

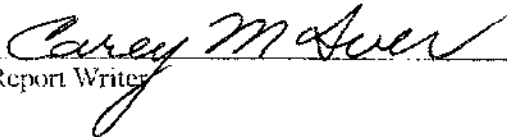
In 2005 the Board approved Development and Operating Agreements with Cedar Road LFG Inc. (formerly Suncurrent) to provide for the construction and operation of a facility on the RDN Landfill to generate electricity using landfill gas as an alternative fuel source. Although Cedar Road LFG Inc. (Cedar LFG) secured a short-term contract with Powerex to provide power on the spot market, due to price uncertainties, Cedar LFG has been unable to obtain financing for their \$2 million project.

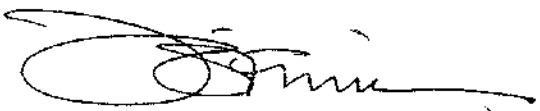
Consequently to secure financing they have restructured their project to respond to the BC Hydro Open Call for Power from independent power producers expected in December 2006. Given that BC Hydro will likely not take any delivery of power under a fixed price long term contract prior to October 2007, the project will not be commercially operational until December 2007 which will require an amendment to the completion and commercial operation dates in the Development and Operating Agreements.


Also, under the Development Agreement the RDN and Cedar LFG have agreed to negotiate a Licence of Occupation for use of the area at the Regional Landfill occupied by the facility as well as a Waiver of Emissions Rights as required under the Project and Transfer Agreement with the Federation of Canadian Municipalities. These two documents are now ready for execution subject to Board approval.

RECOMMENDATIONS

1. That the Board approve the Amending Agreement with Cedar Road LFG Inc. to change the project completion date from July 21, 2006 to November 30, 2007.
2. That the Board grant a Licence of Occupation to Cedar Road LFG Inc. for use of the area at the Regional Landfill occupied by their electricity generating facility.
3. That the Board approve the Waiver of Emission Rights with Cedar Road LFG Inc. associated with any reduction in greenhouse gases that result from the operation of their electricity generating facility.


Report Writer


General Manager Concurrence


CAO Concurrence

COMMENTS:



MEMORANDUM

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

DATE: May 27, 2005

FROM: Carey McIver
Manager of Solid Waste

FILE: 5360-46

SUBJECT: Landfill Gas Utilization Development Agreement

PURPOSE

To obtain Board approval to enter into a development agreement with Suncurrent Industries Inc. to demonstrate the commercial viability of operating external combustion engines to generate electricity using landfill gas as an alternative fuel source.

BACKGROUND

In 2001 the RDN retained consultants to study the feasibility of transforming the gas generated at the Regional Landfill from an environmental liability to a "green" energy asset. The study, cost-shared by the Federation of Canadian Municipalities (FCM) Green Funds, identified two utilization options with significant potential: direct use of the LFG as a low grade fuel or the generation of electricity.

In 2002 the Board directed staff to expand the existing landfill gas (LFG) collection system to optimize gas collection prior to selecting the most beneficial utilization option. The new LFG collection system was completed in 2005 at a cost of \$1.2 million. The FCM also funded this project with a conditional grant of \$580,328.

Recognizing that the long-term life of the landfill will not be determined until after the new and emerging technologies review is completed in 2006, staff issued a request for proposals (RFP) in December 2004 for a short-term (2 year) LFG utilization demonstration project. The RFP invited interested parties to submit proposals for the design, financing, construction, operation, maintenance and decommissioning of a facility that would generate marketable energy via direct or indirect combustion of LFG using innovative technology not currently being utilized at small to medium landfills.

Due to the short-term nature of the project as well as the relatively small amount of gas available only one company, Suncurrent Industries Inc. (Suncurrent) responded to the RFP. This is because most conventional LFG utilization technologies require at least a twenty year contract term as well as enough LFG to generate at least 2 MW of electricity. Since Suncurrent met all the requirements of the RFP, staff has negotiated a Development Agreement to provide for the construction of a facility to generate 0.5 MW of electricity at the Regional Landfill. Copies of the agreement are available on request.

LFG Utilization Project

The objective of this project is to generate 0.5 MW of electricity, with the option to expand the facility to 1 MW, utilizing STM 260 sterling engine external combustion technology. In contrast to traditional gasoline and diesel internal combustion engines that take in fuel and air for combustion inside a cylinder,

the STM engine contains a sealed-in amount of working gas that is used over and over. Rather than burning fuel inside the cylinder, the STM engine uses external heat generated from burning LFG to expand the gas contained inside the cylinder and push against its pistons.

The STM engine then recycles the same captive working gas by cooling and compressing it, then reheating it again to expand and drive the pistons, which in turn drives the generator. As a result the STM engine provides smooth, clean, quiet engine performance without the need for a compressor, muffler or emissions equipment. In addition the STM engine is highly efficient and durable.

Suncurrent's proposed \$1.5 million facility will include nine STM 260 55kW generators housed in three pre-engineered portable enclosures with a configuration of three generators per enclosure. The STM 260 will utilize LFG as a feedstock and will not be supplemented by other non-renewable energy sources. This will be the first demonstration of this technology using LFG in Canada.

Development Agreement

General Intent

Under the Development Agreement, the RDN agrees to supply LFG from the RDN landfill to Suncurrent as an Independent Power Producer (IPP). In return Suncurrent agrees to:

1. Construct and operate a demonstration pilot project involving finance, design, construction, and operation of an electrical generating facility at the RDN landfill to generate electricity from LFG for sale on a commercial basis;
2. Enter into an Electricity Purchase Agreement with a third party, which could be B.C. Hydro, Powerex, or another local industrial user of the power for the sale of electricity generated at the RDN landfill through the distribution wires of B.C. Hydro; and,
3. Assume sole risk regarding technology performance, fuel supply reliability, debt financing and project equity requirements.

Execution and Delivery of Agreements

Following execution of the Development Agreement, (which will allow Suncurrent to obtain financing from various private and government sources), Suncurrent and the RDN agree to negotiate the following agreements:

1. The Operating Agreement for the operation of the facility;
2. The License of Occupation for use of the area at the Regional Landfill occupied by the facility; and,
3. The Waiver of Emissions Rights as required under the Project and Transfer Agreement with the FCM.

Suncurrent will also deliver copies of the Electricity Purchase Agreement and the Interconnection Agreement within twelve months from the date of execution of the Development Agreement. If the RDN and Suncurrent do not successfully negotiate any of the above agreements, then the Development Agreement may be terminated by the RDN.

Construction Schedule

The construction schedule includes a twelve month construction phase which includes all activities related to the design, permitting and construction of the facility. Once the facility reaches substantial completion, the pilot phase begins which includes the commissioning and operation of the facility for a period of twelve months. The commercial operation date will be the date when electricity sale to the third party purchaser commences and shall occur no later than thirty days from substantial completion.

Term

Although the RFP had anticipated a two year demonstration, Suncurrent has requested a longer term to allow them to recover their investment in the facility. Consequently staff has negotiated a five year operating term from the date of execution of the Development Agreement with an option to enter into a five year renewal.

Payments to the RDN

Once the Development Agreement is executed the RDN and Suncurrent will determine a formula for calculating a monthly payment which will represent a reasonable compensation to the RDN for supply of LFG and allow a reasonable return to Suncurrent for equity investment and technology and project risk only after all costs related to debt financing and operating and decommissioning the facility are accounted for and reserved. At this point the parties anticipate that payments should commence within three to four years after the facility goes into commercial operation.

ALTERNATIVES

1. Approve the Development Agreement with Suncurrent Industries Inc.
2. Do not approve the Development Agreement with Suncurrent Industries Inc and issue a new RFP for a 5 to 10 year term.
3. Do not approve the Development Agreement with Suncurrent Industries Inc.

FINANCIAL IMPLICATIONS

Under Alternative 1, the only direct costs to the RDN for this project have been engineering and legal services associated with the negotiation of the agreements as well as the integration of the RDN collection and flare system with the Suncurrent facility. These costs are not anticipated to exceed \$20,000 and should be recovered from Suncurrent's future payments to the RDN for the use of the gas.

Under Alternative 2, if the RDN issues a new RFP for a 5 year term with the option for a five year renewal, the direct costs will be an additional \$20,000 over the \$15,000 that has been expended to date on the current RFP and contract negotiations. This alternative will also delay future payments to the RDN for the use of the gas.

Under Alternative 3, if the RDN does not approve the Development Agreement there will be no additional costs beyond the \$15,000 spent to date.

LEGAL IMPLICATIONS

Under Alternative 1, in the opinion of our legal counsel, the RDN has the right to extend the term of this demonstration beyond that identified in the RFP without re-tendering since all the companies that expressed an interest had the ability to submit an alternative proposal similar to Suncurrent. Nevertheless, even if the RFP was re-tendered for a five year term, it is unlikely that there will be any other interest since as stated previously, independent power producers and most conventional LFG utilization technologies require a 20 year term as well as the ability to generate at least 2 MW of electricity.

ENVIRONMENTAL IMPLICATIONS

LFG is a harmful greenhouse gas (GHG) when released into the atmosphere. The new LFG collection and flare system constructed at the landfill prevents a number of adverse effects, such as gas migration, foul odours and the potential for explosion as well as significantly reducing greenhouse gas emissions from the site. The electricity generated from this project will reduce greenhouse gas emissions even further as well as replace the use of non-renewable sources of fuel.

SUMMARY

In December 2004 staff issued a request for proposals (RFP) for a short-term LFG utilization demonstration project. The RFP invited interested parties to submit proposals for the design, financing, construction, operation, maintenance and decommissioning of a facility that would generate marketable energy via direct or indirect combustion of LFG using innovative technology not currently being utilized at small to medium landfills. Only one company, Suncurrent Industries Inc. (Suncurrent), responded to the RFP.

Suncurrent's project objective is to generate 0.5 MW of electricity, with the option to expand up to 1 MW, utilizing STM 260 sterling engine external combustion technology. Suncurrent's proposed facility will include nine STM 260 55kW generators housed in three pre-engineered portable enclosures with a configuration of three generators per enclosure. The STM 260 will utilize LFG as a feedstock and will not be supplemented by other non-renewable energy sources. This will be the first demonstration of this technology using LFG in Canada.

RECOMMENDATION

That the Board approve the Development Agreement with Suncurrent Industries Inc. to demonstrate the commercial viability of operating external combustion engines to generate electricity using landfill gas as an alternative fuel source.

C McIver
Report Writer

J Finnie
General Manager Concurrence

K Daniels
CAO Concurrence

COMMENTS:



MEMORANDUM

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

DATE: October 14, 2005

FROM: Carey McIver
Manager of Solid Waste

FILE: 5360-46

SUBJECT: Landfill Gas Utilization Operating Agreement

PURPOSE

To obtain Board approval to enter into an agreement with Cedar Road Landfill LFG Inc. (formerly Suncurrent Industries Inc.) for the operation and maintenance of an electrical generation facility on the RDN landfill.

BACKGROUND

In June 2005 the Board approved a Development Agreement with Suncurrent Industries Inc. (Suncurrent) to provide for the construction of a facility on the RDN landfill to demonstrate the commercial viability of operating external combustion engines to generate electricity using landfill gas as an alternative fuel source.

Suncurrent's project objective is to generate 0.5 MW of electricity, with the option to expand up to 1 MW, utilizing STM 260 sterling engine external combustion technology. Suncurrent's proposed facility will include nine STM 260 55kW generators housed in three pre-engineered portable enclosures with a configuration of three generators per enclosure. The STM 260 will utilize LFG as a feedstock and will not be supplemented by other non-renewable energy sources. This will be the first demonstration of this technology using LFG in Canada.

Since June Suncurrent have been actively pursuing financing options for their \$1.8 million facility. In September they submitted an application to the Federation of Canadian Municipalities (FCM) Green Municipal Investment Fund for a \$1.2 million low interest loan. The remaining \$600,000 will be financed through equity funding.

Suncurrent have also organized and incorporated a new sole purpose company, Cedar Road LFG Inc, (Cedar LFG) to construct and operate the proposed facility. However, as per the Development Agreement, an assignment of the agreement from Suncurrent to Cedar LFG will require Board approval.

In accordance with the Development Agreement, staff and Cedar LFG have negotiated an Operating Agreement to govern the operation and maintenance of the facility as well as determine an annual royalty payment to the RDN. This payment represents a reasonable compensation to the RDN for the supply of landfill gas and has been set at 20% of the net earnings of Cedar LFG arising from or in connection with the project. Copies of the Operating Agreement are available on request.

ALTERNATIVES

1. Approve the Operating Agreement and assignment to Cedar Road LFG Inc.
2. Do not approve the Operating Agreement and assignment to Cedar Road LFG Inc.

FINANCIAL IMPLICATIONS

As reported to the Board in June, the only direct costs to the RDN for this project have been engineering and legal services associated with the negotiation of the agreements as well as the integration of the RDN collection and flare system with the Cedar LFG facility. These costs are not anticipated to exceed \$20,000 and should be recovered from Suncurrent's future payments to the RDN for the use of the gas. Based on a set of conservative assumptions, these payments may amount to roughly \$200,000 over the 10 year term of the project.

LEGAL IMPLICATIONS

With respect to the assignment, staff is confident that Cedar LFG have the technical, professional and financial capacity to assume Suncurrent's obligations under the Development Agreement as well as the obligations set out in the proposed Operating Agreement.

SUMMARY

In June 2005 the Board approved a Development Agreement with Suncurrent Industries Inc. (Suncurrent) to provide for the construction of a facility on the RDN landfill to generate electricity using landfill gas as an alternative fuel source. Since execution of this agreement Suncurrent have organized and incorporated a new sole purpose company, Cedar Road LFG Inc. (Cedar LFG) to construct and operate the proposed facility. As per the Development Agreement staff and Cedar LFG have negotiated an Operating Agreement to govern the operation and maintenance of the facility as well as determine an annual royalty payment to the RDN.

RECOMMENDATION

1. That the Board consent to the assignment of the Development Agreement from Suncurrent Industries Inc. to Cedar Road LFG Inc.; and,
2. That the Board approve the Operating Agreement with Cedar Road LFG Inc to govern the operation and maintenance of the facility.

C McIver

J Finnie

Report Writer

General Manager Concurrence

COMMENTS:

DRAFT
AUG 31/06

**AMENDING AGREEMENT
TO DEVELOPMENT AGREEMENT AND OPERATING AGREEMENT**

THIS AGREEMENT made this day of , 2006.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO
6300 Hammond Bay Road
Nanaimo, B.C.
V9T 6N2

(the "RDN")

OF THE FIRST PART

AND:

CEDAR ROAD LFG INC.
(Inc. #A0065860)
#13 1922 - 9 Avenue S.E.
Calgary, Alberta
T2G 0V2

("Independent Power Producers (IPP)")

OF THE SECOND PART

WHEREAS:

- A. The RDN and Suncurrent Industries Ltd. ("**Suncurrent**") entered into a Development Agreement dated July 21, 2005 which was assigned to Cedar Road LFG Inc. by agreement dated November 2, 2005;
- B. The RDN and Cedar Road LFG Inc. entered into an Operating Agreement, dated November 2, 2005;
- C. The parties wish to amend the Development Agreement and the Operating Agreement to provide for an extension of the Commercial Operation Date.

NOW THIS AGREEMENT WITNESSES that in consideration of the premises, the terms and conditions hereinafter contained and the payment of TEN (\$10.00) DOLLARS from the Independent Power Producers (IPP) to RDN, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

1.0 DEVELOPMENT AGREEMENT

1.1. The Development Agreement is amended as follows:

- (a) section 1.1 is amended by deleting the definition of "Commercial Operation Date" and replacing it with the following:

" **'Commercial Operation Date'** means December 31, 2007."

- (b) by deleting the definition of "Completion Date" and replacing it with the following:

" **'Completion Date'** means substantial completion of construction of the Facility which shall be on or before November 30, 2007."

- (c) by amending section 4.9 to delete the words "Mariah Energy Corp" and replace them with the words "Suncurrent" after "Mariah Energy Corp.";

- (d) by deleting Schedule "A" and substituting the attached Appendix "A" as a new Schedule "A" to the Development Agreement.

- (e) by amending Schedule "B" by adding the words "in addition to traditional internal combustion" after "sterling engine technology" on line 1.

- (f) by amending Schedule "C" by deleting the paragraph entitled "Construction Phase" and replacing it with the following:

"Construction Phase

The Construction Phase includes all activities related to the design, permitting and construction of the Facility. The Construction Phase shall commence on the day of execution of the Development Agreement. This Phase shall include the design, site preparation activities, installation and interconnect of the Facility. The Completion Date for the Facility may be up to November 30, 2007."

- (g) by deleting Schedule "D" and substituting the attached Appendix "B" as Schedule " D" to the Development Agreement.

2.0 OPERATING AGREEMENT

2.1. The Operating Agreement is amended as follows:

- (a) section 1.1 is amended by deleting the definition of "Commercial Operation Date" and replacing it with the following:

" **'Commercial Operation Date'** has the same meaning as in the Development Agreement."

- (b) by deleting the definition of "Operating Term" and replacing it with the following:

" **'Operating Term'** has the same meaning as in the Development Agreement."

- (c) by amending section 2.1(e) and replacing the date "January 21, 2006" with the date "December 31, 2007";

3.0 REFERENCE

- 3.1. A reference to the Development Agreement, the Operating Agreement or to the Licence is a reference to those Agreements as amended;

- (a) by amending section 8.1(b)(i) to replace the date "January 21, 2006" with the date "December 31, 2007";
- (b) by amending section 8.1(b)(iii) to correct the typographical error on line 4 to replace "(30)" with "(90)";
- (c) by amending Schedule "A", section 12.1(b) to correct the typographical error "section 13.3" on line 2 to "section 12.3";
- (d) by amending Schedule "A", section 12.2 to correct the typographical error "section 13.1" on line 2 to "section 12.1";

4.0 RATIFICATION

- 4.1. Except as expressly amended by this Agreement, the parties ratify and confirm the Development Agreement and the Operating Agreement. The Development Agreement, the Operating Agreement and this Agreement shall be read and construed as one document.

5.0 TIME

5.1. Time shall remain of the essence of the Development Agreement, the Operating Agreement and of this Agreement.

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

REGIONAL DISTRICT OF NANAIMO)
by its authorized signatories)
)
)
_____)
Chief Administrative Officer)
)
_____)
Manager, Administrative Services)

CEDAR ROAD LFG INC. by its authorized)
signatories)
)
_____)
Name:)
)
_____)
Name:)

APPENDIX "A"
New Schedule "A" to the Development Agreement

DESCRIPTION OF FACILITY

(Section 1.1)

The Facility, owned, constructed, maintained, and operated by Cedar Road LFG Inc, shall include all works associated with the Facility, located at the RDN Landfill, for the purpose of generation and transmission of electricity.

The Facility shall include, but not limited to, the following elements: three (3) STM 260 55kW generators, one (1) Jenbacher J28GS 635kW conventional engine, condensate management equipment, programmable logic controller, mass compensated gas flow measurement instrumentation, datalogger, transmission wiring, transformer and capacitor bank, fencing, and LFG transfer piping and associated valving connected to the existing Landfill Gas Control Plant.

The electricity generators shall be housed in pre-engineered modular enclosures with a configuration of three generators STM generators in one enclosure, one Jenbacher generator in the second enclosure and one service skid in the remaining enclosure. Each enclosure shall have a footprint of approximately 2.5 metres by 12 metres. Each enclosure shall be designed to facilitate the measurement of engine exhaust for the purpose of characterizing emissions and confirming the methane destruction efficiency.

The pre-engineered enclosures, transformer and capacitor bank, and instrumentation shall be located within the fenced compound area. The fenced compound shall be of adequate size to facilitate the placement of the aforementioned pre-engineered enclosures and associated equipment, in addition providing adequate expansion area for the addition of three supplementary enclosures.

The STM 260, based on external combustion stirling engine technology, and Jenbacher J286S internal combustion engine shall utilize LFG as feedstock and shall not be supplemented by other non-renewable fuel sources. Each STM 260 shall be coupled to a General Electric manufactured 55 kW induction generator rotating at a rate of 1800 RPM. The operation of the facility shall conform to RDN bylaws and applicable codes and regulations. In addition, no adverse environmental impacts shall result from the operation of the facility.

APPENDIX "B"
New Schedule "D" to the Development Agreement

(Section 4.9)

Equipment and systems to be supplied by Suncurrent Industries Inc.

The following equipment shall be supplied, installed, operated, and maintained by the IPP:

- three (3) STM 260 External Combustion engines and associated 60 Hz 55 kW generators and remote radiators, with the option to install an additional eight (8) engine units;
- one (1) Jenbacher J28GS 635 kW internal combustion engine and generator;
- engine compression and Facility pressure regulation equipment;
- 480 V to 25 kV transformer bank and capacitor bank, and all BC Hydro electrical interconnect works;
- all LFG Control Plant connection piping and associated valving;
- all Facility fencing and site security equipment;
- instrumentation, data collection and remote monitoring equipment;
- LFG Control Plant programmable logic controller connections and cabling;
- four (4) to six (6) pre-engineered portable enclosures including interconnections, disconnects, protection relays and shack isolation switch; and
- connection of electrical, telephone, LFG piping and condensate discharge utilities as required by the Facility.

LICENCE OF OCCUPATION

REGIONAL DISTRICT OF NANAIMO

and

CEDAR ROAD LFG Inc.

LICENCE OF OCCUPATION

THIS AGREEMENT made this ____ day of _____, 2006.

BETWEEN:

REGIONAL DISTRICT OF NANAIMO

6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

(the "RDN")

OF THE FIRST PART

AND:

CEDAR ROAD LFG INC.
(#A0065860)
Box 852 Str. A
Nanaimo, BC V9R5N2

(the "Licensee")

OF THE SECOND PART

WHEREAS:

- A. The RDN is the registered owner of certain lands, lying and being in the Regional District of Nanaimo located at Cedar, British Columbia, legally described as:

PID 013-239-813
Lot 1, Sections 2 and 3, Plan 48020, Except Plan VIP66090, Land District 32

(the "Licence Area");
- B. The Licensee and the RDN have entered onto the lands of the RDN for the purpose of constructing a power generation Facility and providing a service for the generation of electricity;
- C. The Licensee is required under the terms of the Operating Agreement to enter into an Energy Purchase Agreement with BC Hydro (the "EPA") or another Third Party for the sale of electricity so that the Licensee can supply electricity to such Third Party.

NOW THIS AGREEMENT WITNESSES that in consideration of the payment of the licence fee paid by the Licensee to the RDN and in consideration of the covenants and conditions contained in this Agreement to be observed and performed by the Licensee and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

1.0 INTERPRETATION

1.1 For the purposes of this Agreement:

"Commercial Operation Date" has the same meaning as in the Development Agreement.

"Development Agreement" means the Agreement between the RDN and the Licensee dated July 21, 2005, for the construction of the Facility, as amended.

"Enactment" means, in respect of any person, property, transaction or event, all applicable laws, statutes, ordinances, rules, by-laws, permits, certificates, treaties and regulations, and all applicable directives, orders, judgements, injunctions, awards and decrees of any governmental authority, whether or not having the force of law.

"Facility" means the generating plant, transmission lines and associated facilities and infrastructure as more fully described in Schedule "A".

"Force Majeure" means any event or circumstance not within the reasonable control of the party excluding lack of funds, claiming the Force Majeure which prevents or delays the party from meeting an obligation hereunder and including:

- (a) acts of God, including wind, ice and other storms, lightning, floods, earthquakes, volcanic eruptions and landslides;
- (b) strikes, lockouts and other industrial disturbances;
- (c) epidemics, war (whether or not declared), blockades, acts of public enemies, acts of sabotage or terrorism, civil insurrections, riots and civil disobedience;
- (d) acts or omissions of federal, provincial or local governments (other than the RDN) or any of their boards or agencies (other than boards or agencies of the RDN), including delays of regulatory process and orders of a regulatory authority or court of competent jurisdiction; and
- (e) explosion, fires or mechanical breakdowns.

"Landfill Gas" or "LFG" means the combination of gaseous compounds including methane and carbon dioxide and any other GHGs that are emitted during the biological degradation of organic materials at a landfill site.

"Operating Agreement" means the Agreement dated November 2, 2005, between the RDN and the Licensee for the Operation of the Facility, as amended.

"Renewal Term" has the same meaning as in the Operating Agreement.

"Term" means the term referred to in section 4.0.

1.2 Gender, Number and Other Terms

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing a corporate entity include individuals and vice versa.

1.3 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience only and shall not affect the construction or interpretation of this Agreement.

1.4 Reference to Enactments

Unless otherwise stated, any reference to an enactment includes and is a reference to such enactment including amendments thereto and in force from time to time, and to any enactment that may be passed which supplements or supersedes such enactment.

1.5 No Contra Proferentum

The language in all parts of this Agreement shall in all cases be construed as a whole and neither strictly for nor strictly against either of the parties to this Agreement.

1.6 Currency

Except where otherwise expressly provided, all monetary amounts in this Agreement are stated and shall be paid in Canadian currency.

1.7 Governing Law and Attornment

This Agreement shall be governed by and construed in accordance with the law of British Columbia and the law of Canada applicable therein and all disputes and claims whether for damages, specific performance, injunction, declaration or otherwise, both at law and equity, arising out of, or in anyway connected with this Agreement will be referred to the courts of British Columbia and each of the parties hereby attorns to the jurisdiction of the courts of British Columbia.

1.8 Schedules

The following are the Schedules which are attached to and form part of this Agreement:

Schedule "A" - Licence Area
Schedule "B" - Description of Facility

1.9 Cross-References

Unless otherwise stated, a reference in this Agreement to a designated article, section, subsection, paragraph or other subdivision or to a schedule is to the designated article, section, subsection, paragraph or other subdivision of, or schedule to this Agreement.

1.10 Approval

A requirement in this Agreement that a party provide approval or consent means that approval is not to be unreasonably withheld or delayed unless the paragraph specifies that the approval is to be in the sole discretion of a party, in which case approval is to be in the exclusive, complete and unfettered discretion of the party.

1.11 Interpretation

This Agreement shall not be interpreted as granting any land or property interest in the Licence Area or in RDN Landfill to the Licensee.

1.12 Waiver of Default

Waiver of any default by a party shall not be interpreted or deemed to be a waiver of any subsequent default.

1.13 Gender and Number

When the singular or neuter are used in this Agreement they include the plural or the feminine or the masculine or the body politic where the context or the parties require.

1.14 Headings

The headings to the sections in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

1.15 Binding

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees.

1.16 Severance

If any part of this Agreement is found by a court of competent jurisdiction to be invalid or *ultra vires* the powers of the RDN, it may be severed from the Agreement without affecting the validity of any other part of the Agreement except that if the granting of the Licence under section 2.1 is found to be *ultra vires*, the Licensee shall be relieved of its obligations hereunder.

1.17 Covenants and Agreements

All provisions of this Agreement are to be construed as covenants and agreements as though the word importing covenants and agreements were used in each separate paragraph.

2.0 RIGHT TO OCCUPY

2.1 Licence of Occupation

The RDN, subject to the performance and observance by the Licensee of the terms, conditions, covenants and agreements contained in this Agreement and to earlier termination as provided in this Agreement, grants to the Licensee a right by way of licence for the Licensee, its agents and employees to use the Licence Area for the sole purpose of installing and maintaining and operating an electricity generating Facility and all uses associated therewith.

2.2 Conflict

The RDN shall not grant rights that would be in conflict with the licence granted in section 2.1 or otherwise prevent the Licensee from enjoying its rights under this Agreement.

2.3 RDN Access

The RDN reserves to itself from the grant and the covenants made by it to the Licensee under section 2.1 above, the right for the RDN, its agents, employees, contractors and subcontractors to have full and complete access to and use of

the Licence Area as may be necessary from time to time in connection with the operation of the RDN Landfill and the inspection of the Facility.

3.0 PAYMENT TO RDN

3.1 Annual Payment

In consideration of the right to use, the Licensee shall pay to the RDN an annual licence fee of ONE (\$1.00) DOLLAR payable on the first day of each year of the Term.

4.0 TERM

4.1 The Term of the Licence granted under this Agreement shall commence on October 1, 2006 and terminate on the date of termination of the Operating Agreement, unless the Operating Agreement is renewed.

4.2 If the Operating Agreement is renewed for the Renewal Term, the parties shall renew this Licence of Occupation for the Renewal Term.

5.0 CONSTRUCTION AND UTILITIES

5.1 Construction

The Licensee shall not construct or place any buildings or structures or make any improvements on the Licence Area unless it has:

- (a) obtained the RDN's approval in writing to site plans, working drawings, plans, specifications and elevations; and
- (b) obtained all required inspections;

and the work shall be carried out in accordance with the Development Agreement and the Operating Agreement between the RDN and the Licensee.

The RDN shall co-operate with the Licensee to execute such documents and perform such acts at no cost to the Licensee as may be reasonably required so as to permit the Licensee to proceed with construction of the Facility in accordance with the Development Agreement.

5.2 Maintenance

Subject to Force Majeure, the Licensee shall at its cost, maintain any buildings, structures or improvements constructed or placed on the Licence Area during the Term.

5.3 Utilities

The Licensee shall be responsible to connect the Licence Area to any power, telephone, telecommunications or other utility ordinarily available at RDN Landfill at the Licensee's cost and the RDN shall co-operate in granting the necessary statutory rights of way and easements over lands owned by the RDN for this purpose at no cost to the Licensee or the utility provider.

5.4 No Utilities by RDN

The RDN shall have no obligation to provide any utility to the Licence Area or the RDN Landfill not provided or available at the date of this Agreement, including without limitation, sewer or water service.

Telephone access, The RDN will provide the IPP with access to the telephone line at the flair site for the monthly transmission of power data sold to BC Hydro.

6.0 INSURANCE

6.1 Insurance shall be provided in accordance with the Development Agreement and the Operating Agreement.

7.0 INDEMNIFICATION

7.1 The Licensee releases and will indemnify and save harmless the RDN, its elected and appointed officers, employees and agents from and against all lawsuits, damages, costs, expenses, fees or liabilities which the Licensee or anyone else may incur, suffer or allege by reason of the use of the Licence Area by the Licensee or by any member of the public using any building, structure or improvement built or placed by the Licensee on the Licence Area or the carrying on upon the Licence Area of any activity in relation to the Licensee's use of the Licence Area.

7.2 The RDN releases and will indemnify and save harmless the Licensee, its officers, employees and agents from and against all lawsuits, damages, costs, expenses, fees or liabilities which the RDN or anyone else may incur, suffer or allege by reason of the RDN's entry onto the Licence Area under section 2.3 of this Agreement.

8.0 BUILDERS LIENS

8.1 The Licensee will indemnify the RDN from and against any liens for wages or materials or for damage to persons or property caused during the making of or in connection with any excavation, construction, repairs, alterations, installations and additions which the Licensee may make or cause to be made on, in or to the Licence Area.

9.0 NOTICES

9.1 It is hereby mutually agreed that any notice required to be given under this Agreement must be in writing and will be deemed to be sufficiently given if:

- (a) delivered at the time of delivery; and
- (b) mailed from any government post office in the province of British Columbia by prepaid registered mail addressed as follows:

if to the RDN:

6300 Hammond Bay Road
Nanaimo, BC V9T 6N2
Attention: Cary McIver, Manager of Solid Waste
Facsimile: (250) 390-1542

if to the Licensee:

Cedar Road LFG Inc.
c/o Mont & Walker Law Office
505-495 Dunsmuir Street, Box 10
Nanaimo, BC V9R 5K4
Attention: Paul Liddy
Facsimile: (250) 753-5285

Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, or sent by facsimile transmission, or delivered to the address of the other party set forth on the first page of this Agreement or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, five (5) business days after the time of mailing or faxing and, if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

10.0 TERMINATION

10.1 If the Licensee is in default on the payment of Licence fee, or the payment of any other sum payable under this Agreement, or is in breach of this Agreement, and if the default continues ten (10) business days after the giving of notice by the RDN to the Licensee, then the RDN may terminate this Agreement and re-enter

the Licence Area and the rights of the Licensee with respect to the Licence Area shall lapse and be absolutely forfeited.

- 10.2 If the Development Agreement, Operating Agreement or the Electricity Purchase Agreement is terminated, this Agreement will terminate with termination effective the same day as termination of the Development Agreement, the Operating Agreement or the Electricity Purchase Agreement.
- 10.3 Notwithstanding the Termination of this Agreement, the Licensee shall be entitled to enter upon the Licence Area for a period of sixty (60) days following termination to remove its property or to attend to cleaning up the Licence Area as provided in section 14.0.

11.0 FORFEITURE

- 11.1 If the RDN, by waiving or neglecting to enforce the right to forfeiture of this Agreement or the right of re-entry upon breach of this Agreement, does not waive the RDN's rights upon any subsequent breach of the same or any other provision of this Agreement.

12.0 FIXTURES

- 12.1 Subject to sections 12.2 and 12.3, and subject to the provisions of the Development Agreement, Operating Agreement or any other written agreement between the RDN and the Licensee, the fixed permanent buildings, or fixed permanent improvements constructed on the Licence Area by the Licensee shall at termination of the Agreement, become the sole property of the RDN at no cost to the RDN unless prior to termination, the RDN delivers written notice to the Licensee requiring removal of some or all permanent buildings, structures or improvements.
- 12.2 The RDN's entitlement under section 12.1 shall not extend to the Licensee's trade fixtures or equipment unless otherwise provided in the Development Agreement, Operating Agreement or any other written agreement between the RDN and the Licensee.
- 12.3 The right of the RDN to require removal of the building, structures or improvements as set out in section 12.1 shall only be available to the RDN in circumstances where this Licence has been terminated by reason of default of the Licensee under this Agreement or under the Development Agreement or the Operating Agreement.

13.0 REPAIRS BY THE RDN

- 13.1 If the Licensee fails to repair or maintain the Licence Area or any building, structure or improvement on the Licence Area in accordance with this Agreement, the RDN may, but shall not be obligated, on fifteen (15) days' notice to the Licensee, by its agents, employees or contractors, enter the Licence Area

and make the required repairs or do the required maintenance and the cost of the repairs or maintenance shall be a debt due from the Licensee to the RDN.

- 13.2 In making the repairs or doing the maintenance, the RDN shall not be liable to the Licensee for any inconvenience, annoyance, loss of business or other injuries suffered by the Licensee by reason of the RDN effecting the repairs or maintenance.

14.0 CLEAN UP

- 14.1 At the end of the Term, the Licensee shall clean up the Licence Area and restore the Licence Area as reasonably as may be possible to the condition of the Licence Area prior to the commencement of the Term of this Agreement.

15.0 REGULATIONS

- 15.1 The Licensee will:

- (a) comply promptly at its own expense with the legal requirements of all authorities;
- (b) indemnify the RDN from all lawsuits, damages, loss, costs or expenses the RDN may incur by reason of non-compliance by the Licensee with legal requirements or by reason of any defect in the Licence Area or any injury to any person or to any personal property contained on the Licence Area. The Licensee shall be responsible for any damage to the Licence Area occurring while the Licensee is exercising its rights under this Agreement except to the extent that lawsuits, damages, loss, costs or expenses result from the negligence or willful misconduct of the RDN, its agents, employees, contractors, subcontractors and invitees.

16.0 NO COMPENSATION

- 16.1 The Licensee shall not be entitled to compensation for any loss or injurious affection or disturbance resulting in any way from the lawful termination of the Licence as permitted under this Agreement, or the lawful loss of the Licensee's interest in any building, structure or improvement built or placed on the Licence Area.

17.0 RENEWAL

- 17.1 This Agreement shall be extended at the end of the Term for up to six (6) months to permit the Licensee to fulfill its obligations under section 8.5 of the Electricity Purchase Agreement. Upon fulfillment of such obligations, this Agreement shall terminate.

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

REGIONAL DISTRICT OF NANAIMO,)
by its authorized signatories:)
)
)
)
_____)
Name:)
)
)
_____)
Name:)

CEDAR ROAD LFG INC.)
by its authorized signatories:)
)
)
_____)
Signing Officer)
)
_____)
Witness)

SCHEDULE "B"
Description of Landfill Gas Utilization Facility

The Facility, owned, constructed, maintained, and operated by Cedar Road LFG Inc, shall include all works associated with the Facility, located at the RDN Landfill, for the purpose of generation and transmission of electricity.

The Facility shall include, but not limited to, the following elements: three (3) STM 260 55kW generators, one (1) Jenbacher J28GS 635kW conventional engine, condensate management equipment, programmable logic controller, mass compensated gas flow measurement instrumentation, datalogger, transmission wiring, transformer and capacitor bank, fencing, and LFG transfer piping and associated valving connected to the existing Landfill Gas Control Plant.

The electricity generators shall be housed in pre-engineered modular enclosures with a configuration of three generators STM generators in one enclosure, one Jenbacher generator in the second enclosure and one service skid in the remaining enclosure. Each enclosure shall have a footprint of approximately 2.5 metres by 12 metres. Each enclosure shall be designed to facilitate the measurement of engine exhaust for the purpose of characterizing emissions and confirming the methane destruction efficiency. The pre-engineered enclosures, transformer and capacitor bank, and instrumentation shall be located within the fenced compound area. The fenced compound shall be of adequate size to facilitate the placement of the aforementioned pre engineered enclosures and associated equipment, in addition providing adequate expansion area for the addition of three supplementary enclosures.

The STM 260, based on external combustion stirling engine technology, and Jenbacher J286S internal combustion engine shall utilize LFG as feedstock and shall not be supplemented by other non-renewable fuel sources. Each STM 260 shall be coupled to a General Electric manufactured 55 kW induction generator rotating at a rate of 1800 RPM. The operation of the facility shall conform to RDN bylaws and applicable codes and regulations. In addition, no adverse environmental impacts shall result from the operation of the facility.

WAIVER OF EMISSION RIGHTS

This Agreement made the _____ day of _____, 2006.

BETWEEN:

CEDAR ROAD LFG INC.
 (Inc. #A0065860)
 #13 1922 - 9 Avenue S.E.
 Calgary, Alberta T2G 0V2

(the "**Assignor**")

OF THE FIRST PART

AND:

REGIONAL DISTRICT OF NANAIMO
 6300 Hammond Bay Road,
 Nanaimo, B.C. V9T 6N2

("RDN")

OF THE SECOND PART

WHEREAS:

- A. RDN owns and operates the RDN Landfill located at 1105 Cedar Road ("**Landfill**");
- B. RDN has installed and operates a landfill gas collection and flare system (the "**System**") on the Landfill which may result in Emissions Reductions Rights (as defined below);
- C. The Assignor entered into Agreements with the RDN for the development and operation of an electricity-generating facility on the Landfill, making use of landfill gas from the System, and has provided works or services to the RDN under such Agreements.

NOW THEREFORE for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Assignor and RDN agree as follows:

1. The Assignor hereby irrevocably assigns, transfers and conveys to RDN, free and clear of all security interests, liens and encumbrances, all of its current and future rights (including moral rights), title and interests, if any, in any reductions in emissions of air contaminants (as broadly and inclusively defined by Environment Canada, any Province in Canada, the United States Environmental Protection Agency, and any State) and greenhouse gases (as set out in Annex A of the Kyoto Protocol to the United Nations Framework Convention on Climate Change) that result directly or indirectly from the operation of the System as and whenever

they occur, including, without limitation, all of its rights (including moral rights), title and interests, if any, in current and future emission allowances, units, permits, credits, reductions, amounts and similar measures (collectively, the "Emission Reduction Rights").

- 2. From time to time subsequent to the date hereof, the Assignor will, at the expense of RDN for no additional consideration, promptly execute and deliver all such documents, and do all such other acts and things as the RDN may from time to time reasonably request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement and ensure the Emission Reduction Rights vest in RDN.
- 3. This Agreement shall be governed by the laws of British Columbia.
- 4. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the Assignor and RDN has executed this Agreement on the day and year first above written.

CEDAR ROAD LFG INC. by its authorized)
signatories)

_____)
Name:)

_____)
Name:)

REGIONAL DISTRICT OF NANAIMO)
by its authorized signatories)

_____)
Chief Administrative Officer)

_____)
Manager, Administrative Services)



R-D-N			
CAO	<i>CM</i>	GMES	
GMCS		GMPS&P	
GMDS		GMRT&P	
SEP - 6 2006			
CHAIR		BOARD	
<i>Cox</i>			

MEMORANDUM

TO: Carol Mason
Chief Administrative Officer

DATE: September 1, 2006

FROM: Tom Osborne
General Manager of Recreation and Parks

FILE:

SUBJECT: Potlatch Ventures Density Transfer Proposal – Cox Community Park (EA B)

PURPOSE

To seek direction from the Regional Board on the proposed sale to Potlatch Ventures of four residential densities associated with Cox Community Park on Gabriola Island.

BACKGROUND

Land now known as Cox Community Park in Electoral Area B was purchased by the RDN in 2002 following a community referendum that permitted the borrowing of required acquisition funds. The Park includes 32 hectares of land zoned resource. As a mechanism to increase public parkland, the Gabriola Island Official Community Plan permits the transfer of residential densities from lands zoned resource and forestry to lands zoned resource. The lands from which the densities have been removed are subsequently rezoned resource conservation or wilderness lands which are similar to a Park zones elsewhere in the Regional District. Each eight hectares of resource or forestry land represents one residential density, therefore there are four residential densities associated with Cox Community Park that could be sold and moved elsewhere.

In February 2004, Local Island Trustees informed the former Electoral Area B Director and RDN staff that Cox Community Park represents four residential densities that could be sold or traded in order to acquire additional community parkland on Gabriola. In May 2004, in consultation with the Area Director and Parks and Open Space Advisory Committee (POSAC), the RDN advertised a Request for Proposals (RFP) to trade the Cox densities. One response, a proposal by Potlatch Ventures, was received and discussions were initiated with the proponent. Between June 2004 and March 2005, staff negotiated the terms of a draft agreement with Potlatch Ventures; these terms were formally approved by the Area Director and POSAC at a March 2005 In Camera POSAC meeting. Before submitting the draft density transfer agreement to the Regional Board for consideration, the RDN advised Potlatch Ventures that open public consultation would be pursued first. Three public information meetings, with both the RDN and Potlatch presenting, were held on Gabriola during June 2005 in order to review the proposed Cox density transfer proposal and solicit community input.

The draft Cox density transfer proposal put to the public in June 2005 would see the RDN receive the following in return for the four densities from Cox (see Map 1):

- i. Lot 3, Plan 32840 located at the corner of North and Taylor Bay Roads, a scenic wooded waterfront property 0.55 hectares in size adjacent to the ferry terminal and bordering the ferry line-up lane for some distance, less its density and dedicated as park;
- ii. a statutory right of way averaging 10 metres in width and approximately 0.73 kilometres in length along Taylor Bay Road from Lot 3 to Descanso Bay Regional Park for the purpose of community trail, and trail surfacing material; and
- iii. a statutory right of way six metres in width for trail corridor from the end of Lockinvar Lane across the bottom of Lot 2, Plan 41042 and a blanket statutory right of way for similar width trail across S ½ of NW ¼ Sec 19 to Spruce Road in order to link downtown Gabriola with the eastern entrance to Cox Community Park off River Place.

Potlatch would be responsible for all legal and survey costs related to the Cox density transfer and for submitting the rezoning application to undertake density transfer.

Concurrent with the Cox density transfer initiative, Potlatch was also promoting a second density transfer proposal involving its forestry zoned parcel S ½ of NW ¼ Sec 19. The RDN has had no involvement with this second proposal, however it has been presented to the public by Potlatch as an essential part of a package including the Cox transfer. This second proposal was contentious as it required possible OCP amendments required in order to enable it. Repeated requests from the RDN that Potlatch separate the two proposals and deal with the Cox transfer on its own were denied.

The well attended public meetings held in June 2005 along with considerable written and verbal feedback received from Island residents over the course of the summer revealed that while some residents were willing to support the Cox density transfer proposal presented by the RDN, no clear consensus existed in support of it. The proposal was contentious: some demanded that the densities be extinguished, others requested an Island wide review of where the densities could be used, and others simply wanted a better deal from Potlatch. The RDN was also criticized for advancing on the potential use of the Cox densities without first holding a public debate on the subject. It soon became apparent that the Island Trust's density transfer mechanism and its stated purpose as part of the 1997 Official Community Plan to leverage additional parkland on Gabriola was evidently not well known, understood or commonly supported within the community. Potlatch Ventures' decision to tie the Cox proposal to the Potlatch forestry land density transfer proposal compounded the confusion of the public debate.

The RDN held discussions with Potlatch throughout the summer of 2005 in an effort to clarify and improve the Potlatch proposal further to public input. Some additional contributions from Potlatch that would enrich the proposal were identified; however no change was forthcoming on the linking of the two density transfer proposals. In early September, the Local Island Trust formally conveyed their concerns to the RDN about the promotion of a rezoning application that would require an OCP amendment. In mid-September, the RDN wrote Potlatch to say that staff would not recommend a Cox density transfer proposal to the Regional Board as long as the proposal was linked to other Potlatch business potentially requiring an OCP amendment, and until more public consultation was held on a revised offer for the four Cox densities.

Following local elections held in November of 2005, RDN staff and the new Electoral Area Director met to review the Cox density transfer proposal. It was agreed that there was a need for public consultation and discussion on both the potential use of the Island Trust's density transfer provision as it relates to Cox Community Park and the overall future direction for parks and trails on Gabriola Island. In January 2006, this position was relayed to Potlatch and it was advised that any further discussion of the standing Cox density transfer proposal would be postponed until a Parks and Trails Master Plan for Gabriola was completed.

On August 30, 2006, the CAO and the General Manager of Recreation and Parks met with the agent for Potlatch, Mr. Brian Henning from Williams and Associates. Potlatch continues to be interested in acquiring the four Cox densities if a resolution could be sorted out in the short term. Mr. Henning was informed that the RDN would not be continuing discussion on the matter until further direction is received from the Regional Board. Mr. Henning informed staff that his client is moving forward with the submission of a subdivision application for Potlatch's waterfront properties. This is a straightforward subdivision application to the Ministry of Transportation Approving Officer and does not involve the use of density transfers or any other rezoning matter that would engage the Islands Trust or RDN. If approved, Potlatch would no longer be able to offer the land and statutory rights of way currently contained in their proposal to use the Cox densities.

ALTERNATIVES

1. That the Regional District and the Island Trust organize public meetings in 2007 to discuss the use of density transfers as they relate to the Gabriola Island OCP and Cox Community Park.
2. The May 2004 Request for Proposal to use density transfers in return for park or trail with respect to the four Cox Community Park densities be terminated and negotiations with Potlatch Ventures be discontinued.

FINANCIAL IMPLICATIONS

1. Significant staff resources have been allocated already to the Cox density transfer file over the last two years and it will not be possible to reach a short term solution or conclusion on the matter in the near future. As a result of time spent on this file, projects in the other Electoral Area Community Parks and Regional Parks have been delayed and are now just getting back on track. Should the Regional Board decide to continue pursuing an agreement with Potlatch on use of the Cox densities, the 2007 annual budget for Electoral Area B will have to be adjusted to account for the required public consultation.
2. The terms contained in the May 2005 Cox Community Park Density Transfer RFP permit the RDN to reject a proposal for any reason and state that the applicant is responsible for all costs incurred as a participant in the process.

COMMUNITY AND LAND USE IMPLICATIONS

1. There is a need on Gabriola for a full discussion of the density transfer provisions currently contained in the Island's OCP. It is expected that Potlatch will proceed with their subdivision application for the waterfront parcels of land which does not involve the use of density transfers. Note that the subdivision application will yield public water access(es) or possibly a park land dedication, depending upon decisions made by the Ministry of Transportation Approving Officer.

2. Should the RDN terminate the Cox Community Park Density Transfer RFP process, discussions with Potlatch Ventures on their proposal in response to that RFP would also be terminated. Public discussion, in cooperation with the Islands Trust, on the use of the Cox densities could be addressed as part of a Gabriola Parks and Trails Master Plan development process in 2008 or 2009.

SUMMARY

Cox Community Park in Electoral Area B is owned by the RDN and includes 32 hectares of land zoned resource. The 1997 Gabriola Island Official Community Plan (OCP) permits the transfer of density from one piece of resource zoned land to another piece of resource zoned land with the donor parcel automatically being rezoned wilderness recreation.

In consultation with the former Electoral Area B Director and Parks and Open Space Advisory Committee, the RDN issued a Request for Proposal (RFP) in May 2004 to use the four Cox Community Park densities. One proposal by Potlatch Ventures was received in response and discussion and negotiation regarding this proposal proceeded over the course of 2004 and 2005.

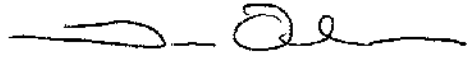
At a series of public meetings held in June 2005 on the use of the Cox densities, the RDN and Potlatch presented a draft proposal to the public for comment and input. No clear consensus on the proposal was evident from Island residents and it was clear that many Islanders did not fully understand the Island Trust's density transfer mechanism or the purpose of density transfers in general. In addition, the RDN was criticized for proceeding with an RFP without first consulting the public on the use of the Cox densities. Compounding the issue, Potlatch was intent on linking a Cox density transfer with a second density transfer proposal involving other lands it owns. The Local Island Trust made clear to the RDN that this second density transfer proposal was problematic, would likely require an OCP amendment and should be severed from the Cox Community Park density transfer initiative.

In December 2005, staff met with the newly elected Electoral Area Director to review the file. It was agreed that there is a need for more public consultation and discussion about the Island Trust's density transfer provision and the specific use of that provision as relates to Cox Community Park, as well as the overall future direction for parks and trails on Gabriola.

Staff recently met with the agent for Potlatch and he was informed that any further discussion of Potlatch's proposal to use Cox densities must await direction from the Regional Board. The agent for Potlatch Ventures informed staff that a subdivision application, not involving use of density transfers, is in the works for their waterfront lands.

RECOMMENDATION

The May 2004 Request for Proposal to use density transfers in return for park or trail with respect to the four Cox Community Park densities be terminated and negotiations with Potlatch Ventures be discontinued.



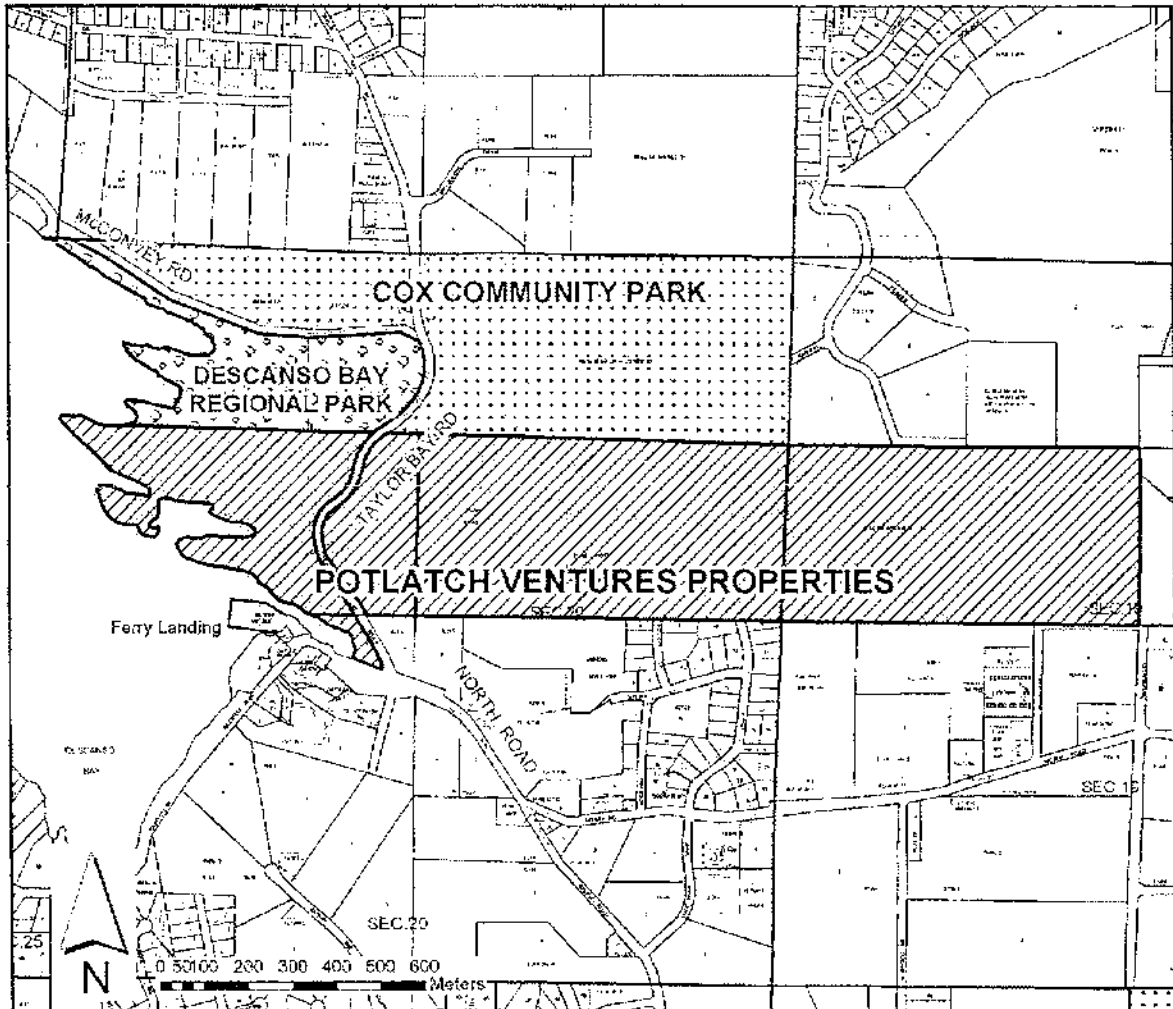
Report Writer



CAO Concurrence

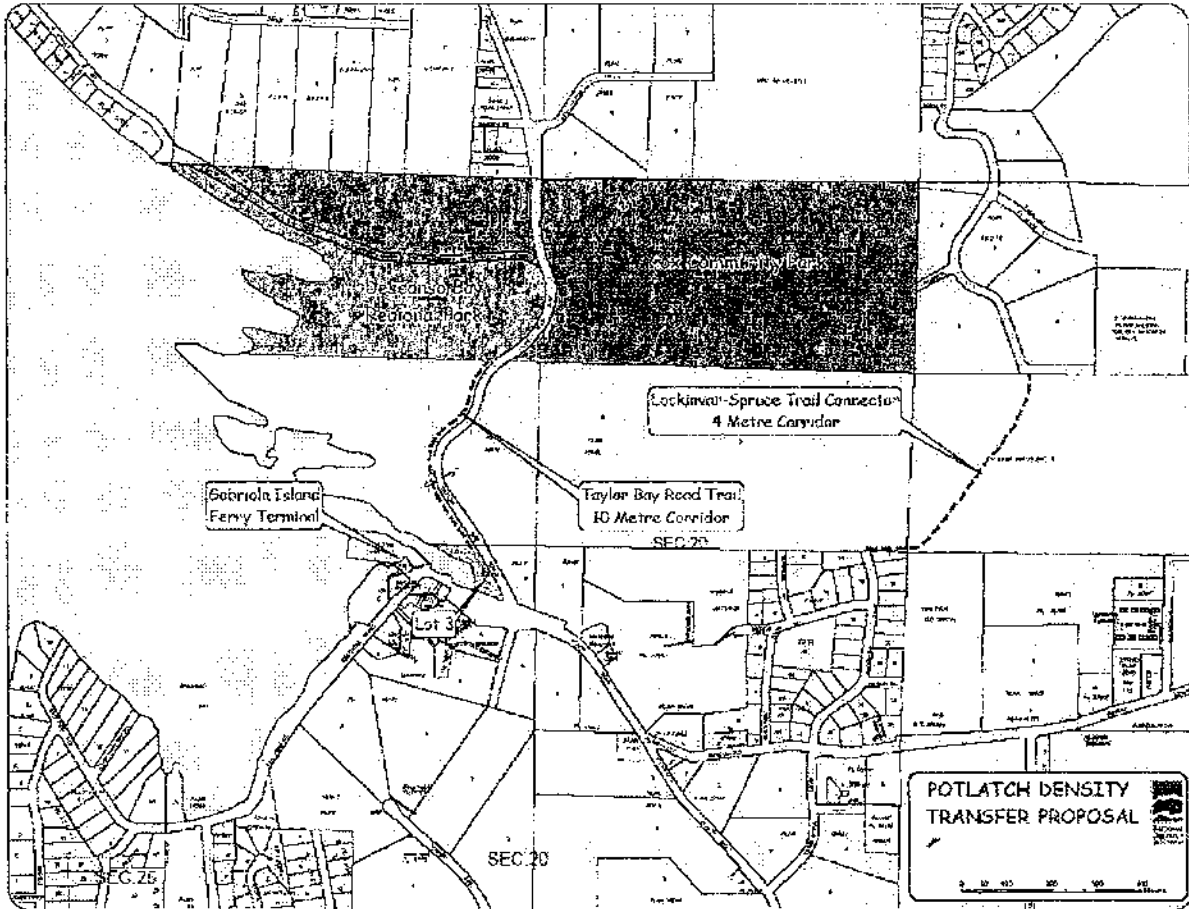
Map 1:

Descanso Bay Regional Park, Cox Community Park and Potlatch Ventures Properties



BCGS Map Sheet No. 52G-011.4.3 & 52G-011.4.4

Map 2:
Potlatch Ventures Density Transfer Proposal
Showing Cox Community Park and Descanso Bay Regional Park



MINUTES

Electoral Area 'A' Parks and Green Spaces Advisory Committee
Thursday, July 20, 2006
Cedar Heritage Center, 1644 MacMillan Road, Cedar.

Attendance: Judy Burgess (Chair) Frank Garnish
 Kerri-Lynne Wilson Joe Burnett (Area 'A' Director)
 Barbara Metcalf Lynnette Aldcroft
 Gay Cunningham

Staff: Jeff Ainge (RDN Parks Supervisor)

Apologies: Margaret Johnson Joe Materi

Meeting was called to order by Chair, Judy Burgess at 7:35 pm

AGENDA

MOVED B. Metcalf, SECONDED K.L. Wilson that the agenda be approved as amended.

CARRIED

APPROVAL OF MINUTES

MOVED F. Garnish SECONDED B. Metcalf to adopt the minutes of the May 18, 2006 meeting.

CARRIED

BUSINESS ARISING FROM MINUTES

McMillan Road Subdivision application and Parkland Dedication proposal.

Staff advised that the application was considered and approved by the Regional Board's Electoral Area Planning Committee. The parkland consists of the wetland area and a 3-metre buffer zone from the natural boundary. The subdivision was reduced by one lot. The park connector to Woodridge Pl is a road allowance in the wetland that can be used and there is a connection right through to McMillan Rd. Total area is 1.1 hectares. Director Burnett thanked those that attended the Public Information Meeting.

COMMUNICATIONS AND CORRESPONDENCE

Amended agenda item - Notice of Judy Burgess's intent to step down as Chair as of the end of this meeting.

MOVED L. Aldcroft, SECONDED B. Metcalf to receive the email regarding J. Burgess's resignation from the position of Chairperson.

CARRIED

MOVED F. Garnish, SECONDED J. Burnett to extend thanks to Judy for her hard work as Chairperson.

CARRIED

PARKLAND DEDICATION REFERRAL

a) Whiting Way subdivision application with parkland dedication proposal.

Staff provided background information to those members who had not been in attendance at the site visit earlier that afternoon. The 5 committee members who were able to attend the site visit were impressed with the parcel of land being considered. It seems to have many of the criteria in the OCP such as water values, wildlife viewing areas and so on.

MOVED F. Garnish, SECONDED J. Burnett that the applicant's attractive proposal for dedication of parkland be considered for acceptance by the RDN Board after staff consideration of committee suggestions made on-site as to maximizing the N.E. upland (Lots 7& 8) perimeter setback as Park to accommodate a trail.

CARRIED

REPORTS AND DISCUSSION ITEMS

a) Director's Report – J. Burnett

- Nothing to report at this time.

b) Staff Report - Jeff Ainge

Staff provided a verbal update on recent work in Area A.

Skatepark progress –

- Riparian Areas Regulations (RAR) assessment completed by professional biologist. Will be provided to SD 68 and Province.
- Soil testing completed and results received. At time of skatepark construction, additional fill material will be required.

Nelson Rd boat launch –

- Tenure for foreshore received from Province. This 30-year licence of occupation is for purpose of constructing kayak access ramp.
- Staff met with contractor who provided construction estimate in 2003. Upon review of job, a revised estimate will be submitted, and likely an additional two estimates sought.
- Timing for construction likely to be fall-winter 2006.
- Staff joined Director, MoT staff and resident to review road end and boat ramp. Discussion included garbage collection, signage, parking congestion, RCMP response to complaint or concerned calls, neighbourhood watch group, etc. RDN committed to kayak ramp construction, signage pertaining to kayak ramp, and investigating garbage can and servicing.

Thelma Griffiths Park –

- Tenure received from Land Titles Office.
- Tentative schedule for community consultation and playground planning will be spring 2007.

Nanaimo River Regional Park –

- Summer crew constructed a new parking area at end of Thatcher Rd. Included surfacing, new plants, new trail entrance, trail realignment to take it way from river in one location, barriers to limit vehicle access.
- Staff are working on developing a park information sign.

Take 5 item

- Staff brought to the Committee's attention the item submitted to Take 5 by Director Burnett thanking the committee for their work, and making special mention of Chair Judy Burgess who will be relocating to Tahsis in the near future.

c) Morden Colliery Trail

- Resurfacing work on trail from Woobank to Hemer has been finished by summer staff. However Barbara pointed out there are still some low spots that pool water after rain and will email Jeff with the locations. He will then pass it on to the work crews.
- Pope and Talbot finished replacing the water pipeline.
- Some trees were taken down near Thatcher Creek.

- A bridge inspection was done on the Thatcher Creek bridges and the engineer who inspected them had some concerns regarding the bridge design, particularly the steep approaches. He has asked for an independent audit of the bridges. They are sound and pose no problems for public use.
 - The sign at the Wheatsheaf trailhead still needs a little work and is on the summer crew's list of things to do.
 - No sub-committee work has been planned.
- d) **Morden Mine Society – Judy Burgess**
- Engineering study of the minesite is finished. It needs about \$3/4 million dollars work in the short term. Obviously they need to get funding from the government of BC.
 - Another project needing doing is developing a site plan.
 - The Committee needs a new president to replace Judy and more board members to take on the workload.

NEXT MEETING

Next meeting date was set for Thursday, September 21, 2005 7:30pm at the Cedar Heritage Centre.

ADJOURNMENT

MOVED F.Garnish, SECONDED B. Metcalf to adjourn the meeting at 8.40 pm.

CARRIED

Chair

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE
EAST WELLINGTON – PLEASANT VALLEY PARKS AND OPEN SPACE ADVISORY
COMMITTEE MEETING HELD ON
THURSDAY JUNE 15, 2006**

East Wellington Fire Hall, 2331 East Wellington Road.

Attendance:

Maureen Young (Director Area 'C')
Rina Lawson

Robert Jepson
Rick Heikkila

Lorne Wright

Staff:

Jeff Ainge; Parks Supervisor

Regrets:

Bruce Erickson
Judith Wilson

CALL TO ORDER

Jeff Ainge called the meeting to order at 7:00pm.

INTRODUCTIONS

Rina Lawson was introduced, as she did not attend the last meeting. Charlie Pinker was also in attendance as the Electoral Area Director's "alternate".

ADOPTION OF THE AGENDA

MOVED R. Heikkila, SECONDED R. Lawson that the agenda be approved as amended to include an item requested by R. Jepson.

CARRIED

ELECTION OF OFFICERS

a) Chair.

J. Ainge called for nominations for the position of Chair. There were no nominations. Mr. Ainge asked if anyone was prepared to step forward and fill the role. Mr Heikkila volunteered. There being no other interest expressed, Mr Heikkila was acclaimed as Chair.

b) Recording Secretary.

J. Ainge called for nominations for the position of Recording Secretary. There were no nominations. Mr. Ainge asked if anyone was prepared to step forward and fill the role. There was no interest expressed so Mr. Ainge suggested the role be filled on rotating basis each meeting. Ms. Lawson agreed to act as Secretary for this meeting.

MINUTES

MOVED R. Jepson, SECONDED L. Wright that the minutes of the April 24, 2006 Committee meeting be adopted.

CARRIED

BUSINESS ARISING FROM MINUTES

In response to a question regarding reserve funds, J. Ainge provided the current balance of the Parkland Acquisition Reserve fund which stands at \$10,568.44. This money is available only for purchase of parkland, not for operations or maintenance.

REPORTS AND DISCUSSION ITEMS

a) Staff update (J. Ainge)

Staff provided an update on local issues that included:

- A site visit at Creekside Community Park in response to neighbour's concerns about the health of the trees. The trees are on the owner's property, however the well-used trail is now on private property so staff will work to relocate the trail as part of the summer program.
- A gate was installed on the five acre park (Meadow Drive).
- Identification signage at both parks is due to be installed.
- The summer crew has been working on parks throughout the RDN. There was discussion on broom removal and erosion issues. Daphne is becoming a problem in lower Lantzville and is migrating.

b) Director's Update (M. Young)

Director Young reported on the following items:

- Taxes went down in East Wellington-Pleasant Valley.
- Ministry of Transport have asked Electoral Directors to bring concerns about roadways to a meeting with Peter Whiteman (Highways Regional Manager) to see what can be done about the concerns.
- Access to Westwood Ridge will be closed for the summer due to the Department of Defence increasing use of their range there.
- Blue Rodeo will be the headline act at the Mount Benson Legacy Group's Mt. Benson fundraiser. Tickets are on sale immediately and the concert will be held at Beban Park.

c) Presentation of Tennis Court Budget (I. Wright)

- Mr. Wright advised the Committee that he had made enquiries regarding the cost for constructing a tennis court. The cost for a sub-surface base without finished surface, a fence, nets or painting is \$18,000. The approximate total for the completed court would be roughly \$50,000. Mr. Wright thought this exceeded the mandate of the Committee and asked the Director to consider alternate funding methods.
- He added that the operating costs would be low and very little maintenance would be needed (other than repairing vandalism and court cleaning).
- Mr. Ainge advised that there is only one other tennis court located within a RDN Community Park.
- A question was raised about using tax money to maintain a court. Mr. Ainge advised that the residents already pay taxes for community parks, so any facilities or amenities located in Parks will need to be included in the annual budget process.
- A question was raised about the demand for this feature in the area.
- A question was raised about a partnership with the school district for a tennis court. Mr. Ainge will speak with his General Manager about this item.

Mr Wright continued by raising the issue of the Committee maintaining one of the Mount Benson trails. It was noted that this was not Community Park, and that the land crossed by the access trails was not owned by the RDN. Additional information was provided by staff (as part of next agenda item).

d) Mt. Benson Regional Park items (J. Ainge)

- Mr. Ainge provided an update on work being done behind the scenes with this new Regional Park:
- The Nanaimo Area Land Trust (NALT) and partners have been on the ground trying to identify trail routes that do not trespass through private property as they approach the Regional Park. Success has been limited.

- RDN staff are discussing trail agreements with Island Timberlands. In situations like this, the RDN provides the liability coverage, maintenance, and a means of communication between users and landowners.
 - A residents' petition to the City of Nanaimo has requested a parking lot at the Witchcraft Lake trailhead. The City owns land at Witchcraft Lake, and there is undeveloped road allowance nearby. The City of Nanaimo and RDN will work together on this although no budgets are available at this time.
 - With respect the idea of adopting trails, Mr. Ainge will ask NALJ to be in contact with this committee with regards trail development and stewardship. He also acknowledged that many aspects of this project currently exceed the ability of the RDN staff in terms of rapid response to issues and any development.
 - Mr. Wright offered to take people on a hike around the lower loop trails. Mr. Ainge suggested the Committee visit the two Community Parks as well.
- c) Park Dedication proposal (Robert Jepson)
- Mr. Jepson provided information on a pending development and rezoning proposal that would generate parkland or cash-in-lieu of parkland. The application has not been formally referred to the Committee by RDN Planning. If parkland was accepted, it would amount to 0.85 hectares.
 - There was general discussion as to the merits of accepting land at this location.
 - Mr. Ainge advised the Committee that there is a formal process involving parkland dedication applications and the Parks Advisory Committee, and that the policy is currently being revised.
 - The acceptance of parkland or cash-in-lieu of parkland is at the Board's discretion and criteria for consideration are part of the Official Community Plan. There was discussion regarding the need to review the OCP, and for the Planning Department to update the Committee on land that is possible for subdivision or development within the Plan area.

COMMENTS FROM THE FLOOR

- Mr. Pinker complimented the members on their abilities and enthusiasm in their new roles.

COMMITTEE ROUND TABLE

- J. Ainge advised that interviews for the new Parks Manager are being held tomorrow. The new Manager will likely pick up at least one of the Parks Committees
- There was a brief discussion as to the history of parks in the area, and on the intent to keep the area rural.
- Mr. Ainge provided excerpts from the current OCP and advised that the entire document is available from the RDN website, or from the Planning Department.

NEXT MEETING DATE

The next regular meeting of the Committee will be held Monday September 18, 2006, 7.00 pm at the East Wellington Fire Hall.

ADJOURNMENT

MOVED R. Jepson that the meeting adjourn at 8:49pm.

Chair

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE
REGIONAL GROWTH MONITORING ADVISORY COMMITTEE /
STATE OF SUSTAINABILITY PROJECT MEETING
HELD ON WEDNESDAY, JULY 5, 2006
IN THE COMMITTEE ROOM**

Present:

Director Dave Bartram	Chair
Director Bill Holdom	Deputy Chair (from 7:20 pm)
Gordon Buckingham	
Brian Anderson	
Ross Peterson	
Adele McKillop	

Also in attendance:

Christina Thomas	Acting Manager, Regional Planning
Tara Schmidt	Consultant Planner, FBA Engineering

Absent:

Betty Collins
Janet Farooq
Sharon Thomson
Douglas Anderson
Sylvia Neden

CALL TO ORDER

Director Bartram called the meeting to order at 5:30 PM, in Director Holdom's absence.

MINUTES

The minutes from the previous meeting (June 28/06) were approved as presented.

CORRESPONDENCE

None.

OLD BUSINESS

None.

NEW BUSINESS

a) Sustainability Report – Environmental Capital Section

The consultant facilitated RGMAC discussion about the draft environmental capital section of the Sustainability Report and the RGMAC provided suggestions regarding how the report could be enhanced.

The RGMAC discussed Ross Peterson's proposal to replace the indicator "water quality in selected lakes and rivers" with the indicator "biodiversity index" in the section of the Report pertaining to the sustainability characteristic "important ecosystems and ecological features are protected, healthy and productive". The RGMAC decided that this section of the Sustainability Report should include discussion about both matters since there is no data available for the indicator "biodiversity index", data has already been collected for the indicator "water quality in selected lakes and rivers" and the RDN Board approved the indicator "water quality in selected lakes in rivers". Ross Peterson committed to revising the report text on these matters and submitting the revised text to the consultant.

Director Bartram informed the RGMAC about the results of a current RDN project to assess greenhouse gas emissions in the RDN and to develop plans to minimize greenhouse gas emissions in the RDN. The RGMAC requested Christina Thomas to ask project manager Carey McIver (RDN Manager of Solid Waste), to develop text for the section of the Sustainability Report regarding the sustainability characteristic "the air is clean and safe to breathe, and greenhouse gases are minimized" about greenhouse gases in the RDN, using data from the project described by Director Bartram and the report outline established by the RGMAC. Christina Thomas committed to making this request on behalf of the RGMAC.

The RGMAC requested the RDN Board to ask the Province to calibrate the single air monitoring station that is located in the RDN.

The RGMAC requested Christina Thomas to ask Carey McIver (RDN Manager of Solid Waste) and Sean De Pol (RDN Acting Manager, Liquid Waste) to review the sections of the report pertaining to solid and liquid waste respectively, and to provide suggestions regarding amendments to the report sections, if necessary, so the report discussion makes sense and is an accurate reflection of the data on the matters. Christina Thomas committed to making these requests on behalf of the RGMAC.

RGMAC members discussed their perspectives about the inclusion of densification rate figures in the table with information about population density inside and outside the Urban Containment Boundary that is provided in the Report section regarding the indicator "population growth and density, and amount of land in designated growth areas and in areas not designated for growth". Brian Anderson committed to drafting some text about the matter for RGMAC consideration.

The RGMAC requested Christina Thomas to confirm whether the data for the indicator "amount of land outside urban containment boundaries or designated industrial areas with subdivision minima less than 4 or 10 hectares" was collected before, or after, the RDN Board decision to increase the minimum parcel size for property in forest resource areas to 50 hectares. Christina Thomas committed to seeking clarification about this matter.

The consultant committed to making amendments to the report to respond to RGMAC comments that can be accommodated within the scope of the project budget. It was noted that the RGMAC will have an opportunity to review the updated environmental capital report section once it is combined with the social capital and economic capital report sections to create the overall Sustainability Report.

NEXT MEETINGS

Director Bartram stated that the next scheduled RGMAC meetings are on Wednesday, August 16, 2006 and Wednesday, September 6, 2006.

C. Thomas stated that the purpose of the August 16th meeting is to review a complete *draft* of the entire Sustainability Report and to identify any further adjustments that should be made to the report prior to finalizing the Report and conveying it to the RDN Committee of the Whole and Board for consideration.

ADJOURNMENT

Director Bartram adjourned the meeting at 8:30 PM.

Chair, Director Dave Bartram

REGIONAL DISTRICT OF NANAIMO

**MINUTES OF THE
REGIONAL PARKS & TRAILS ADVISORY COMMITTEE MEETING
HELD ON TUESDAY SEPTEMBER 5, 2006
IN THE RDN COMMITTEE ROOM**

Attendance:

Director Larry McNabb, Chair
Director Maureen Young
Director Joe Stanhope
Harriet Rueggeberg
Frank Van Eynde

Staff:

Tom Osborne, General Manager of Recreation and Parks
Wendy Marshall, Manager of Parks Services

Regrets:

Director David Bartram

Absent:

Peter Rothermel

CALL TO ORDER

Director McNabb called the meeting to order at 2:33 pm.

MINUTES

F. Eynde made note that the June 13, 2006 Committee Minutes have his first name spelled incorrectly.

MOVED J. Stanhope, SECONDED F. Van Eynde, that the Minutes of the Regional Parks & Trails Advisory Committee Meeting held on June 13, 2006, be approved as amended.

CARRIED

INTRODUCTION OF MANAGER OF PARKS SERVICES

Wendy Marshall was introduced to the Committee and was welcomed by the Committee Chair to the Regional District of Nanaimo.

CORRESPONDENCE

MOVED J. Stanhope, SECONDED F. Van Eynde, that the following correspondence be received:

- Letter from BC Speleological Federation regarding Horne Lake Caves Provincial Park and discussion regarding joint planning opportunities to include Horne Lake Regional Park

CARRIED

Mr. Osborne advised the Committee that staff will be meeting with staff from the Ministry of Environment and the Ministry of Economic Development on September 7, 2006 to review planning and funding initiatives between the two Provincial and Regional Parks.

REPORTS

Community and Regional Parks Update Report for June 2006

Mr. Osborne provided a summary overview of the report noting the following highlights for Regional Parks:

- During the summer the parking area for Nanaimo River Regional Park had been expanded.
- Staff and Director Bartram met with the Ministry of Transportation, Island Timberland, TimberWest and the Ministry of Forest to review growing user conflicts on Home Lake Caves Road.
- The Trans Canada Trail north of the Haslam Creek Suspension Bridge has been reopened and re-signed. A more formal announcement in the fall will be made once the fire danger rating subsides.

MOVED M. Young, SECONDED F. Van Eynde, that the Regional and Community Park update report be received.

Mount Benson Regional Park – Update on Trail Planning and Slash Pile Management

W. Marshall provided the Committee an overview of trail planning done to date with assistance from staff and members from NALT. In addition Director McNabb informed the Committee that the City and the RDN will be working collaboratively on improving the parking area near Witchcraft Lake next year.

W. Marshall also provided the options that have been looked at in removing the approximately 50 plus slash piles in the Park that were left by the previous owner. The Committee was in agreement that steps should be made this fall to prepare the slash piles for them to be burned on site in order to reduce the fire risk in the park and adjacent properties. H. Rueggeberg informed staff that members from NALT would be willing to assist the RDN in the preparation of the slash piles.

MOVED M. Young, SECONDED F. Van Eynde, that the Mount Benson Regional Park Update report be received.

NEW BUSINESS

99 Year Management Lease with Natures Trust of BC for Englishman River Regional Parks

Mr. Osborne advised the Committee that the Lease Document had been approved by the Regional Board in July and was now being executed by Natures Trust and Ducks Unlimited.

H. Rueggeberg requested staff to provide the Committee with a final version of Lease at the November Committee meeting.

Update on Construction of Top Bridge Crossing over Englishman River

W. Marshall provided a verbal update on progress with the project, namely that the RFP for design and engineering services had been issued to Stantec Consulting Ltd. The RFP for the construction of the crossing is scheduled for October.

COMMITTEE INFORMATION

- Times Colonist article (July 2, 2006) regarding estimated trail construction costs for trail development within E&N corridor.
- Nanaimo News Bulletin article (July 20, 2006) regarding logging on Mount Benson (within Woodlot 0020).
- NAIT and Mount Benson Legacy Group media release (July 26, 2006) regarding Music for the Mountain event.
- Nanaimo Daily News article (August 23, 2006) regarding Mount Benson trail work taking time.

MOVED F. Van Eynde, SECONDED J. Stanhope that the Committee Information be received.

CARRIED

NEXT MEETING

The next Regular Meeting will be held, Tuesday November 6, 2006, at the RDN Committee Room at 2:30 pm.

A tour of the Northern Regional Parks & Trails will be planned for October and the invitation will be extended to all Board members.

ADJOURNMENT

MOVED J. Stanhope, SECONDED M. Young that pursuant to Section 90 (1)(e) of The Community Charter, the Committee proceed to an In Camera meeting to consider a land acquisition items.

CARRIED

The Regular Meeting was adjourned at 2:57 pm.

Chair, Director Larry McNabb