

REGIONAL DISTRICT OF NANAIMO

REGULAR BOARD MEETING

TUESDAY, NOVEMBER 26, 2013

(Immediately Following the Nanaimo Regional Hospital District Board Meeting at 7:00 PM)

(RDN Board Chambers)

A G E N D A

PAGES

- 1. CALL TO ORDER**
- 2. DELEGATIONS**
 - 13 **Mike Hooper, Nanaimo Airport**, Re Nanaimo Airport Planning Process.
- 3. BOARD MINUTES**

(All Directors – One Vote)

 - 14-26 Minutes of the Regular Board meeting held Tuesday, October 22, 2013, and
 - 27-29 Minutes of the Special Board Meeting held Tuesday, November 12, 2013
- 4. BUSINESS ARISING FROM THE MINUTES**
- 5. COMMUNICATIONS/CORRESPONDENCE**
 - 30 **Wendy Carmichael**, re Development Variance Permit Application No. PL2013-108.
 - 31-34 **Nettie and William Kokura**, re Fairwinds Schooner Cove Development.
- 6. UNFINISHED BUSINESS**

BYLAW ADOPTION

 - 35-38 Zoning Amendment Application No. PL2013-038 – Bylaw No. 500.386 – Magnolia Enterprises Ltd. – 6996 Island Highway West, Electoral Area ‘H’ (EA Directors, except EA ‘B’ – One Vote).
- 7. STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES AND RECOMMENDATIONS**
 - 7.1 ELECTORAL AREA PLANNING COMMITTEE**
 - 39-43 Minutes of the Electoral Area Planning Committee meeting held Tuesday, November 12, 2013 (for information) (All Directors – One Vote).

44-54

Development Permit with Variance Application No. PL2013-110 – Manhas – 5469 Island Highway West, Electoral Area ‘H’ – Amended Recommendation (Electoral Area Directors, except EA ‘B’ – One Vote).

Delegations Wishing to Speak to Development Permit With Variance Application No. PL2013-110.

DEVELOPMENT PERMIT APPLICATIONS

Development Permit and Site Specific Exemption Application No. PL2013-099 – Jim Hamm – 6161 Island Highway West, Electoral Area ‘H’ (EA Directors, except EA ‘B’ – One Vote).

Delegations wishing to speak to Development Permit and Site Specific Exemption Application No. PL2013-099.

That Development Permit and Site Specific Exemption Application No. PL2013-099 to allow the construction of a studio on the subject property be approved subject to the conditions outlined in Attachments 2 to 4.

DEVELOPMENT PERMIT WITH VARIANCE APPLICATIONS

Development Permit with Variance & Site Specific Exemption Application No. PL2013-106 – Fern Road Consulting Ltd. – 168 Cochrane Road, Electoral Area ‘H’ (EA Directors, except EA ‘B’ – One Vote).

Delegations wishing to speak to Development Permit with Variance & Site Specific Exemption Application No. PL2013-106.

That Development Permit with Variance and Site Specific Exemption to the Floodplain Management Bylaw Application No. PL2013-106 to reduce the required setback to a watercourse for construction of a dwelling unit be approved subject to the terms and conditions outlined in Attachments 2 to 4.

Development Permit with Variance Application No. PL2013-103 – Whittall – 960 Woodpecker Place, Electoral Area ‘G’ (EA Directors, except EA ‘B’ – One Vote).

Delegations wishing to speak to Development Permit with Variance Application No. PL2013-103.

That Development Permit with Variance Application No. PL2013-103 to permit the construction of an accessory building on the subject property be approved subject to the terms and conditions outlined in Attachments 2 to 4.

DEVELOPMENT VARIANCE PERMIT APPLICATIONS

Development Variance Permit Application No. PL2013-108 – Sydney Lee – 1266 Marina Way, Electoral Area 'E' (EA Directors, except EA 'B' – One Vote).

Delegations wishing to speak to Development Variance Permit Application No. PL2013-108.

That Development Variance Permit Application No. PL2013-108 to reduce the minimum required setback to the sea and increase the maximum permitted accessory structure height to legalize the siting of a residential scale wind turbine on the subject property be approved subject to the terms and conditions outlined in Attachment 2.

Development Variance Permit Application No. PL2013-072 – Ashton – 1965 Stewart Road, Electoral Area 'E' (EA Directors, except EA 'B' – One Vote).

Delegations wishing to speak to Development Variance Permit Application No. PL2013-072.

That Development Variance Permit Application No. PL2013-072 to reduce the setback from the interior lot line from 8.0 metres to 0.3 metres to legalize the siting of a shop be approved.

Development Variance Permit Application No. PL2013-111 – Rakowski – 1716 Vowels Road, Electoral Area 'A' (EA Directors, except EA 'B' – One Vote).

Delegations wishing to speak to Development Variance Permit Application No. PL2013-111.

That Development Variance Permit Application No. PL2013-111 to reduce the interior lot line setback from 8.0 metres to 7.0 metres to permit the construction of a dwelling unit be approved.

OTHER

Regulatory Amendments to Address Marihuana for Medical Purposes Regulations
(EA Directors, except EA 'B' – One Vote).

1. *That the Board direct staff to prepare land use regulation amendments to address the Marihuana for Medical Purposes Regulations in order to limit the location of medical marihuana production facilities to parcels in the Agricultural Land Reserve (ALR) for Bylaw 500.*
2. *That the Board direct staff to prepare land use regulation amendments to address the Marihuana for Medical Purposes Regulations in order to limit the location of medical marihuana production facilities to parcels within the A-1 and I-2 zones for Bylaw 1285.*
- 55-56 3. *That "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013", be introduced and read two times.*
4. *That the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013", be chaired by Chairperson Stanhope or his alternate.*
- 57-58 5. *That "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be introduced and read two times.*
6. *That the Public Hearing on "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be chaired by Director Fell or his alternate.*

7.2 COMMITTEE OF THE WHOLE STANDING COMMITTEE

- 59-66 Minutes of the Committee of the Whole meeting held Tuesday, November 12, 2013
(for information) (All Directors – One Vote).

COMMUNICATION/CORRESPONDENCE

(All Directors – One Vote)

**Coralee Oakes, Minister of Community Sport and Cultural Development, re
Funding request for a restructure study.**

That the correspondence received from Coralee Oakes, Minister of Community Sport and Cultural Development, regarding the funding request for a restructure study, be received.

Douglas White, Snuneymuxw First Nation, re RDN Liquid Waste Management Plan Amendment.

That the correspondence received from Douglas White, Snuneymuxw First Nation, regarding Regional District of Nanaimo Liquid Waste Management Plan Amendment, be received.

Blain Sepos, Parksville Qualicum Beach Tourism Association, re Tax amounts collected by accommodation providers.

That the correspondence received from Blain Sepos, Parksville Qualicum Beach Tourism Association, regarding tax amounts collected by accommodation providers, be received.

Claude Dauphin, Federation of Canadian Municipalities, re Achievements in the Partners for Climate Protection Program.

That the correspondence received from Claude Dauphin, Federation of Canadian Municipalities, regarding achievements in the Partners for Climate Protection Program, be received.

BC Food Systems Network, re Core Review of the Agricultural Land Reserve and Agricultural Land Commission.

That the correspondence received from BC Food Systems Network, regarding the Core Review of the Agricultural Land Reserve and Agricultural Land Commission, be received.

Tamie Nohr, District of Lantzville, re Trail Establishment along E&N Rail Corridor.

That the correspondence received from Tamie Nohr, District of Lantzville, regarding trail establishment along E&N Rail Corridor, be received.

CORPORATE SERVICES

ADMINISTRATIVE SERVICES

Mail Ballot Voting (All Directors – One Vote).

That the Board direct staff to prepare a new Election Bylaw for consideration by the Board, to include mail ballot voting and to permit elector registration in conjunction with mail ballot voting for the 2014 Regional District of Nanaimo local government elections.

2014 AVICC Resolutions Notice and Call for Nominations (All Directors – One Vote).

1. *That the Board receive the 2014 AVICC Resolutions Notice and identify topics for which the Board wishes staff to draft resolutions.*
2. *That the Board direct staff to present the resolutions to the Board for consideration of adoption and submission to the AVICC Annual General Meeting.*

FINANCIAL SERVICES

Bylaw No. 1691 – Cedar Sewer Service Reserve Fund Establishment Bylaw (All Directors – One Vote / 2/3).

- 67
1. *That "Cedar Sewer Service Reserve Fund Establishment Bylaw No. 1691, 2013" be introduced and read three times.*
 2. *That "Cedar Sewer Service Reserve Fund Establishment Bylaw No. 1691, 2013" be adopted.*

2014-2018 Financial Plan, Implications of Limiting Tax Increases to Inflation (All Directors – One Vote).

1. *That the report be received for information, and that staff be directed to proceed with preparation of the 2014 Budget following the process and practices as established in the Regional District of Nanaimo.*
2. *That staff be directed to continue to use the Consumer Price Index as a guide in relation to tax requisition increases for existing service levels.*

REGIONAL AND COMMUNITY UTILITIES

WATER & UTILITY

Bylaws No. 889.66 and 1124.11 - Inclusion of 962 Surfside Drive into Sewer Service Areas, Electoral Area `G' (All Directors – One Vote).

- 68-69
1. *That "Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.66 2013", be introduced and read three times.*
- 70-71
2. *That the "Surfside Sewer Local Service Boundary Amendment Bylaw No. 1124.11, 2013", be introduced and read three times.*

Nanoose Bay Peninsula Water Service Area and Nanoose Bay Bulk Water Development Cost Charge Process (All Directors – One Vote).

1. *That the Board receive the report for information.*
2. *That the Board direct staff to develop a combined Development Cost Charge bylaw for both the Nanoose Bay Peninsula Water Service Area and the Nanoose Bay Bulk Water service.*
3. *That the Board approve the development of a Development Cost Charge program and the development of a Development Cost Charge bylaw based on the Development Cost Charges Best Practices Guide.*

STRATEGIC AND COMMUNITY DEVELOPMENT

BUILDING, BYLAW, AND EMERGENCY PLANNING

1554 Hill Ave - Electoral Area 'A' — Unsightly Premises (All Directors – One Vote).

Property Owners of 1554 Hill Ave wishing to speak to 1554 Hill Ave - Electoral Area "A" — Unsightly Premises.

That the Board, pursuant to Regional District of Nanaimo Unsightly Premises Regulatory Bylaw No. 1073, 1996, directs the owners of Lot A (DDE34422), Block 13, Section 9, Range 7, Plan 2055, Cranberry District, Plan 2055, (1554 Hill Ave) to remove the accumulation of derelict vehicles, RV's and motorcycles, tires, scrap wood, plastic, glass, tarps and machinery from the property within thirty (30) days, or the work will be undertaken by the Regional District of Nanaimo or it's agents at the Owners' cost.

Canadian Red Cross Society - Agreement for Disaster Recovery Services (All Directors – Weighted Vote).

That the Board approve the agreement between the Regional District of Nanaimo and the Canadian Red Cross Society for the provision of disaster support and recovery services for a term commencing December 1, 2013, and ending December 31, 2018.

LONG RANGE PLANNING

Nanaimo Airport Planning Process (All Directors – One Vote).

1. *That the Terms of Reference for the Nanaimo Airport Planning Process Advisory Committee be approved.*
2. *That the Regional District of Nanaimo proceed with Phase 2 of the Nanaimo Airport planning process.*

Proposed Agricultural Area Plan 2014 - 2016 Action Plan (All Directors – One Vote).

That the Board receive and endorse the proposed Agricultural Area Plan 2014-2016 Action Plan as attached.

TRANSPORTATION AND SOLID WASTE

SOLID WASTE

Solid Waste Management Regulation Bylaw No. 1531.05 – 2014 Tipping Fees (All Directors – Weighted Vote / 2/3).

72-74

1. *That "Regional District of Nanaimo Solid Waste Management Regulation Amendment Bylaw No. 1531.05, 2013", be introduced and read three times.*
2. *That "Regional District of Nanaimo Solid Waste Management Regulation Amendment Bylaw No. 1531.05, 2013", be adopted.*

COMMISSIONS, ADVISORY & SELECT COMMITTEES

Electoral Area 'A' Parks, Recreation, and Culture Commission (All Directors – One Vote).

That the minutes of the Electoral Area 'A' Parks, Recreation and Culture Commission meeting held Wednesday, September 11, 2013, be received for information.

Agricultural Advisory Committee (All Directors – One Vote).

That the minutes of the Agricultural Advisory Committee meeting held Friday, September 27, 2013, be received for information.

Grants-in-Aid Advisory Committee (All Directors – One Vote).

That the minutes of the Grants-in-Aid meeting held Monday, October 21, 2013, be received for information.

(EAs 'A', 'B', 'C' – Weighted Vote)

1. *That the Gabriola Arts Council be awarded \$2,000.00 to be used for materials for the ART ARC workshops for teens and ART ARC Jr. workshops for children.*
2. *That the Gabriola Players Theatre Society be awarded \$2,304.75 to be used for the purchase of a portable stage.*

(Parksville, Qualicum Beach, EAs 'E', 'F', 'G', 'H' – Weighted Vote)

1. *That the Oceanside Building Learning Together Society be awarded \$1,000.00 for the purchase of books for the Books for Babes Program.*
2. *That the Oceanside Minor Lacrosse Association be awarded \$3,400.00 for arena costs and keepsake t-shirts for the 2014 Tyke Tournament.*
3. *That the remaining District 69 funds in the amount of \$5,336.00 be carried forward to the 2014 Grants-in-Aid budget.*

Electoral Area 'E' Parks and Open Space Advisory Committee (All Directors – One Vote).

That the minutes of the Electoral Area 'E' Parks and Open Space Advisory Committee meeting held Monday, October 28, 2013, be received for information.

District 69 Community Justice Select Committee (All Directors – One Vote).

That the minutes of the District 69 Community Justice Select Committee meeting held Monday, November 4, 2013, be received for information.

(Parksville, Qualicum Beach, EAs 'E', 'F', 'G', 'H' – Weighted Vote)

1. *That the 2014 requisition for funding to support the Oceanside Victim Services and Restorative Justice Programs be approved at \$77,500.*
2. *That a 2014 grant in the amount of \$3,232 for the Citizens on Patrol Society, District 69, be approved.*

Funding Request for Crime Prevention Programs in Oceanside.

That the report on the Additional Funding Request for Crime Prevention Programs in Oceanside be received for information and be forwarded to the 2014-2018 Financial Plan discussion for consideration with other funding requirements of the Regional District of Nanaimo.

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Coralee Oakes, Minister of Community Sport and Cultural Development, re Funding request for a restructure study (All Directors – One Vote).

That Director McPherson and Director Fell meet with staff to discuss the funding request for a restructure study and derive a plan of action from those discussions.

Blain Sepos, Parksville Qualicum Beach Tourism Association, re Tax Amounts Collected by Accommodation Providers (All Directors – One Vote).

That the Regional District of Nanaimo Board supports Parksville Qualicum Beach Tourism Association's (formerly the Oceanside Tourism Association) renewal of the 2% Municipal Regional District Tax in Electoral Areas E, F, G & H; and further that the Regional District of Nanaimo Board supports Municipal Regional District Tax amounts collected by accommodation providers in Electoral Areas E, F, G & H to be provided directly to Parksville Qualicum Beach Tourism Association by the Province.

NEW BUSINESS

Removing Electoral Area 'B' from the Regional Growth Management Service (All Directors – One Vote).

That the Board direct staff to prepare a report on options to remove Electoral Area 'B' from the Regional Growth Management Service.

7.4 SCHEDULED ADVISORY AND SELECT COMMITTEES

Electoral Area 'B' Parks and Open Space Advisory Committee

75-77

Minutes of the Electoral Area 'B' Parks and Open Space Advisory Committee meeting held Tuesday November 5, 2013 (for information) (All Directors – One Vote).

Mudge Island Water Access (All Directors – One Vote).

- 1. That improving parking, shore access and installing signage at the existing Davidson Bay (MI-15) boat launch on Mudge Island be listed as a first priority for development.*
- 2. That RDN staff review the feasibility of constructing and operating a public barge & boat landing on the Ministry of Transportation and Infrastructure Lands at Flat Fish Road on Mudge Island.*

78-110 **Gabriola Island Parks Rezoning Referral – Islands Trust Draft Bylaws** (All Directors – One Vote).

That the Gabriola Island draft Bylaws 271 and 272 be supported with the following amendments:

- a. *To allow a maximum sign area of 2 sq. m. per park entrance rather than the current restriction of a maximum sign area of 4 sq. m. per park to include a new permitted use; and*
- b. *To specifically allow special events in all park zones under permit by the Regional District of Nanaimo per RDN Bylaw No. 1399 – Regulation of Park Use.*

BUSINESS ARISING FROM DELEGATIONS/COMMUNICATIONS

DeCourcy Community Park (All Directors – One Vote).

That a trail be developed in DeCourcy Drive Community Park (B-24) to provide a view point.

8. ADMINISTRATOR’S REPORTS

111-119 Operating Results for the Period Ending September 30, 2013 (All Directors – One Vote).

120-169 Packaging and Printed Paper – MMBC Contract Documents (All Directors – Weighted Vote).

170-226 International Composting Corporation Odour Study (All Directors – One Vote).

227-229 Municipal Finance Authority Update (All Directors – One Vote).

Proposed Revisions to Amendment Bylaw No. 500.385, 2013 – Lakes District & Schooner Cove – (Electoral Area Directors, Except EA ‘B’ – One Vote) – *Report and attachments to be provided as a separate enclosure.*

9. ADDENDUM

10. BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

11. NEW BUSINESS

12. BOARD INFORMATION

13. IN CAMERA

That pursuant to Section 90 (1) (c), (e) and (i), and 90 (2) (c) of the Community Charter the Board proceed to an In Camera meeting for discussions related to labour relations, acquisition of land and improvements, advice subject to solicitor-client privilege, and an Ombudsperson investigation.

14. ADJOURNMENT

Re: Nanaimo Airport Planning Process

From: Mike Hooper [<mailto:MHooper@nanaimoairport.com>]

Sent: Wednesday, November 06, 2013 3:55 PM

Subject: RE: Draft TOR for Advisory Committee

Thanks for the note – we are hoping to attend the Board meeting on November 26th.

We would like to be added as a “delegation” or to have the chance to address the Board on this issue. We are planning to Thank the RDN team for their patience, and note our appreciation regarding the time invested to ensure we reached a comprehensive ToR.

We are really hoping to underscore our appreciation of the process.

Mike Hooper

President, CEO

Office: 250 245-4191 Cell: 250 716-6625

“ATTITUDE IS EVERYTHING”

REGIONAL DISTRICT OF NANAIMO
MINUTES OF THE REGULAR BOARD MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, OCTOBER 22, 2013 AT 7:00 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

Director J. Stanhope	Chairperson
Director D. Brennan	Deputy Chairperson
Director A. McPherson	Electoral Area A
Director H. Houle	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director J. Fell	Electoral Area F
Director B. Veenhof	Electoral Area H
Director B. Dempsey	District of Lantzville
Alternate	
Director F. Pattje	City of Nanaimo
Director G. Anderson	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director T. Greves	City of Nanaimo
Director D. Johnstone	City of Nanaimo
Director J. Kipp	City of Nanaimo
Director M. Lefebvre	City of Parksville
Director D. Willie	Town of Qualicum Beach

Regrets:

Director J. Ruttan	City of Nanaimo
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Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
W. Idema	Director of Finance
T. Osborne	Gen. Mgr. Recreation & Parks
D. Trudeau	Gen. Mgr. Transportation & Solid Waste
G. Garbutt	Gen. Mgr. Strategic & Community Development
R. Alexander	Gen. Mgr. Regional & Community Services
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order and welcomed Alternate Director Pattje to the meeting.

DELEGATIONS

Dianne Eddy, Mapleguard Ratepayers' Association, re RGS and OCP Amendment Application PL2011-060 – Baynes Sound Investments Ltd.

Dianne Eddy spoke in opposition to Regional Growth Strategy and Official Community Plan Amendment Application No. 2011-060 and provided her comments regarding the demand on the water supply.

BOARD MINUTES

Minutes of the Regular Board meeting held Tuesday, September 24, 2013.

- 13-663 MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Regular Board meeting held on Tuesday, September 24, 2013, be adopted.

CARRIED

COMMUNICATION/CORRESPONDENCE

Lynn Wood, Oceanside Hospice Society, re Hospice Request for Financial Support as a Service.

- 13-664 MOVED Director Johnstone, SECONDED Director Fell, that the correspondence from Lynn Wood, Oceanside Hospice Society, regarding Hospice request for financial support as a service, be received.

CARRIED

Reg Nosworthy, Arrowsmith Community Enhancement Society, re RDN/ACES Recreation Agreement 2014-2016.

- 13-665 MOVED Director Johnstone, SECONDED Director Fell, that the correspondence from Reg Nosworthy, Arrowsmith Community Enhancement Society, regarding Regional District of Nanaimo/Arrowsmith Community Enhancement Society Recreation Agreement 2014-2016, be received.

CARRIED

Brock Carlton, Federation of Canadian Municipalities, re LFG Collection System Expansion for Utilization.

- 13-666 MOVED Director Johnstone, SECONDED Director Fell, that the correspondence received from Brock Carlton, Federation of Canadian Municipalities, regarding LFG Collection System Expansion for Utilization, be received.

CARRIED

Brock Carlton, Federation of Canadian Municipalities, re Regional District of Nanaimo PCP Milestone 1, 2, 3.

- 13-667 MOVED Director Johnstone, SECONDED Director Fell, that the correspondence from Brock Carlton, Federation of Canadian Municipalities, regarding Regional District of Nanaimo PCP Milestone 1, 2, 3, be received.

CARRIED

Tom Spicer, re Bus Route Changes in Parksville.

- 13-668 MOVED Director Johnstone, SECONDED Director Fell, that the correspondence from Tom Spicer regarding bus route changes in Parksville, be received.

CARRIED

UNFINISHED BUSINESS

Zoning Amendment Application No. PL2013-038 – Bylaw 500.386 – Magnolia Enterprises Ltd. – 6996 Island Highway West, Electoral Area ‘H’.

- 13-669 MOVED Director Veenhof, SECONDED Director Young, that the report of the Public Hearing held on October 7, 2013 on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013", be received.

CARRIED

- 13-670 MOVED Director Veenhof, SECONDED Director Young, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013", be read a third time.

CARRIED

Bylaw 975.60 – Pump and Haul Local Service Establishment Amendment to Exclude Lot 43, Section 8, Plan 24916, Wellington Land District.

- 13-671 MOVED Director Holme, SECONDED Director McPherson, that "Regional District of Nanaimo Pump & Haul Local Service Amendment Bylaw No. 975.60, 2013", be adopted.

CARRIED

STANDING COMMITTEE, SELECT COMMITTEE AND COMMISSION MINUTES & RECOMMENDATIONS

ELECTORAL AREA PLANNING COMMITTEE

Minutes of the Electoral Area Planning Committee meeting held Tuesday, October 8, 2013.

- 13-672 MOVED Director Holme, SECONDED Director Veenhof, that the minutes of the Electoral Area Planning Committee meeting held Tuesday, October 8, 2013, be received for information.

CARRIED

DEVELOPMENT PERMIT APPLICATIONS

Development Permit Application No. PL2012-078 – Kevin and Wendy May –863 Cavin Road, Electoral Area ‘G’.

- 13-673 MOVED Director Holme, SECONDED Director Young, that Development Permit Application No. PL2012-078 to permit the construction of a dwelling unit be approved subject to the conditions outlined in Attachment 2.

CARRIED

DEVELOPMENT PERMIT WITH VARIANCE APPLICATIONS

Development Permit with Variance Application No. PL2013-096 – Will Melville – 962 Surfside Drive, Electoral Area ‘G’.

- 13-674 MOVED Director Holme, SECONDED Director Young, that Development Permit with Variance Application No. PL2013-096 to permit the construction of a dwelling unit and accessory building be approved subject to the conditions outlined in Attachment 2.

CARRIED

DEVELOPMENT VARIANCE PERMIT APPLICATIONS

Development Variance Permit Application No. PL2013-094 – Borden – 790 Wildgreen Way, Electoral Area ‘G’.

- 13-675 MOVED Director Holme, SECONDED Director Fell, that the Development Variance Permit Application No. PL2013-094 to relax the side lot line setback from 8.0 metres to 7.3 metres to legalize the siting of an existing accessory building be approved subject to the conditions outlined in Attachment 2.

CARRIED

OTHER

Request for Relaxation of the Minimum 10% Perimeter Frontage Requirement – Shepherd – 853 Miller Road, Electoral Area ‘G’.

- 13-676 MOVED Director Holme, SECONDED Director McPherson, that the request to relax the minimum 10% perimeter frontage requirement for proposed Lot A be approved.

CARRIED

COMMITTEE OF THE WHOLE

Minutes of the Committee of the Whole meeting held Tuesday, October 8, 2013.

- 13-677 MOVED Director Lefebvre, SECONDED Director Houle, that the minutes of the Committee of the Whole meeting held on Tuesday, October 8, 2013, be received for information.

CARRIED

COMMUNICATION/CORRESPONDENCE

Residents of Horne Lake area, Electoral Area ‘H’, re safety on local roads.

- 13-678 MOVED Director Brennan, SECONDED Director Bestwick, that correspondence from the residents of Horne Lake, Electoral Area ‘H’, regarding safety on local roads, be received.

CARRIED

Greta Taylor, re RGS and OCP Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area ‘H’.

- 13-679 MOVED Director Brennan, SECONDED Director Bestwick, that correspondence from Greta Taylor regarding Regional Growth Strategy and Official Community Plan Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area ‘H’, be received.

CARRIED

John and Sandy Vanderwel, re Seaweed Harvesting, Deep Bay, BC.

- 13-680 MOVED Director Brennan, SECONDED Director Bestwick, that correspondence from John and Sandy Vanderwel, regarding seaweed harvesting at Deep Bay, BC, be received.
CARRIED

Jean and John Weighill, re RGS and OCP Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area 'H'.

- 13-681 MOVED Director Brennan, SECONDED Director Bestwick, that correspondence from Jean and John Weighill, regarding Regional Growth Strategy and Official Community Plan Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area 'H', be received.
CARRIED

Steve and Patty Biro, re RGS and OCP Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area 'H'.

- 13-682 MOVED Director Brennan, SECONDED Director Bestwick, that correspondence from Steve and Patty Biro, regarding Regional Growth Strategy and Official Community Plan Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area 'H', be received.
CARRIED

CORPORATE SERVICES

ADMINISTRATIVE SERVICES

Board Procedure Amendment Bylaw No. 1512.01.

- 13-683 MOVED Director Veenhof, SECONDED Director Willie, that "Regional District of Nanaimo Board Procedure Amendment Bylaw No. 1512.01, 2013" be introduced and read three times.
CARRIED
- 13-684 MOVED Director Veenhof, SECONDED Director Lefebvre, that "Regional District of Nanaimo Board Procedure Amendment Bylaw No. 1512.01, 2013" be adopted.
CARRIED

RECREATION AND PARKS

RECREATION

Ravensong Aquatic Centre and Oceanside Place Apportionment Formula Bylaw Amendments – Bylaws 899.01 and 1358.01.

- 13-685 MOVED Director Lefebvre, SECONDED Director Veenhof, that the apportionment formulas for Oceanside Place and Ravensong Aquatic Centre Service Bylaws be amended to 50% assessments / 50% usage, phased in over a five year period, with no expansion of the participation in the Ravensong Aquatic Centre Service to include Electoral Area 'E'.
CARRIED
- 13-686 MOVED Director Veenhof, SECONDED Director Lefebvre, that "Regional District of Nanaimo District 69 Swimming Pool Service Amendment Bylaw No. 899.01, 2013" be introduced and read three times and be forwarded to the Inspector of Municipalities for approval.
CARRIED

- 13-687 MOVED Director Veenhof, SECONDED Director Lefebvre, that "Regional District of Nanaimo District 69 Ice Arena Amendment Bylaw No. 1358.01, 2013" be introduced and read three times and forwarded to the Inspector of Municipalities for approval.

CARRIED

REGIONAL AND COMMUNITY UTILITIES

WATER & UTILITY

Westurne Heights Water System – Engineering Design Review Funding.

- 13-688 MOVED Director Fell, SECONDED Director Holme, that the Board approve funding for an Engineering Design Review of the Westurne Heights Water System, not to exceed \$15,000, be provided utilizing Community Works funds allocated to Electoral Area 'F'.

CARRIED

- 13-689 MOVED Director Fell, SECONDED Director Holme, that Regional District of Nanaimo "Westurne Heights Water Service Study Area Establishing Bylaw No. 1677, 2013", be abandoned.

CARRIED

- 13-690 MOVED Director Fell, SECONDED Director Holme, that Regional District of Nanaimo "Westurne Heights Water Service Study Area Loan Authorization Bylaw No. 1678, 2013", be abandoned.

CARRIED

French Creek Water Service Area – Water Quality Improvement Option.

- 13-691 MOVED Director Holme, SECONDED Director Lefebvre, that the Board approve, in principle, the concept of a water supply connection from the Town of Qualicum Beach to the French Creek Water Service Area.

CARRIED

- 13-692 MOVED Director Holme, SECONDED Director Brennan, that the concept of a water supply connection from the Town of Qualicum Beach to the French Creek Water Service Area be forwarded to the Town of Qualicum Beach Council for consideration.

CARRIED

San Pareil Water System and Fire Protection Upgrade Phase 2 – Project Contract Award.

- 13-693 MOVED Director Holme, SECONDED Director Fell, that the Board award the San Pareil Fire Protection Upgrade Phase 2 project to Windley Contracting Ltd. in the amount of \$884,783.

CARRIED

- 13-694 MOVED Director Holme, SECONDED Director Brennan, that the Board approve funding in support of the San Pareil Fire Protection Upgrade Phase 2 project, not to exceed \$350,000, utilizing Community Works funds allocated to Electoral Area 'G'.

CARRIED

- 13-695 MOVED Director Holme, SECONDED Director Veenhof, that "San Pareil Water System (Fire Protection Improvements) Service Security Issuing Bylaw No. 1689, 2013" be given three readings.

CARRIED

13-696 MOVED Director Holme, SECONDED Director Veenhof, that "San Pareil Water System (Fire Protection Improvements) Service Security Issuing Bylaw No. 1689, 2013" be adopted.

CARRIED

13-697 MOVED Director Holme, SECONDED Director Veenhof, that "San Pareil Water System (Fire Protection Improvements) Service Interim Financing Bylaw No. 1690, 2013" be given three readings.

CARRIED

13-698 MOVED Director Holme, SECONDED Director Veenhof, that "San Pareil Water System (Fire Protection Improvements) Service Interim Financing Bylaw No. 1690, 2013" be adopted.

CARRIED

STRATEGIC AND COMMUNITY DEVELOPMENT

BUILDING, BYLAW, AND EMERGENCY PLANNING

3272 Roper Road, Electoral Area 'A' – Building and Zoning Bylaw Contraventions.

13-699 MOVED Director McPherson, SECONDED Director Johnstone, that staff be directed to register a Notice of Bylaw Contravention pursuant to Section 57 of the *Community Charter* on the title of Lot 18, Section 2, Range 6, Cedar District, Plan 27748 (3272 Roper Road) and to take further enforcement as may be necessary to ensure the property is in compliance with Regional District of Nanaimo Building Regulations Bylaw No. 1250, 2010 and Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987.

CARRIED

ENERGY AND SUSTAINABILITY

Nanoose Bay Community Signage Program.

13-700 MOVED Director Holme, SECONDED Director Lefebvre, that the Board support the use of Community Works Funds allocated to Electoral Area 'E' in the amount of \$30,000 for the purpose of developing and implementing a pilot community signage program for Electoral Area 'E' (Nanoose Bay).

CARRIED

13-701 MOVED Director Holme, SECONDED Director Lefebvre, that staff be directed to correspond with the Minister of Transportation and Infrastructure on the importance of community signage programs in unincorporated areas.

CARRIED

LONG RANGE PLANNING

Status Update – Regional Growth Strategy (RGS) and Official Community Plan (OCP) Amendment Application No. PL2011-060 – Baynes Sound Investment Ltd. – Electoral Area 'H'.

13-702 MOVED Director Veenhof, SECONDED Director Lefebvre, that support for a review of Application No. PL2011-060 be withdrawn and the application not be allowed to proceed through the process to amend the Regional Growth Strategy and Area 'H' Official Community Plan.

CARRIED

13-703 MOVED Director Veenhof, SECONDED Director Lefebvre, that staff be directed to discuss options with the applicant about developing the site consistent with Regional Growth Strategy and Official Community Plan direction.

CARRIED

13-704 MOVED Director Veenhof, SECONDED Director Lefebvre, that staff be directed to work with Vancouver Island University to explore creative alternatives that support the objectives of the Deep Bay Marine Field Station. This includes working with Island Corridor Foundation, Vancouver Island University, Ministry of Transportation and Infrastructure and the applicant to improve access to the Deep Bay Marine Field Station.

CARRIED

CHIEF ADMINISTRATIVE OFFICER

Regional District of Nanaimo – Operational and Efficiency Review.

13-705 MOVED Director Lefebvre, SECONDED Director Anderson, that the Board direct the Chief Administrative Officer to undertake an Operational and Efficiency Review at the Regional District of Nanaimo as proposed in the staff report and attachments.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR CORRESPONDENCE

Andre Sullivan, Nanaimo Rail Trail Partnership Group, re Request to the Regional District of Nanaimo for Partnership.

13-706 MOVED Director Dempsey, SECONDED Director Anderson, to refer the Nanaimo Region Rail Trail request for funding to the 2014 budget discussions.

CARRIED

NEW BUSINESS

BC Hydro, re Draft Integrated Resource Plan.

13-707 MOVED Director Brennan, SECONDED Director Holme, that staff direct correspondence to BC Hydro on the Draft Integrated Resource Plan requesting that the Integrated Resource Plan include and preserve options for renewable energy projects on Vancouver Island, and throughout British Columbia.

CARRIED

13-708 MOVED Director Brennan, SECONDED Director Holme, that correspondence be provided to BC Hydro prior to the October 18, 2013 deadline for comment on the Integrated Resource Plan.

CARRIED

Tax Increases.

13-709 MOVED Director Holme, SECONDED Director Fell, that this item be referred to staff to prepare a report to the Board on the implications of limiting tax increases to the Consumer Price Index:

That the Regional District of Nanaimo tax increases be limited to the Consumer Price Index for budgets 2014 through 2019.

CARRIED

COMMISSIONS

District 69 Recreation Commission

Minutes of the District 69 Recreation Commission meeting held Thursday, September 26, 2013.

- 13-710 MOVED Director Fell, SECONDED Director Veenhof, that the minutes of the District 69 Recreation Commission meeting held Thursday, September 26, 2013, be received for information. CARRIED

Minutes of the District 69 Recreation Commission meeting held Thursday, October 17, 2013.

- 13-711 MOVED Director Fell, SECONDED Director Veenhof, that the minutes of the District 69 Recreation Commission meeting held Thursday, October 17, 2013, be received for information. CARRIED

District 69 Youth and Community Recreation Grants.

- 13-712 MOVED Director Anderson, SECONDED Director Holme, that the following District 69 Youth Recreation Grant applications be approved:

Arrowsmith Community Enhancement Society (ACES) - youth drop-in sports	\$ 1,080
District 69 Minor Softball Association - indoor equipment	1,601
Family Resource Association (District 69) - youth drop-in food	1,000
Oceanside BMX - soil and excavator	2,500
Oceanside Track and Field Club - track renovation	3,323

CARRIED

- 13-713 MOVED Director Holme, SECONDED Director Veenhof, that the following District 69 Community Recreation Grant applications be approved:

Arrowsmith Agricultural Association - Family Day event	\$ 1,028
Arrowsmith Community Enhancement Society (ACES) - Food Skills for Families Program	300
Bow Horne Bay Community Club – projector, advertising and printing costs	750
Errington Elementary School - grade 3 swim program	2,500
Family Resource Association (District 69) - Everybody Rides program; bicycle parts	1,200
French Creek Community School PAC - grade 3 swim program	1,500
Oceanside Building Learning Together Society - Dad's Night Out skating program	295
Parksville Badminton - program costs	337
Ravensong Masters Swim Club - pool rental	1,200

CARRIED

ACES Agreement Report.

- 13-714 MOVED Director Fell, SECONDED Director Veenhof, that the Agreement with the Arrowsmith Community Enhancement Society, as provided in Appendix A, covering the term from January 1, 2014, to December 31, 2016, be approved.

CARRIED

SCHEDULED ADVISORY AND SELECT COMMITTEES

Transit Select Committee

Minutes of the Transit Select Committee meeting held Thursday, September 12, 2013.

- 13-715 MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Transit Select Committee meeting held Thursday, September 12, 2013, be received for information. CARRIED

2013 Transit Expansion Ridership Update.

- 13-716 MOVED Director Brennan, SECONDED Director Johnstone, that the 2013 Transit Expansion Ridership Update Report be received for information. CARRIED

CNG Licence of Occupation Agreement.

- 13-717 MOVED Director Brennan, SECONDED Director McPherson, that the Board approve the License of Occupation Agreement between the Regional District of Nanaimo and BC Transit for the lands on which the Compressed Natural Gas fueling station will be located for a thirteen year term. CARRIED

- 13-718 MOVED Director Brennan, SECONDED Director Lefebvre, that staff be directed to review existing transit service in and between Parksville and Qualicum and to provide options for improving the service and the associated financial implications to the Transit Select Committee. CARRIED

Northern Community Economic Development Select Committee

Minutes of the Northern Community Economic Development Select Committee meeting held Tuesday, October 8, 2013.

- 13-719 MOVED Director Lefebvre, SECONDED Director Willie, that the minutes of the Northern Community Economic Development Select Committee held Tuesday, October 8, 2013, be received for information. CARRIED

Northern Community Economic Development Program – Fall 2013 Proposals.

- 13-720 MOVED Director Willie, SECONDED Director Lefebvre, that the Digital Arts Studio Pilot Plan be awarded funding in the amount of \$5,000. CARRIED
- 13-721 MOVED Director Willie, SECONDED Director Lefebvre, that the Oceanside Initiative program from the Parksville and District Chamber of Commerce be awarded funding in the amount of \$10,000. CARRIED

Sustainability Select Committee

Minutes of the Sustainability Select Committee meeting held Tuesday, October 8, 2013.

- 13-722 MOVED Director Houle, SECONDED Director Dempsey, that the minutes of the Sustainability Select Committee meeting held Tuesday, October 8, 2013, be received for information.

CARRIED

2013 Green Building Speaker Series.

- 13-723 MOVED Director Brennan, SECONDED Director Lefebvre, that the 2013 Green Building Speaker Series report be received.

CARRIED

Rural Water Quality Incentive Program.

- 13-724 MOVED Director Johnstone, SECONDED Director Brennan, that the Board direct staff to implement the Rural Water Quality Incentive Program.

CARRIED

- 13-725 MOVED Director Lefebvre, SECONDED Director Holme, that the Board direct staff to include the Rural Water Quality Incentive Program in the 2014 budget for Board consideration.

CARRIED

Water Conservation Plan.

- 13-726 MOVED Director Lefebvre, SECONDED Director Holme, that the Board receive the Regional District of Nanaimo Water Conservation Plan.

CARRIED

- 13-727 MOVED Director Lefebvre, SECONDED Director Dempsey, that the Board direct staff to include any new costs in the 2014 budget for Board consideration.

CARRIED

Integrated Resource Plan, BC Hydro – Wind Turbine.

- 13-728 MOVED Director Brennan, SECONDED Director Houle, that correspondence be sent by the Regional District of Nanaimo to BC Hydro indicating that support for renewable energy sources be included in the Integrated Resource Plan.

CARRIED

ADMINISTRATOR'S REPORTS

Water System Transfer Agreement – Maz Can Investments Ltd – Electoral Area 'E'.

- 13-729 MOVED Director Holme, SECONDED Director Lefebvre, that the Board authorize staff to enter into a Water System Transfer Agreement with Maz-Can Investments Ltd. for Lot 3 VIP 29941, 2729 Parker Road in Nanoose.

CARRIED

- 13-730 MOVED Director Holme, SECONDED Director Brennan, that subject to the completion of the Water System Transfer Agreement, the Board direct staff to initiate the process for inclusion of Lot 3 VIP 29941, 2729 Parker Road and provide a report complete with any bylaw amendments for the Board's consideration.

CARRIED

Automatic Response Agreement for Fire Services in District 69 Departments.

- 13-731 MOVED Director Lefebvre, SECONDED Director Willie, that the Automatic Response Agreement between the City of Parksville, Town of Qualicum Beach, and the Regional District of Nanaimo volunteer fire departments (Errington, Coombs-Hilliers and Dashwood) be approved and that the Board Chair and Corporate Officer be authorized to sign the Automatic Response Agreement on behalf of the Regional District of Nanaimo.

CARRIED

City of Nanaimo Official Community Plan Regional Context Statement.

- 13-732 MOVED Director Anderson, SECONDED Director Veenhof, that the City of Nanaimo Regional Context Statement be accepted by the Regional District of Nanaimo Board.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Oceanside Hospice Society Funding Request.

- 13-733 MOVED Director Lefebvre, SECONDED Director Dempsey, that the Oceanside Hospice Society funding request be referred to the 2014 budget discussions.

CARRIED

Changes to the *Water Modernization Act*.

- 13-734 MOVED Director Lefebvre, SECONDED Director Brennan, that staff provide an analysis of the changes to the *Water Modernization Act* to allow the Board to provide comments to the Provincial Government by their deadline of November 15, 2013.

CARRIED

NEW BUSINESS

Notice of Motion – Removing Electoral Area 'B' from the Regional Growth Management Service.

- 13-735 Director Houle noted that the following motion will be brought forward to the November 12, 2013 Committee of the Whole Agenda:

That the Board direct staff to prepare a report on options to remove Electoral Area 'B' from the Regional Growth Management Service.

IN CAMERA

- 13-736 MOVED Director Holme, SECONDED Director Young, that pursuant to Sections 90 (1) (f) and (i) of the *Community Charter* the Board proceed to an In Camera meeting for discussions related to law enforcement and solicitor-client privilege.

CARRIED

ADJOURNMENT

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

CARRIED

TIME: 8:18 PM

CHAIRPERSON

CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE SPECIAL BOARD MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, NOVEMBER 12, 2013 AT 7:04 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

Director J. Stanhope	Chairperson
Director D. Brennan	Deputy Chairperson
Director A. McPherson	Electoral Area A
Director H. Houle	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director J. Fell	Electoral Area F
Director B. Veenhof	Electoral Area H
Director B. Dempsey	District of Lantzville
Director J. Ruttan	City of Nanaimo
Director G. Anderson	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director T. Greves	City of Nanaimo
Director D. Johnstone	City of Nanaimo
Director J. Kipp	City of Nanaimo
Alternate	
Director C. Burger	City of Parksville
Director D. Willie	Town of Qualicum Beach

Regrets:

Director M. Lefebvre	City of Parksville
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Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
T. Osborne	Gen. Mgr. Recreation & Parks
D. Trudeau	Gen. Mgr. Transportation & Solid Waste
G. Garbutt	Gen. Mgr. Strategic & Community Development
M. Donnelly	Mgr. Water & Utility Services
J. Holm	Mgr. Current Planning
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order.

ELECTORAL AREA PLANNING COMMITTEE

Zoning Amendment Applications No. PL2012-096 & PL2012-097 – Lakes District & Schooner Cove – Electoral Area 'E' – Amendment Bylaws 500.384, 500.385, 500.388.

MOVED Director Holme, SECONDED Director Fell, that the Summary of the Public Information Meeting held on September 23, 2013, be received.

CARRIED

MOVED Director Holme, SECONDED Director McPherson, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.384, 2013" be introduced and read two times.

CARRIED

MOVED Director Holme, SECONDED Director McPherson, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw 500.385, 2013" be introduced and read two times.

CARRIED

MOVED Director Holme, SECONDED Director McPherson, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw 500.388, 2013", be introduced and read two times.

CARRIED

MOVED Director Holme, SECONDED Director McPherson, that the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaws No. 500.384, 500.385, and 500.388", be scheduled concurrently with the Public Hearing for the Regional District of Nanaimo/Fairwinds Phased Development Agreement, and that the Public Hearing be chaired by Director Holme or his alternate.

CARRIED

ADMINISTRATOR'S REPORTS

Water Sustainability Act – Legislative Proposal Response.

MOVED Director Kipp, SECONDED Director Holme, that the Board approve the following recommendations be submitted by November 15, 2013 to the Ministry of Environment in response to their call for submissions on the development of the *Water Sustainability Act*.

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Protect Stream Health and Aquatic Environments".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Consider Water In Land Use Decisions".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Regulate and Protect Groundwater".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Regulate During Scarcity".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Improve Security, Water Use Efficiency and Conservation".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Measure and Report".

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that the Board support the *Water Sustainability Act* Legislative Proposal recommendations under "Enable a Range of Governance Approaches".

CARRIED

MOVED Director Kipp, SECONDED Director Burger, that inclusion of the Aquifer Storage and Recovery as a component of a Community Water Supply System be recognized in the future *Water Sustainability Act* and related regulations.

CARRIED

MOVED Director Kipp, SECONDED Director Holme, that further development of the legislative language and supporting regulatory framework for the *Water Sustainability Act* include key stakeholders in a collaborative process.

CARRIED

MOVED Director Brennan, SECONDED Director Johnstone, that the Province be requested to consider extending the deadline for comments so the community can have more time to provide input.

CARRIED

ADJOURNMENT

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

CARRIED

TIME: 7:30 PM

CHAIRPERSON

CORPORATE OFFICER

From: Wendy
Sent: Thursday, November 14, 2013 10:15 AM
Subject: Agenda item for November 26 RDN meeting

Dear Mr. Stanhope,

I am writing to express my support of the formal opposition to the application made by Mr. Syd Lee regarding the placement of a wind turbine in Beachcomber. I have seen it in place personally.

This turbine is highly visible and detracts from the beauty of the natural surroundings. As a property owner in Beachcomber I would be very disappointed and dismayed if a precedent were to be set permitting structures of this kind on the pristine shores of our neighborhood. I am vehemently opposed to anything of this kind being permitted. Not only do I want to prevent others from erecting such wind turbines, I want steps taken to force the removal of this one!

Wendy Carmichael

Nanoose Bay BC

November 19th, 2013
Nettie and William Kokura
3483 Redden Rd.,
Nannose Bay, BC

George Holme
Electoral Area E Director
Gholme@shaw.ca

Re: Fairwinds Schooner Cove Development, Bylaw 500.385

Dear Mr. Holme:

Upon reviewing the Draft Bylaw 500.385, we realize that this Draft Bylaw does not, correspond with the proposal as presented to the public by the developer as late as September 2013. Bylaw 500.385 after 3rd reading is the **ONLY LEGAL** document the community will have to control development in Schooner Cove.

The proposal presented by the developer September, 23, 2013, (while seeking support of the Community to pressure the RDN into a hasty approval,) was expected to be reflected in the Bylaw controlling that development. The draft **does not offer protection** to view properties adjacent to the development or for distance views. 1) The draft allows for buildings with a foot print of approximately 44,433 sq. ft. (Exhibit 1) and 3 stories high (11.0 m or 36ft) for a total of 133,300. Sq ft., with no restrictions as to the location of this building/s within Area A. 2) Up to 20% of Area A may be used for a Wind Turbine farm, with a height of 22.0 m or 72ft. As this applies to all areas within Schooner Cove there is potential for a tower of 276 ft. (Area G) Any property with as much as a minimal view of Schooner Cove would be impacted by such development. These examples by no means cover all the discrepancies in the Bylaw.

The Bylaw treats Area A, the Leased Marina Area (Exhibit 1) In the same manner as developer owned land. Under the terms of the lease the Leased Lands must be able to be restored to the condition (including boundaries) at the time of the commencement of the lease. Exhibit 2. There appears to be differing figures as to area and boundaries of Area A. The RDN should ensure that all outlines correctly reflect these appropriately as in Exhibit 1. The permitted uses as outlined in the Bylaw differ substantially from those permitted in the Lease agreement. Exhibit 3. Eliminating the 0.0 m setback in the Bylaw would protect the boundary of the leased area.

The Current owner/developer has presented a proposal in order to get community support for approval of a development, without guarantees to the community that the presented proposal would be respected. The developer has on occasion threatened the community with disposing of the properties, to devious developers. It is critical that the RDN protect the community by modifying the Draft Bylaw to reflect what has been proposed by the developer, after all the amendments from 2009 to September, 23, 2013 and accepted by the community. Anything less would be negligence on the part of the RDN. The potential for “sustainable building technologies” such as cell phone towers or wind turbines were never mentioned during the consultation process.

It is my understanding that a proposed Phasing Bylaw will be brought to the Board for 1st. And 2nd reading at the next Board meeting or soon thereafter. This Bylaw is expected to contain a clause requested by the developer for a moratorium of 20 years, whereby the Community and the RDN cannot interfere with their activities. It is imperative that the RDN notify the Nanoose

communities of the impacts of this Bylaw prior to the public hearing, in plain language. It was clearly explained to me by the RDN, that any comments, requests for changes or arguments, regarding this Bylaw and the proposed Bylaw must be received prior to the end of the Public Hearing. Should people who learn of a discrepancy at the public hearing decide to challenge the Bylaw, their complaint will not be heard or considered, once that meeting is ended. The Bylaws then go to 3rd reading and become Law, unchallengeable for 20 years.

Although I have not addressed all the possible discrepancies, the following changes are requested for the protection of the community:

- 1) Modify Area A and B outlines to include the water area in the west corner of B as part of Area A (ensure the boundaries of Area A are as in Exhibit 1).
- 2) Modify the maximum height of buildings and structures in Area A to 4m or 1 storey, whichever is less
- 3) Modify the permitted uses of Area A to include only
 - a. Boat launching facility
 - b. Marina use
- 4) Eliminate the allowance for a 0.0m setback from the sea in area B
- 5) Eliminate the permitted erection of wind turbines by removing the wording "wind turbines from 3.4.145.4: GENERAL REGULATIONS 7) Building Height b).
- 6) Change 7) b) iii) to:
 - iii) No such structure shall exceed 110% of the maximum building height permitted by the zone.

While it is important to keep the process moving along, it is even more important to ensure that the zoning approved by the RDN reflects the outcomes of the extensive consultation process conducted to date. It is the zoning Bylaw that will ultimately control what is built at Schooner Cove. The proposed draft zoning as provided by the developer to the RDN, goes way beyond what would be required to allow the developer reasonable flexibility in executing the latest proposals when it comes to Area A and the western corner of Area B.

Respectfully submitted

Nettie and William Kokura

Cc: planning@rdn.bc.ca
rtibbles@bentall.com
jstanhope@shaw.ca
Mat O'Halloran, Legislative co-ordinator
FCA

Lease No.:

109021

File No.: 0297600

Disposition No.: 145452

Exhibit 1) 4.128 ha. = 444,344.2 sq.ft. 10%= 44,433.4 sq. ft. X 3 =133,300 sq. ft.

Lease

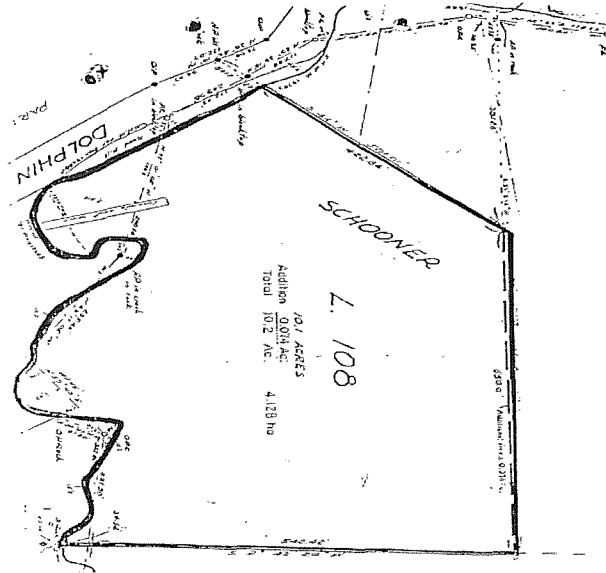
109021

File No.: 0297600

Disposition No.: 145452

LEGAL DESCRIPTION SCHEDULE

District Lot 108, Nanaimo District, containing 4.128 hectares more or less, shown outlined in bold on the sketch below.



MARINA & YC LEASE-U

Page 18 of _____

Exhibit 2)

- (iv) restore the surface of the Land as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove an Improvement under paragraph (iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

Exhibit 3)

2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the Land for commercial marina purposes.

The Lessee will use the Land and the Improvements solely for the purpose of conducting the business of a marina, which may include the provision of the following services and facilities:

(a) sale and distribution of petroleum products, boat charter service, boat rental service, operation of a café and grocery store ancillary to the marina facility;

and, the Lessee will not use or permit the Land and the Improvements, or any part of them, to be used for any other purpose.



CAO APPROVAL		###
EAP		
COW		
NOV 19 2013		
RHD		
BOARD	✓	

MEMORANDUM

TO: Jeremy Holm
 Manager, Current Planning

DATE: November 12, 2013

FROM: Tyler J. Brown
 Planner

FILE: PL2013-038

SUBJECT: Zoning Amendment Application No. PL2013-038 – Magnolia Enterprises Ltd.
 Lot 1, District Lot 36, Newcastle District, Plan VIP80074 – 6996 Island Highway West
 Electoral Area 'H'

PURPOSE

To consider “Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013” for adoption.

BACKGROUND

The proposed Amendment Bylaw No. 500.386 (see Attachment 1) was introduced and given first and second reading on September 24, 2013. A Public Hearing was held on October 7, 2013, and the Bylaw received third reading on October 22, 2013. The Ministry of Transportation and Infrastructure approved the Bylaw on November 7, 2013. Following the close of a Public Hearing no further submissions or comments from the public or interested persons can be accepted by members of the Board, as established by provincial case law. Having received the minutes of the Public Hearing eligible Board members may vote on the Bylaw.

As a condition of rezoning approval, and prior to the adoption of the Bylaw, the applicant was required to obtain a filing for on-site sewage from the Vancouver Island Health Authority. The applicant has secured a filing for on-site sewage from the Vancouver Island Health Authority.

ALTERNATIVES

1. To adopt “Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013”.
2. To not approve the Bylaw and provide alternate direction.

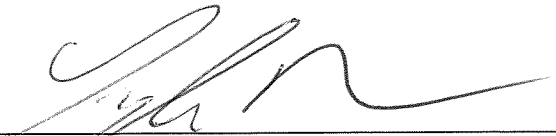
SUMMARY/CONCLUSIONS

The purpose of Amendment Bylaw No. 500.386, 2013 is to amend the zoning of the property located at 6996 Island Highway West in Electoral Area ‘H’ to add the additional use of emergency services to permit the development of an ambulance station. In addition, the proposed bylaw would modify the public utility use definition and introduce a new definition: emergency services. The Amendment Bylaw

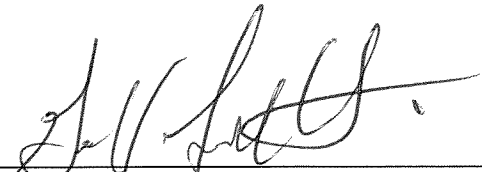
was introduced and read two times on September 24, 2013; proceeded to Public Hearing on October 7, 2013; and received third reading on October 22, 2013. The Bylaw was approved by the Ministry of Transportation and Infrastructure on November 7, 2013, following which the applicant proceeded to complete the Conditions of Approval. Given that the applicant has addressed the Conditions of Approval, staff recommends that the Board adopt Amendment Bylaw No. 500.386, 2013.

RECOMMENDATION

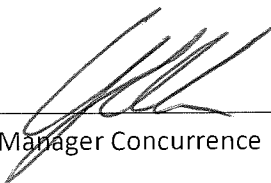
That the "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013" be adopted.




Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence

**Attachment 1
Proposed Amendment Bylaw No. 500.386, 2013**

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 500.386

**A Bylaw to Amend “Regional District of Nanaimo
Land Use and Subdivision Bylaw No. 500, 1987”**

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

- A. This Bylaw may be cited as “Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.386, 2013”.
- B. “Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987”, is hereby amended as follows:
 1. Under **PART 2, INTERPRETATION, DEFINITIONS** by adding the following definitions in alphabetical order:

“emergency services means the non-commercial use of land, buildings and structures for fire, police and ambulance services and may include temporary living accommodations for emergency service personnel.”
 2. Under **PART 2, INTERPRETATION, DEFINITIONS** by modifying the following definition:

“public utility use means the use of land, buildings or structures for the provision of community water or sewer services, park, public access, pipelines, electric and telephone service, emergency services, government office or cemetery.”
- C. “Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987 - **PART 3 LAND USE REGULATIONS, Section 3.4.105 Bowser Village Comprehensive Development Zone**”, is hereby amended as follows:
 1. By adding the following under Permitted Uses and after g) multiple dwelling units:

“h) emergency services”
 2. By adding the following under Minimum Setback Requirements after All lot lines 5.0 metres:

“except where:

 - a) The adjoining parcel is zoned industrial or commercial then the setback from the common interior side lot line may be reduced to zero.”

Introduced and read two times this 24th day of September 2013.

Public Hearing held this 7th day of October 2013.

Read a third time this 22nd day of October 2013.

Approved by the Minister of Transportation and Infrastructure pursuant to the **Transportation Act** this 7th day of November 2013.

Adopted this _____ day of _____ 20__

Chairperson

Corporate Officer

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE ELECTORAL AREA PLANNING COMMITTEE MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, NOVEMBER 12, 2013 AT 6:00 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

Director G. Holme	Chairperson
Director A. McPherson	Electoral Area A
Director M. Young	Electoral Area C
Director J. Fell	Electoral Area F
Director J. Stanhope	Electoral Area G
Director B. Veenhof	Electoral Area H

Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
T. Osborne	Gen. Mgr. Recreation & Parks
D. Trudeau	Gen. Mgr. Transportation & Solid Waste
R. Alexander	Gen. Mgr. Regional & Community Utilities
G. Garbutt	Gen. Mgr. Strategic & Community Development
J. Holm	Mgr. Current Planning
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order.

DELEGATIONS

Syd Lee, re Development Variance Permit Application No. PL2013-108.

Syd Lee spoke in support of his Development Variance Permit Application No. PL2013-108, and asked the Board for a variance for his wind turbine to support off-grid green energy to operate radio equipment for emergency communications in the event of a natural disaster.

LATE DELEGATIONS

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

CARRIED

Andy Lankester, re Development Variance Permit Application No. PL2013-108.

Andy Lankester spoke in opposition to Development Variance Permit Application No. PL2013-108, stating that the wind turbine detracts from his view.

Donald Rakowski, re Development Variance Permit Application No. PL2013-111.

Donald Rakowski spoke in support of his Development Variance Permit Application No. PL2013-111, and requested a variance to permit the construction of a house.

ELECTORAL AREA PLANNING COMMITTEE MINUTES

MOVED Director Stanhope, SECONDED Director Veenhof, that the minutes of the Electoral Area Planning Committee meeting held Tuesday, October 8, 2013, be adopted.

CARRIED

DEVELOPMENT PERMIT APPLICATIONS

Development Permit and Site Specific Exemption Application No. PL2013-099 – Jim Hamm – 6161 Island Highway West, Electoral Area 'H'.

MOVED Director Veenhof, SECONDED Director Fell, that Development Permit and Site Specific Exemption Application No. PL2013-099 to allow the construction of a studio on the subject property be approved subject to the conditions outlined in Attachments 2 to 4.

CARRIED

DEVELOPMENT PERMIT WITH VARIANCE APPLICATIONS

Development Permit with Variance & Site Specific Exemption Application No. PL2013-106 – Fern Road Consulting Ltd. – 168 Cochrane Road, Electoral Area 'H'.

MOVED Director Veenhof, SECONDED Director McPherson, that staff be directed to complete the required notification.

CARRIED

MOVED Director Veenhof, SECONDED Director McPherson, that Development Permit with Variance and Site Specific Exemption to the Floodplain Management Bylaw Application No. PL2013-106 to reduce the required setback to a watercourse for construction of a dwelling unit be approved subject to the terms and conditions outlined in Attachments 2 to 4.

CARRIED

Development Permit with Variance Application No. PL2013-103 – Whittall – 960 Woodpecker Place, Electoral Area 'G'.

MOVED Director Stanhope, SECONDED Director McPherson, that staff be required to complete the required notification.

CARRIED

MOVED Director Stanhope, SECONDED Director McPherson, that Development Permit with Variance Application No. PL2013-103 to permit the construction of an accessory building on the subject property be approved subject to the terms and conditions outlined in Attachments 2 to 4.

CARRIED

Development Permit with Variance Application No. PL2013-110 – Manhas – 5469 Island Highway West, Electoral Area 'H'.

MOVED Director Veenhof, SECONDED Director Stanhope, that staff be directed to complete the required notification.

CARRIED

MOVED Director Veenhof, SECONDED Director Stanhope, that Development Permit with Variance Application No. PL2013-110 to reduce the minimum required setback from the western lot line from 5.0 metres to 1.6 metres to legalize the siting of a garage, and to permit the construction of a deck and fire escape be approved subject to the conditions outlined in Attachments 2-4.

CARRIED

DEVELOPMENT VARIANCE PERMIT APPLICATIONS

Development Variance Permit Application No. PL2013-108 – Sydney Lee – 1266 Marina Way, Electoral Area 'E'.

MOVED Director Stanhope, SECONDED Director Veenhof, that staff be directed to complete the required notification.

CARRIED

MOVED Director Stanhope, SECONDED Director Veenhof, that Development Variance Permit Application No. PL2013-108 to reduce the minimum required setback to the sea and increase the maximum permitted accessory structure height to legalize the siting of a residential scale wind turbine on the subject property be approved subject to the terms and conditions outlined in Attachment 2.

CARRIED

Development Variance Permit Application No. PL2013-072 – Ashton – 1965 Stewart Road, Electoral Area 'E'.

MOVED Director Stanhope, SECONDED Director Young, that staff be directed to complete the required notification.

CARRIED

MOVED Director Stanhope, SECONDED Director Young, that Development Variance Permit Application No. PL2013-072 to reduce the setback from the interior lot line from 8.0 metres to 0.3 metres to legalize the siting of a shop be approved.

CARRIED

Development Variance Permit Application No. PL2013-111 – Rakowski – 1716 Vowels Road, Electoral Area 'A'.

MOVED Director McPherson, SECONDED Director Young, that staff be directed to complete the required notification.

CARRIED

MOVED Director McPherson, SECONDED Director Young, that Development Variance Permit Application No. PL2013-111 to reduce the interior lot line setback from 8.0 metres to 7.0 metres to permit the construction of a dwelling unit be approved.

CARRIED

OTHER

Regulatory Amendments to Address Marihuana for Medical Purposes Regulations.

MOVED Director Fell, SECONDED Director Stanhope, that the Board direct staff to prepare land use regulation amendments to address the Marihuana for Medical Purposes Regulations in order to limit the location of medical marihuana production facilities to parcels in the Agricultural Land Reserve (ALR) for Bylaw 500.

CARRIED

MOVED Director Fell, SECONDED Director Stanhope, that the Board direct staff to prepare land use regulation amendments to address the Marihuana for Medical Purposes Regulations in order to limit the location of medical marihuana production facilities to parcels within the A-1 and I-2 zones for Bylaw 1285.

CARRIED

MOVED Director Fell, SECONDED Director Stanhope, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013", be introduced and read two times.

CARRIED

MOVED Director Fell, SECONDED Director Stanhope, that the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013", be chaired by Chairperson Stanhope or his alternate.

CARRIED

MOVED Director Fell, SECONDED Director Stanhope, that "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be introduced and read two times.

CARRIED

MOVED Director Fell, SECONDED Director Stanhope, that the Public Hearing on "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285.18, 2013", be chaired by Director Fell or his alternate.

CARRIED

Zoning Amendment Applications No. PL2012-096 & PL2012-097 – Lakes District & Schooner Cove – Electoral Area 'E' – Amendment Bylaws 500.384, 500.385, 500.388.

MOVED Director Stanhope, SECONDED Director Fell, that the Summary of the Public Information Meeting held on September 23, 2013, be received.

CARRIED

MOVED Director Stanhope, SECONDED Director Fell, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.384, 2013" be introduced and read two times.

CARRIED

MOVED Director Stanhope, SECONDED Director Fell, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.385, 2013" be introduced and read two times.

CARRIED

MOVED Director Stanhope, SECONDED Director Fell, that "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.388, 2013", be introduced and read two times.

CARRIED

MOVED Director Stanhope, SECONDED Director Fell, that the Public Hearing on "Regional District of Nanaimo Land Use and Subdivision Amendment Bylaws No. 500.384, 500.385, and 500.388", be scheduled concurrently with the Public Hearing for the Regional District of Nanaimo/Fairwinds Phased Development Agreement, and that the Public Hearing be chaired by Director Holme or his alternate.

CARRIED

ADJOURNMENT

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

CARRIED

TIME: 6:56 PM

CHAIRPERSON

CORPORATE OFFICER



RDN REPORT		#/#/#
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EAP		
COW		
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RHD		
BOARD	✓	

MEMORANDUM

TO: Jeremy Holm
Manager, Current Planning

DATE: November 15, 2013

FROM: Angela Buick
Planner

FILE: PL2013-110

SUBJECT: Development Permit with Variance Application No. PL2013-110 – Manhas – 5469 Island Highway West, Electoral Area ‘H’ – Amended Recommendation

PURPOSE

To correct the staff recommendation for Development Permit with Variance Application No. PL2013-110, from the November 12, 2013 Electoral Area Planning Committee.

BACKGROUND

On November 12, 2013, the Electoral Area Planning Committee approved the issuance of a Development Permit with Variance for the file PL2013-110. The staff report on this item incorrectly recommended a variance “to reduce the minimum required setback from the western lot line from 5.0 metres to 1.6”, rather than the requested variance from 5.0 metres to 1.06 metres. The original staff report is provided as Appendix I.

Staff identified this error, and issued a notice with the correct information to property owners and tenants within a 50.0 metre radius, in accordance with the *Local Government Act*.

An amended recommendation is provided for the Board’s consideration.

ALTERNATIVES

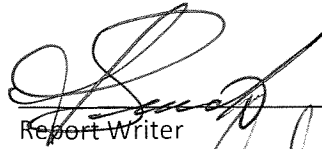
1. To approve the amended recommendation as provided in this report.
2. To not approve the amended recommendation at this time, and forward the application back to the Electoral Area Planning Committee for consideration.
3. To provide staff with alternate direction.

SUMMARY/CONCLUSION

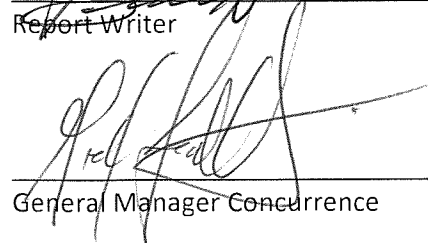
A recommendation from the November 12, 2013 Electoral Planning Committee contained a typographic error, regarding Development Permit with Variance Application No. PL2013-110. Staff identified the error, and issued a notice with the correct information to property owners and tenants within a 50.0 metre radius. The Board is now asked to consider an amended recommendation.

RECOMMENDATION

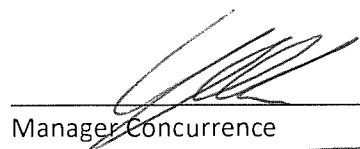
That Development Permit with Variance Application No. PL2013-110 to reduce the minimum required setback from the western lot line from 5.0 metres to 1.06 metres to legalize the siting of a garage, and to permit the construction of a deck and fire escape be approved subject to the conditions outlined in Attachments 2-4.



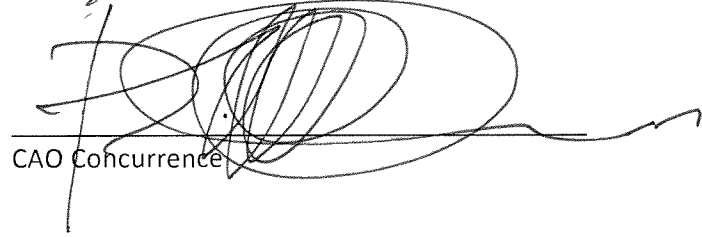
Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence



RDN REPORT		
CAO APPROVAL		<i>[Signature]</i>
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CCW		
NOV 04 2013		
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BOARD		

MEMORANDUM

TO: Jeremy Holm
Manager of Current Planning

DATE: October 31, 2013

FROM: Angela Buick
Planner

FILE: PL2013-110

SUBJECT: Development Permit with Variance Application No. PL2013-110 – Manhas
Lot 1, District lot 16, Newcastle District, Plan 15105
5469 Island Highway West - Electoral Area 'H'

PURPOSE

To consider an application for a Development Permit with Variance to legalize the siting of an existing garage and permit the construction of a deck and fire escape within the Hazard Lands Development Permit Area on the subject property.

BACKGROUND

The Regional District of Nanaimo (RDN) has received an application from Ian Niamath on behalf of Paul Manhas in order to reduce the setback of a recently constructed garage, and proposed construction of a deck and fire escape on the subject property. The subject property is approximately 0.2 ha in area and is zoned Residential 2 (RS2) pursuant to "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" (see Attachment 1 for subject property map). The subject property currently contains a dwelling unit and is bound by the Strait of Georgia to the north, unconstructed road right-of-way to the west, the Inland Island Highway to the south and residential parcels to the east.

The proposed development is subject to the Hazard Lands Development Permit Area as per "Regional District of Nanaimo Electoral Area 'H' Official Community Plan Bylaw No. 1335, 2003".

Proposed Development

The proposed development includes a garage that was recently constructed without a building permit to replace an old carport on the western portion of the lot, a proposed deck on the northern portion of the lot and a proposed fire escape to be located between the existing dwelling unit and garage. (see Attachments 3 and 4 for site plan and building plans). In addition, the garage has been constructed within the required setback of the RS2 zoning.

Proposed Variance

The applicant proposes to reduce the 'other lot line' setback for the western lot line adjacent to the unconstructed road access to the ocean from 5.0 metres to 1.6 metres in order to legalize the siting of a recently constructed garage. (see Attachment 2 for site plan). The construction of the garage will be addressed through building permit should the Board choose to support the request.

ALTERNATIVES

1. To approve Development Permit with Variance Application No. PL2013-110 subject to the terms and conditions outlined in Attachments 2-4.
2. To deny Development Permit with Variance Application No. PL2013-110.

LAND USE IMPLICATIONS

Development Implications

In order to address the Hazard Lands Development Permit Area (DPA) guidelines, the applicant has submitted a Geotechnical Hazards Assessment report prepared by Simpson Geotechnical Ltd. and dated October 30, 2013.

The Engineer's report concludes that the proposed development is considered safe and suitable for the intended use and will not have a detrimental impact on the environment or adjoining properties. The report provides recommendations for the protection of the property from erosion including:

- Retention of the existing large conifer trees on the subject property;
- Maintenance of the existing vegetation on the transition slope from the lawn to the beach.

The garage is exempt from the required flood construction levels of RDN Floodplain Bylaw No. 1469 provided the building is not used for the storage of goods damageable by flood waters, toxic materials, or materials that may contaminate the environment.

Staff recommends that the applicant be required to register a Section 219 restrictive covenant that registers the Geotechnical Hazards Assessment prepared by Simpson Geotechnical Ltd., and includes a save harmless clause that releases the Regional District of Nanaimo from all losses and damages as a result of potential flood hazard.

Sustainability Implications

In keeping with Regional District of Nanaimo Board policy, staff reviewed the proposed development with respect to the "Regional District of Nanaimo Sustainable Development Checklist". The proposal is replacing existing structures which includes safety measures for the protection of human life in case of a fire. According to the applicants Engineer this development will not have a detrimental impact the environment or surrounding properties.

Inter-governmental Implications

The applicant has obtained a permit from MOTI to authorize a reduced setback from the highway right-of-way from 4.5 metres to 1.6 metres for the garage.

Public Consultation Process

Pending the Committee's recommendation and pursuant to the *Local Government Act*, property owners and tenants located within a 50.0 metre radius, will receive a direct notice of the proposal and have an opportunity to comment on the proposed variance, prior to the Board's consideration of the application.

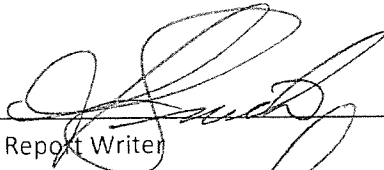
SUMMARY/CONCLUSIONS

This is an application for a Development Permit with Variance to legalize the construction of a garage, and to permit the construction of a deck and fire escape on the subject property within the Hazard

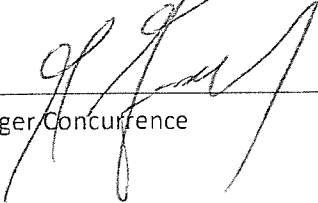
Lands Development Permit Area Guidelines. The applicant provided a site plan, building plans and a Geotechnical Hazards Assessment report prepared by Simpson Geotechnical Ltd., which are consistent with the Hazard Lands Development Permit Area. Staff recommends that the requested Development Permit with Variance be approved subject to the terms and conditions outlined in Attachments 2-4.

RECOMMENDATION

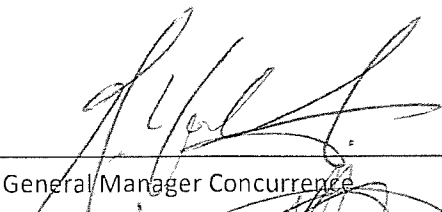
1. That Staff be directed to complete the required notification.
2. That Development Permit with Variance Application No. PL2013-110 to reduce the minimum required setback from the western lot line from 5.0 metres to 1.6 metres to legalize the siting of a garage, and to permit the construction of a deck and fire escape be approved subject to the conditions outlined in Attachments 2-4.



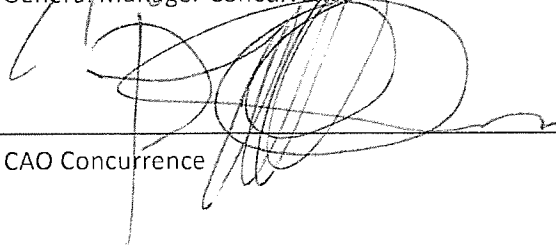
Report Writer



Manager Concurrence

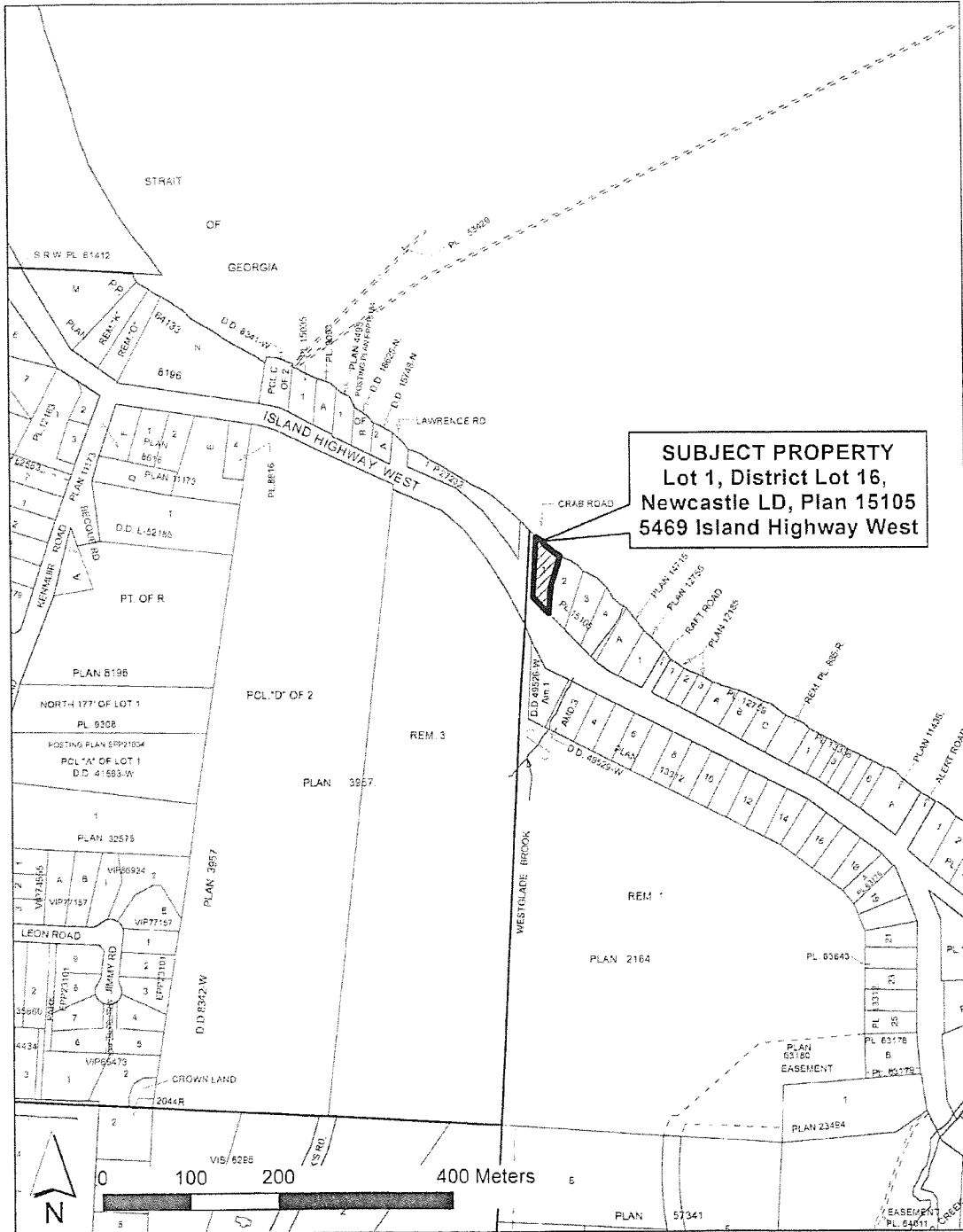


General Manager Concurrence



CAO Concurrence

Attachment 1
Subject Property Map



Attachment 2
Terms and Conditions of Development Permit

The following sets out the terms and conditions of Development Permit PL2013-110:

Bylaw No. 500, 1987 - Variances

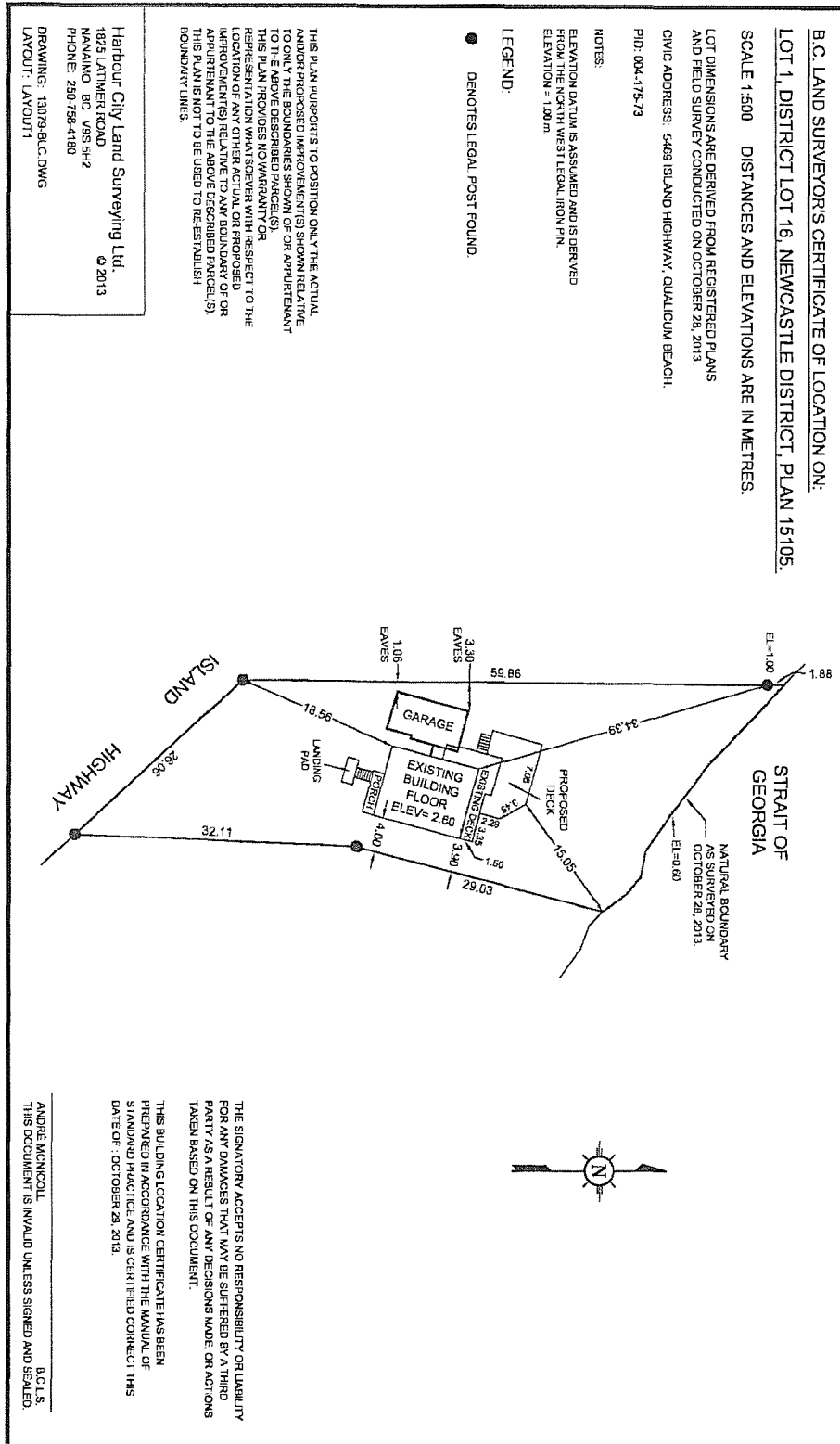
With respect to the lands, "Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987" is varied as follows:

Section 3.4.62 – Minimum Setback Requirements to reduce the Other Lot Lines from 5.0 metres to 1.6 metres.

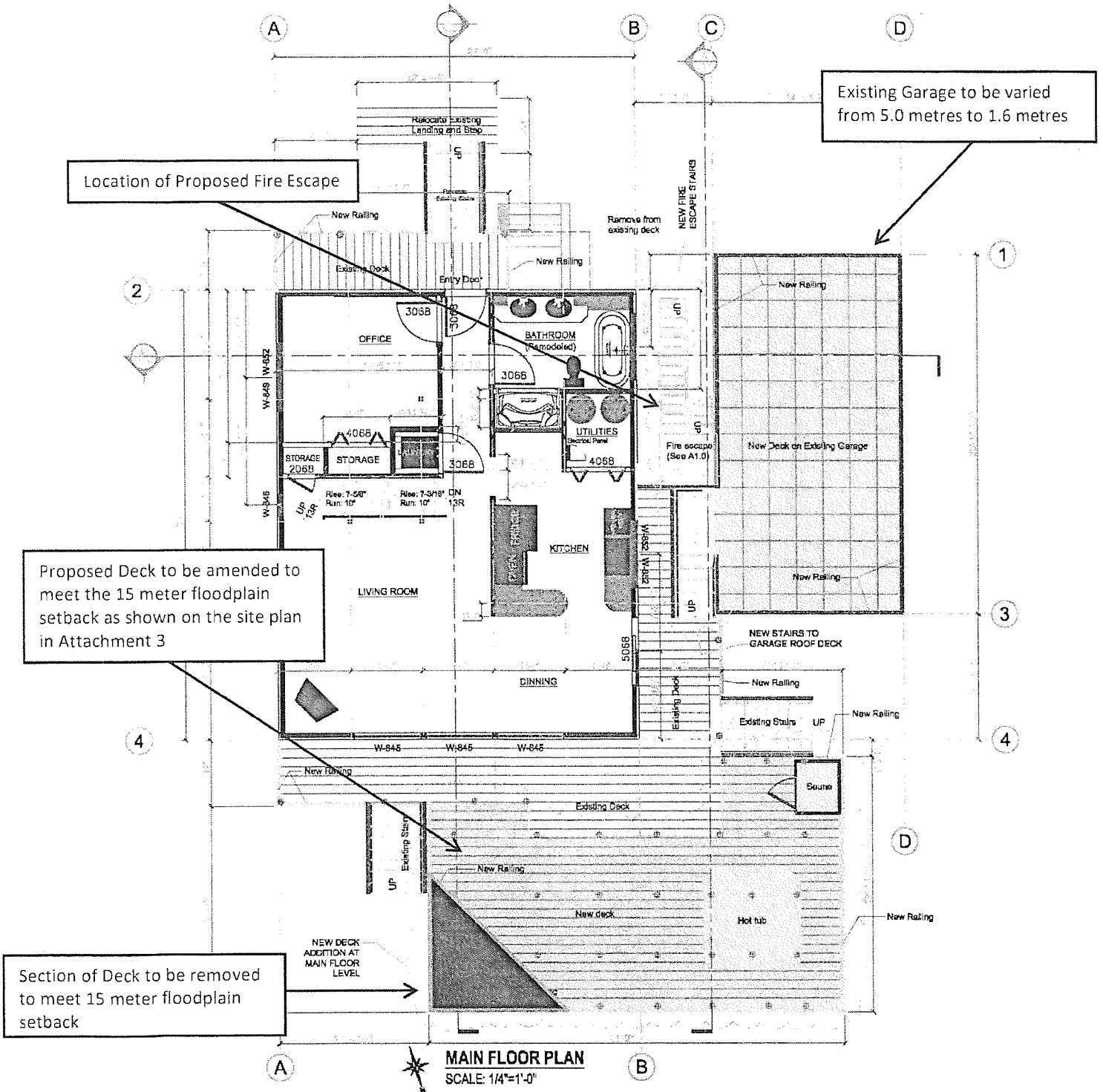
Conditions of Approval

1. The deck and fire escape shall be sited generally in accordance with the site plan prepared by Andre McNicol of Harbour City Land Surveying Ltd., dated October 28, 2013 included as Attachment 3.
2. The deck and fire escape shall be constructed generally in accordance with the building elevation drawings included as Attachment 4.
3. The Lands shall be developed in accordance with the recommendations of the Geotechnical Hazards Assessment prepared by Simpson Geotechnical Ltd. and dated October 30, 2013. As follows:
 - Retention of the existing large conifer trees on the subject property;
 - Maintenance of the existing vegetation on the transition slope from the lawn to the beach.
4. Staff shall withhold the issuance of this Permit until the applicant, at the applicant's expense, registers a Section 219 restrictive covenant containing the Geotechnical Hazards Assessment prepared by Simpson Geotechnical Ltd. and dated October 16, 2013, and includes a save harmless clause that releases the Regional District of Nanaimo from all losses and damages as a result of the potential flood hazard and includes the floodplain exemption provision.

Attachment 3
Site Plan



Attachment 4 (Page 1 of 3)
Building Plans – Deck and Garage



MAIN FLOOR PLAN
SCALE: 1/4"=1'-0"

ARCHITECT
ian a. niamath
 arch. arch. assoc.
 5 - 1402 WINDROVE STREET, NANAIMO, B.C. V9B 1H7
 TEL: 250 728 7311, FAX: 250 728 7311

PROJECT
 HOUSE RENOVATION
 5469 WEST ISLAND HIGHWAY
 QUALICUM BAY, BC

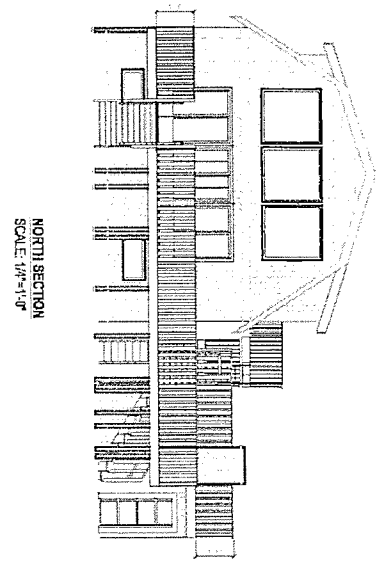
SHEET TITLE
 BASEMENT FLOOR
 PLAN
 MAIN FLOOR PLAN

SCALE
 AS SHOWN
 DRAWN
 EX
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A2.0

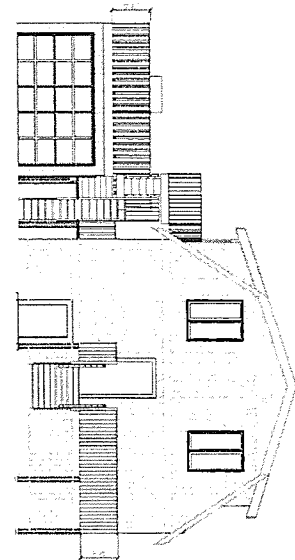
DATE
 SEP 18, 2013
 CHECKED

Attachment 4 (Page 2 of 3)
 Building Plans – Cross Section of Garage and Deck

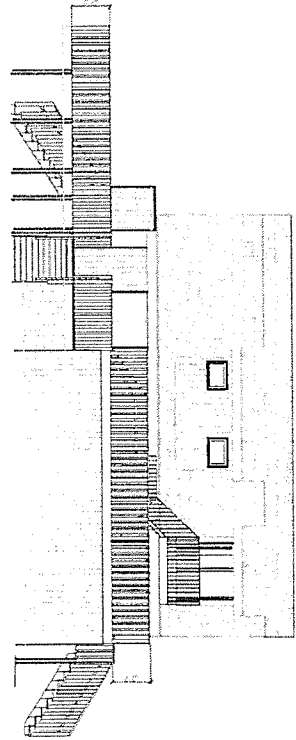
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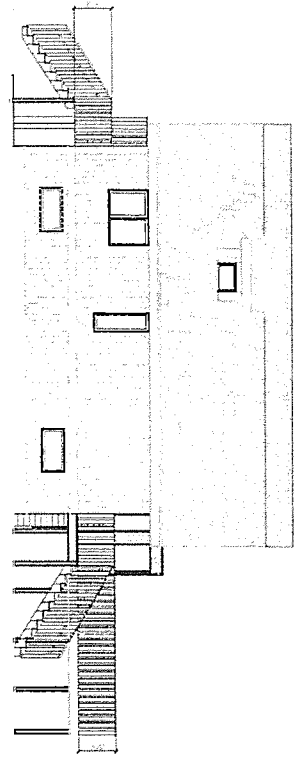
SOUTH SECTION
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EAST SECTION
 SCALE: 1/4"=1'-0"

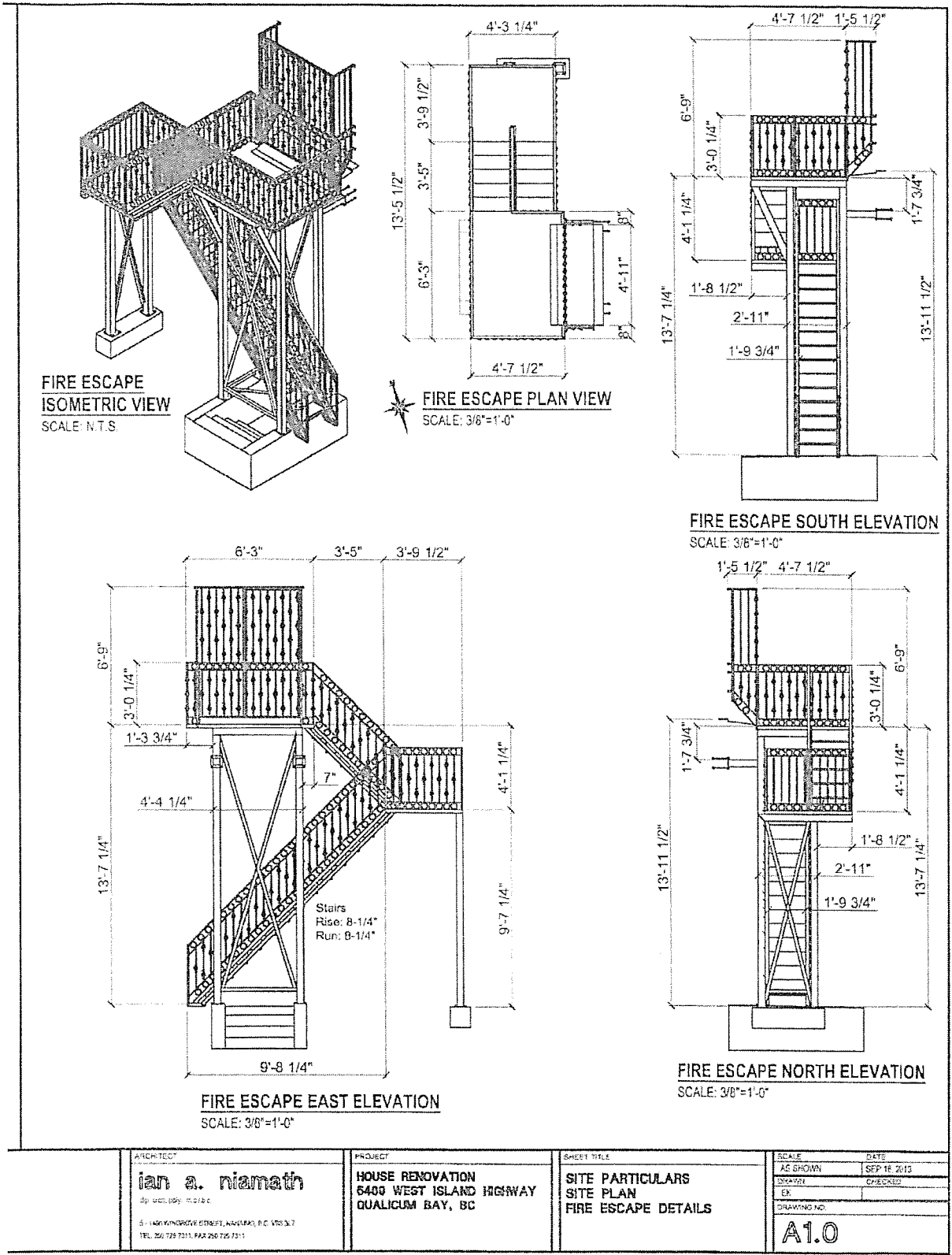


WEST SECTION
 SCALE: 1/4"=1'-0"



ARCHITECT
ION Q. NIOMATH
 ARCHITECT
 1100 WEST 12TH AVENUE
 VANCOUVER, BC V6H 2M6
 TEL: 604.271.1111 FAX: 604.271.1112
 PROJECT
 HOUSE RENOVATION
 5469 WEST 32ND HIGHWAY
 BURNABY, BC
 DRAWING TITLE
 BUILDING ELEVATIONS
 SCALE
 1/4"=1'-0"
 DATE
 2013.10.31
 DRAWN BY
 ION Q. NIOMATH
 CHECKED BY
 ION Q. NIOMATH
 APPROVED BY
 ION Q. NIOMATH
 A4.0

Attachment 4 (Page 3 of 3)
 Building Plans – Fire Escape



**REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 500.387**

**A Bylaw to Amend Regional District of Nanaimo
Land Use and Subdivision Bylaw No. 500, 1987**

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

- A. This Bylaw may be cited as “Regional District of Nanaimo Land Use and Subdivision Amendment Bylaw No. 500.387, 2013”.
- B. The “Regional District of Nanaimo Land Use and Subdivision Bylaw No. 500, 1987”, is hereby amended as follows:

1. Under **PART 2, INTERPRETATION, DEFINITIONS** by inserting the following into the sixth line of the first paragraph of the definition of “agriculture” after “but excludes animal care”:

“, medical marihuana production except on lands located within the agricultural land reserve,”

2. By adding the following definition after the definition of “medical health officer”:

“**medical marihuana production** means the cultivation and production of medical marihuana wholly within a facility as permitted under the *Marihuana for Medical Purposes Regulations (MMPR)*, and any subsequent regulations or acts which may be enacted henceforth.”

3. Under **PART 3, LAND USE REGULATIONS, SECTION 3.3 GENERAL REGULATIONS** by adding the following new text to Section 3.3.12 b) xxviii):

“xxix) medical marihuana production”

4. Under **PART 3, LAND USE REGULATIONS, SECTION 3.3 GENERAL REGULATIONS** by adding the following new text to Section 3.3.14:

“14) Farm Use Regulations

On lands located within the Agricultural Land Reserve the following activities are permitted farm uses in accordance with the Agricultural Land Reserve Use, Subdivision and Procedure Regulation and are subject to the following regulations:

- c) Medical Marihuana Production

Medical Marihuana Production is permitted on land located within the Agricultural Land Reserve if:

- i) The production of medical marihuana is contained wholly within licensed facilities as permitted by the Marihuana for Medical Purposes Regulation (MMPR).

- ii) The minimum setback for all structures associated with medical marihuana production is 30.0 metres from all property lines. “

Introduced and read two times this ___ day of _____ 20XX.

Public Hearing held this ___ day of _____ 20XX.

Read a third time this ___ day of _____ 20XX.

Approved by the Minister of Transportation and Infrastructure pursuant to the *Transportation Act* this ___ day of _____ 20XX.

Adopted this ___ day of _____ 20XX.

Chairperson

Corporate Officer

**REGIONAL DISTRICT OF NANAIMO
BYLAW NO. 1285.18**

**A Bylaw to Amend Regional District of Nanaimo
Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285, 2002**

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

- A. This Bylaw may be cited as "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Amendment Bylaw No. 1285.18, 2013".
- B. The "Regional District of Nanaimo Electoral Area 'F' Zoning and Subdivision Bylaw No. 1285, 2002", is hereby amended as follows:

1. Under **SECTION 2, GENERAL REGULATIONS, 2.4 Prohibited Uses** by adding the following text after Section 2.4 s):

"t) medical marihuana production."

2. Under **SECTION 2, GENERAL REGULATIONS, 2.9 Setbacks** by adding the following text after Section 2.9 c):

"d) All buildings and structures used for medical marihuana production on lands within the A-1 zone shall be setback a minimum of 30 metres from all lot lines."

3. Under **SECTION 2, GENERAL REGULATIONS, 2.15 Home Based Business – Regulations** by adding the following text after Section 5 p):

"q) medical marihuana production."

4. Under **SECTION 4, ESTABLISHMENT OF ZONES, 4.1 A-1 – Agriculture 1** by adding the following text after Section 4.1.1 b) Farm Use:

"c) Medical Marihuana Production"

5. Under **SECTION 4, ESTABLISHMENT OF ZONES, 4.1 A-1 – Agriculture 1** by inserting the following into Section 4.1.3 Regulation Table after "(g) Minimum Setback of all buildings or structures":

"used for medical marihuana production"

6. Under **Section 4, ESTABLISHMENT OF ZONES, 4.8 I-2 – Industrial 2** by inserting the following text after Section 4.8.1 o) Mini-storage:

"p) Medical Marihuana Production"

7. Under **SECTION 5, DEFINITIONS** by inserting the following text at the end of the definition of "farm use":

“and excludes medical marihuana production;”

8. Under **SECTION 5, DEFINITIONS** by adding the following definition after the definition of “Marshalling Yard”:

“**Medical Marihuana Production** means the cultivation and production of medical marihuana wholly within a facility as permitted under the *Marihuana for Medical Purposes Regulations (MMPR)*, and any subsequent regulations or acts which may be enacted henceforth.”

Introduced and read two times this ___ day of _____ 20XX.

Public Hearing held this ___ day of _____ 20XX.

Read a third time this ___ day of _____ 20XX.

Approved by the Minister of Transportation and Infrastructure pursuant to the *Transportation Act* this ___ day of _____ 20XX.

Adopted this ___ day of _____ 20XX.

Chairperson

Corporate Officer

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE REGULAR COMMITTEE OF THE WHOLE MEETING
OF THE REGIONAL DISTRICT OF NANAIMO HELD ON
TUESDAY, NOVEMBER 12, 2013 AT 7:31 PM IN THE
RDN BOARD CHAMBERS

In Attendance:

Director J. Stanhope	Chairperson
Director D. Brennan	Deputy Chairperson
Director A. McPherson	Electoral Area A
Director H. Houle	Electoral Area B
Director M. Young	Electoral Area C
Director G. Holme	Electoral Area E
Director J. Fell	Electoral Area F
Director B. Veenhof	Electoral Area H
Director B. Dempsey	District of Lantzville
Director J. Ruttan	City of Nanaimo
Director G. Anderson	City of Nanaimo
Director B. Bestwick	City of Nanaimo
Director T. Greves	City of Nanaimo
Director D. Johnstone	City of Nanaimo
Director J. Kipp	City of Nanaimo
Alternate	
Director C. Burger	City of Parksville
Director D. Willie	Town of Qualicum Beach

Regrets:

Director M. Lefebvre	City of Parksville
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Also in Attendance:

P. Thorkelsson	Chief Administrative Officer
J. Harrison	Director of Corporate Services
W. Idema	Director of Finance
T. Osborne	Gen. Mgr. Recreation & Parks
D. Trudeau	Gen. Mgr. Transportation & Solid Waste
G. Garbutt	Gen. Mgr. Strategic & Community Development
M. Donnelly	Mgr. Water & Utility Services
J. Hill	Mgr. Administrative Services
C. Golding	Recording Secretary

CALL TO ORDER

The Chairperson called the meeting to order and welcomed Alternate Director Chris Burger to the meeting.

DELEGATIONS

Nick Acciavatti and Harvey Twidale, Dashwood Volunteer Fire Department, re Fire Department Budget.

Nick Acciavatti provided a visual presentation and overview on increases to the Dashwood Volunteer Fire Department 2014 training budget and duty officer program.

Wendy Pratt, Nanaimo Community Hospice, re Request for Financial Support.

Wendy Pratt provided a visual presentation and requested further financial support of \$25,000 to help Nanaimo Community Hospice reach its goal of being mortgage free by the end of 2015.

COMMITTEE OF THE WHOLE MINUTES

MOVED Director Holme, SECONDED Director Brennan, that the minutes of the Committee of the Whole meeting held October 8, 2013, be adopted.

CARRIED

BUSINESS ARISING FROM THE MINUTES

COMMUNICATION/CORRESPONDENCE

Coralee Oakes, Minister of Community Sport and Cultural Development, re Funding request for a restructure study.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from Coralee Oakes, Minister of Community Sport and Cultural Development, regarding the funding request for a restructure study, be received.

CARRIED

Douglas White, Snuneymuxw First Nation, re RDN Liquid Waste Management Plan Amendment.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from Douglas White, Snuneymuxw First Nation, regarding Regional District of Nanaimo Liquid Waste Management Plan Amendment, be received.

CARRIED

Blain Sepos, Parksville Qualicum Beach Tourism Association, re Tax amounts collected by accommodation providers.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from Blain Sepos, Parksville Qualicum Beach Tourism Association, regarding tax amounts collected by accommodation providers, be received.

CARRIED

Claude Dauphin, Federation of Canadian Municipalities, re Achievements in the Partners for Climate Protection Program.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from Claude Dauphin, Federation of Canadian Municipalities, regarding achievements in the Partners for Climate Protection Program, be received.

CARRIED

BC Food Systems Network, re Core Review of the Agricultural Land Reserve and Agricultural Land Commission.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from BC Food Systems Network, regarding the Core Review of the Agricultural Land Reserve and Agricultural Land Commission, be received.

CARRIED

Tamie Nohr, District of Lantzville, re Trail Establishment along E&N Rail Corridor.

MOVED Director Johnstone, SECONDED Director Houle, that the correspondence received from Tamie Nohr, District of Lantzville, regarding trail establishment along E&N Rail Corridor, be received.

CARRIED

CORPORATE SERVICES

ADMINISTRATIVE SERVICES

Mail Ballot Voting.

MOVED Director Brennan, SECONDED Director Ruttan, that the Board direct staff to prepare a new Election Bylaw for consideration by the Board, to include mail ballot voting and to permit elector registration in conjunction with mail ballot voting for the 2014 Regional District of Nanaimo local government elections.

CARRIED

2014 AVICC Resolutions Notice and Call for Nominations.

MOVED Director Holme, SECONDED Director Ruttan, that the Board receive the 2014 AVICC Resolutions Notice and identify topics for which the Board wishes staff to draft resolutions.

CARRIED

MOVED Director Holme, SECONDED Director Ruttan, that the Board direct staff to present the resolutions to the Board for consideration of adoption and submission to the AVICC Annual General Meeting.

CARRIED

FINANCIAL SERVICES

Bylaw No. 1691 – Cedar Sewer Service Reserve Fund Establishment Bylaw.

MOVED Director McPherson, SECONDED Director Young, that "Cedar Sewer Service Reserve Fund Establishment Bylaw No. 1691, 2013" be introduced and read three times.

CARRIED

MOVED Director McPherson, SECONDED Director Young, that "Cedar Sewer Service Reserve Fund Establishment Bylaw No. 1691, 2013" be adopted.

CARRIED

2014-2018 Financial Plan, Implications of Limiting Tax Increases to Inflation.

MOVED Director Veenhof, SECONDED Director Kipp, that staff be directed to limit the 2014 - 2018 budget increases to the Canada Consumer Price Index excepting major capital, and further that staff be directed to develop a plan that brings tax requisitions for major capital in line with the Canada Consumer Price Index.

DEFEATED

MOVED Director Brennan, SECONDED Director Dempsey, that the report be received for information, and that staff be directed to proceed with preparation of the 2014 Budget following the process and practices as established in the Regional District of Nanaimo.

CARRIED

MOVED Director Brennan, SECONDED Director Dempsey, that staff be directed to continue to use the Consumer Price Index as a guide in relation to tax requisition increases for existing service levels.

CARRIED

REGIONAL AND COMMUNITY UTILITIES

WATER & UTILITY

Bylaws No. 889.66 and 1124.11 - Inclusion of 962 Surfside Drive into Sewer Service Areas, Electoral Area `G'.

MOVED Director Holme, SECONDED Director Fell, that "Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.66 2013", be introduced and read three times.

CARRIED

MOVED Director Holme, SECONDED Director Fell, that the "Surfside Sewer Local Service Boundary Amendment Bylaw No. 1124.11, 2013", be introduced and read three times.

CARRIED

Nanoose Bay Peninsula Water Service Area and Nanoose Bay Bulk Water Development Cost Charge Process.

MOVED Director Holme, SECONDED Director Houle, that the Board receive the report for information.

CARRIED

MOVED Director Holme, SECONDED Director Houle, that the Board direct staff to develop a combined Development Cost Charge bylaw for both the Nanoose Bay Peninsula Water Service Area and the Nanoose Bay Bulk Water service.

CARRIED

MOVED Director Holme, SECONDED Director Houle, that the Board approve the development of a Development Cost Charge program and the development of a Development Cost Charge bylaw based on the Development Cost Charges Best Practices Guide.

CARRIED

STRATEGIC AND COMMUNITY DEVELOPMENT

BUILDING, BYLAW, AND EMERGENCY PLANNING

1554 Hill Ave - Electoral Area "A" — Unsightly Premises.

Mr. Schultz spoke to the condition of his property and agreed to restore the property to a reasonable standard within the timeframe set by the Regional District of Nanaimo.

MOVED Director McPherson, SECONDED Director Holme, that the Board, pursuant to Regional District of Nanaimo Unsightly Premises Regulatory Bylaw No. 1073, 1996, directs the owners of Lot A (DDE34422), Block 13, Section 9, Range 7, Plan 2055, Cranberry District, Plan 2055, (1554 Hill Ave) to remove the accumulation of derelict vehicles, RV's and motorcycles, tires, scrap wood, plastic, glass, tarps and machinery from the property within thirty (30) days, or the work will be undertaken by the Regional District of Nanaimo or it's agents at the Owners' cost.

CARRIED

Canadian Red Cross Society - Agreement for Disaster Recovery Services.

MOVED Director Anderson, SECONDED Director Fell, that the Board approve the agreement between the Regional District of Nanaimo and the Canadian Red Cross Society for the provision of disaster support and recovery services for a term commencing December 1, 2013, and ending December 31, 2018.

CARRIED

LONG RANGE PLANNING

Nanaimo Airport Planning Process.

MOVED Director McPherson , SECONDED Director Young, that the Terms of Reference for the Nanaimo Airport Planning Process Advisory Committee be approved.

CARRIED

MOVED Director McPherson, SECONDED Director Young, that the Regional District of Nanaimo proceed with Phase 2 of the Nanaimo Airport planning process.

CARRIED

Proposed Agricultural Area Plan 2014 - 2016 Action Plan.

MOVED Director Johnstone, SECONDED Director Fell, that the Board receive and endorse the proposed Agricultural Area Plan 2014-2016 Action Plan as attached.

CARRIED

TRANSPORTATION AND SOLID WASTE

SOLID WASTE

Solid Waste Management Regulation Bylaw No. 1531.05 – 2014 Tipping Fees.

MOVED Director Holme, SECONDED Director Brennan, that "Regional District of Nanaimo Solid Waste Management Regulation Amendment Bylaw No. 1531.05, 2013", be introduced and read three times.

CARRIED

MOVED Director Holme, SECONDED Director Brennan, that "Regional District of Nanaimo Solid Waste Management Regulation Amendment Bylaw No. 1531.05, 2013", be adopted.

CARRIED

COMMISSIONS, ADVISORY & SELECT COMMITTEES

Electoral Area 'A' Parks, Recreation, and Culture Commission.

MOVED Director McPherson, SECONDED Director Brennan, that the minutes of the Electoral Area 'A' Parks, Recreation and Culture Commission meeting held Wednesday, September 11, 2013, be received for information.

CARRIED

Agricultural Advisory Committee.

MOVED Director Johnstone, SECONDED Director Fell, that the minutes of the Agricultural Advisory Committee meeting held Friday, September 27, 2013, be received for information.

CARRIED

Grants-in-Aid Advisory Committee.

MOVED Director Young, SECONDED Director Anderson, that the minutes of the Grants-in-Aid meeting held Monday, October 21, 2013, be received for information.

CARRIED

MOVED Director Young, SECONDED Director Houle, that the Gabriola Arts Council be awarded \$2,000.00 to be used for materials for the ART ARC workshops for teens and ART ARC Jr. workshops for children.

CARRIED

MOVED Director Young, SECONDED Director Houle, that the Gabriola Players Theatre Society be awarded \$2,304.75 to be used for the purchase of a portable stage.

CARRIED

MOVED Director Young, SECONDED Director Houle, that the Oceanside Building Learning Together Society be awarded \$1,000.00 for the purchase of books for the Books for Babes Program.

CARRIED

MOVED Director Young, SECONDED Director Houle, that the Oceanside Minor Lacrosse Association be awarded \$3,400.00 for arena costs and keepsake t-shirts for the 2014 Tyke Tournament.

CARRIED

MOVED Director Young, SECONDED Director Houle, that the remaining District 69 funds in the amount of \$5,336.00 be carried forward to the 2014 Grants-in-Aid budget.

CARRIED

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

MOVED Director Holme, SECONDED Director Ruttan, that the minutes of the Electoral Area 'E' Parks and Open Space Advisory Committee meeting held Monday, October 28, 2013, be received for information.

CARRIED

District 69 Community Justice Select Committee.

MOVED Director Willie, SECONDED Director Holme, that the minutes of the District 69 Community Justice Select Committee meeting held Monday, November 4, 2013, be received for information.

CARRIED

MOVED Director Willie, SECONDED Director Holme, that the 2014 requisition for funding to support the Oceanside Victim Services and Restorative Justice Programs be approved at \$77,500.

CARRIED

MOVED Director Willie, SECONDED Director Holme, that a 2014 grant in the amount of \$3,232 for the Citizens on Patrol Society, District 69, be approved.

CARRIED

Funding Request for Crime Prevention Programs in Oceanside.

MOVED Director Holme, SECONDED Director Fell, that the report on the Additional Funding Request for Crime Prevention Programs in Oceanside be received for information and be forwarded to the 2014-2018 Financial Plan discussion for consideration with other funding requirements of the Regional District of Nanaimo.

CARRIED

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Coralee Oakes, Minister of Community Sport and Cultural Development, re Funding request for a restructure study.

MOVED Director Brennan, SECONDED Director Fell, that Director McPherson and Director Fell meet with staff to discuss the funding request for a restructure study and derive a plan of action from those discussions.

CARRIED

NEW BUSINESS

Removing Electoral Area 'B' from the Regional Growth Management Service.

MOVED Director Houle, SECONDED Director Veenhof, that the Board direct staff to prepare a report on options to remove Electoral Area 'B' from the Regional Growth Management Service.

CARRIED

IN CAMERA

MOVED Director Holme, SECONDED Director Brennan, that pursuant to Sections 90 (1)(e) and (i), and 90 (2)(c) of the Community Charter the Board proceed to an In Camera meeting for discussions related to acquisition of land and improvements, advice subject to solicitor-client privilege, and an Ombudsperson investigation.

CARRIED

TIME: 10:00 PM

The meeting was reconvened at 10:22 PM.

BUSINESS ARISING FROM DELEGATIONS OR COMMUNICATIONS

Blain Sepos, Parksville Qualicum Beach Tourism Association, re Tax Amounts Collected by Accommodation Providers.

MOVED Director Willie, SECONDED Director Holme, that the Regional District of Nanaimo Board supports Parksville Qualicum Beach Tourism Association's (formerly the Oceanside Tourism Association) renewal of the 2% Municipal Regional District Tax in Electoral Areas E, F, G & H; and further that the Regional District of Nanaimo Board supports Municipal Regional District Tax amounts collected by accommodation providers in Electoral Areas E, F, G & H to be provided directly to Parksville Qualicum Beach Tourism Association by the Province.

CARRIED

ADJOURNMENT

Moved Director Holme, SECONDED Director Anderson, that this meeting terminate.

CARRIED

TIME: 10:25 PM

CHAIRPERSON

CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1691

A BYLAW TO ESTABLISH A RESERVE FUND FOR
THE CEDAR SEWER 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 set aside funds to provide for costs related to the acquisition, repair, replacement or improvement of the capital infrastructure of the Cedar Sewer Service established pursuant to Bylaw No. 1445, cited as "Cedar Sewer Service Area Establishment Bylaw No. 1445, 2005";

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 "Cedar Sewer Service Reserve Fund".
2. Money from the current revenue of the Cedar Sewer 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 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, acquisitions or expenditures of a like nature for the Cedar Sewer Service Area.
5. This bylaw may be cited as the "Cedar Sewer Service Reserve Fund Establishment Bylaw No. 1691, 2013".

Introduced and read three times this day of , 2013.

Adopted this day of , 2013.

CHAIRPERSON

CORPORATE OFFICER

REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 889.66

A BYLAW TO AMEND THE BOUNDARIES OF THE
NORTHERN COMMUNITY SEWER SERVICE

WHEREAS the Regional District of Nanaimo established the Northern Community Sewer Service pursuant to Bylaw No. 889, cited as “Regional District of Nanaimo Northern Community Sewer Local Service Conversion Bylaw No. 889, 1993”;

AND WHEREAS the Board of the Regional District of Nanaimo has been petitioned by the property owners to extend the boundaries of the benefitting area of the service area to include the land shown outlined in black on Schedule ‘B’ of this bylaw and legally described as:

- Lot 10, Block 2, District Lot 9, Newcastle District, Plan 15370;

AND WHEREAS at least 2/3 of the service participants have consented to the adoption of this bylaw in accordance with section 802 of the *Local Government Act*;

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

1. Citation

This bylaw may be cited as “Regional District of Nanaimo Northern Community Sewer Local Service Boundary Amendment Bylaw No. 889.66, 2013”.

2. Amendment

“Regional District of Nanaimo Northern Community Sewer Local Service Conversion Bylaw No. 889, 1993” is amended as follows:

- (1) By amending Schedule ‘C’ of Bylaw No. 889 (Benefitting Areas) to *add* the land outlined in black on Schedule ‘B’ of this bylaw; and
- (2) By amending Schedule ‘E’ of Bylaw No. 889 (Non-Benefititing Areas) to *remove* the land outlined in black on Schedule ‘B’ of this bylaw.

Introduced and read three times this ____ day of _____, 2013.

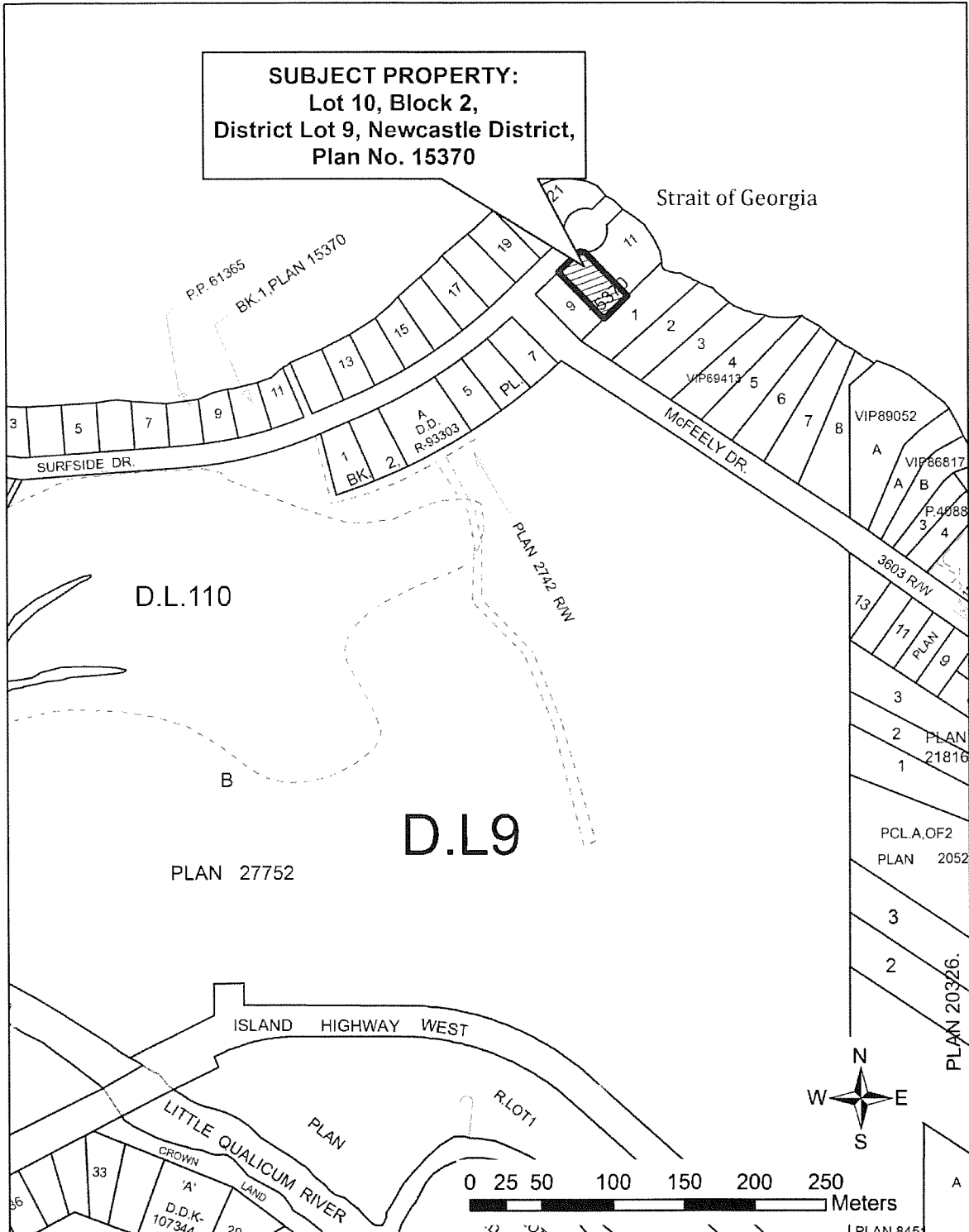
Adopted this ____ day of _____, 2013.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1124.11

**A BYLAW TO AMEND THE BOUNDARIES OF THE
SURFSIDE SEWER SERVICE**

WHEREAS the Regional District of Nanaimo established the Surfside Sewer Service pursuant to Bylaw No. No. 1124, 1998, cited as “Surfside Sewer Local Service Area Establishment Bylaw No. 1124, 1998”;

AND WHEREAS the Board of the Regional District of Nanaimo has been petitioned by the property owners to extend the boundaries of the service area to include the lands shown outlined in black on Schedule ‘B’ of this bylaw and legally described as;

- Lot 10, Block 2, District Lot 9, Newcastle District, Plan 15370;

AND WHEREAS at least 2/3 of the service participants have consented to the adoption of this bylaw in accordance with section 802 of the *Local Government Act*;

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

1. Citation

This bylaw may be cited for all purposes as “Surfside Sewer Local Service Boundary Amendment Bylaw No. 1124.11, 2013”.

2. Amendment

“Surfside Sewer Local Service Area Establishment Bylaw No. 1124, 1998” is amended as follows:

By amending Schedule ‘A’ of Bylaw No. 1124 to add the lands shown outlined in Black on Schedule ‘B’ of this bylaw.

Introduced and read three times this ____ day of _____, 2013.

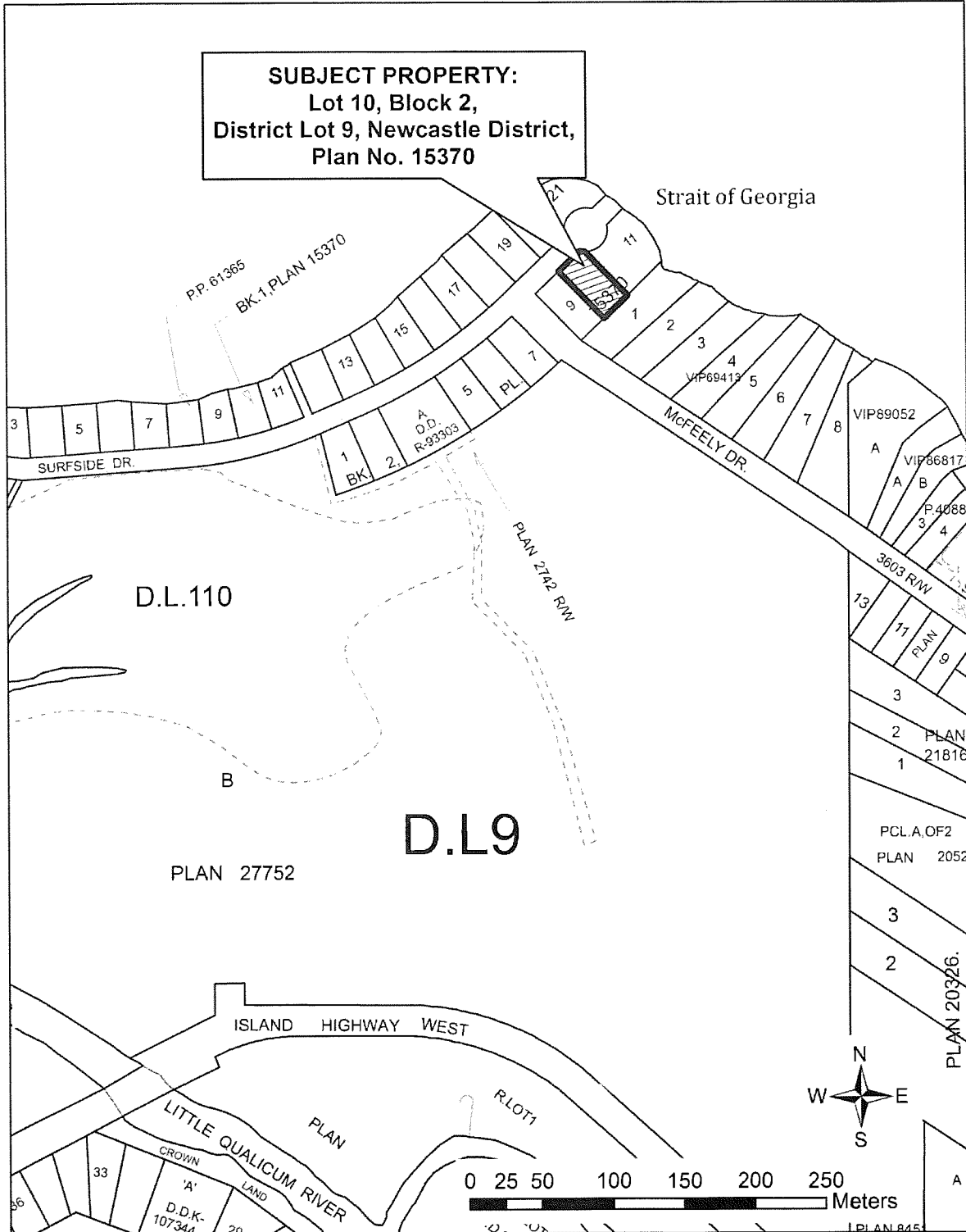
Adopted this ____ day of _____, 20__.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer



REGIONAL DISTRICT OF NANAIMO

BYLAW NO. 1531.05

A BYLAW TO AMEND REGIONAL DISTRICT OF NANAIMO
SOLID WASTE MANAGEMENT REGULATION BYLAW 1531

WHEREAS the “Regional District of Nanaimo Solid Waste Management Regulation Bylaw No. 1531, 2010” provides for the regulation of Solid Waste Management Facilities within the Regional District of Nanaimo;

AND WHEREAS the Board wishes to amend fees and charges established by Bylaw No. 1531;

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

1. Citation

This bylaw may be cited as “Regional District of Nanaimo Solid Waste Management Regulation Amendment Bylaw No. 1531.05, 2013.”

2. Amendment

Schedule ‘A’ of Bylaw No. 1531 is hereby deleted and replaced with Schedule ‘A’ attached to this bylaw.

Introduced and read three times this __ day of __, 2013.

Adopted this __ day of __, 2013.

CHAIRPERSON

CORPORATE OFFICER

Chairperson

Corporate Officer

Schedule 'A'

Charges and Procedures for use of Solid Waste Management Facilities effective January 1, 2014

1.	Solid Waste, excluding Controlled Waste	Flat Rate	51 kg or greater
a.	Municipal solid waste, construction/demolition waste, roofing waste (asphalt/tar/gravel), medical facility waste, or material recovery facility waste	\$6.00/0-50 kg	\$125.00/tonne
b.	Municipal solid waste (containing recyclables) with offence	\$6.00/0-50 kg	\$250.00/tonne
c.	Construction/Demolition waste (containing recyclables) with offence	\$6.00/0-50 kg	\$360.00/tonne
d.	Municipal solid waste, District 69 compactor bins delivered to the Regional Landfill	\$6.00/0-50 kg	\$110.00/tonne
e.	Weighing service	\$20.00 flat rate	
f.	Surcharge for improperly covered or secured loads	\$20.00 flat rate	

2.	Recyclables	Flat rate	51 kg or greater
a.	Organic waste	\$6.00/0-50 kg	\$110.00/tonne
b.	Organic waste (containing mixed solid waste or recyclables) with offence	\$6.00/0-50 kg	\$250.00/tonne
c.	Garden Waste	\$6.00/0-100 kg	\$55.00/tonne
d.	Wood waste including wood roofing	\$6.00/0-50 kg	\$250.00/tonne
e.	Gypsum (Church Road Transfer Station only)	\$6.00/0-50 kg	\$250.00/tonne
f.	Metal recycling, metal appliances with ODS (ozone depleting substance)	\$6.00/0-50 kg	\$55.00/tonne
g.	Corrugated cardboard	\$6.00/0-50 kg	\$55.00/tonne
h.	Miscellaneous recyclables including: non-deposit glass, paper, household plastics, metal food and beverage containers, vehicle batteries and oil filters	\$6.00 flat rate	

3.	Controlled Waste	Flat rate	51 kg or greater
a.	Contaminated soil, grit and screenings and bio-solids	\$6.00/0-50 kg	\$125.00/tonne
b.	Controlled waste (misc.), large dead animals and asbestos waste	\$6.00/0-50 kg	\$250.00/tonne
c.	Food processing waste and treatment works		\$250.00/tonne
d.	Steel cable		\$500.00/tonne

4. Any load containing Prohibited Waste will be charged all costs associated with any special handling or removal of the Prohibited Waste in addition to the volume rates above.
5. Where the charge is based on weight, it shall be based on the difference in weight between loaded weight and the empty weight of the vehicle.
6. In the event that the scales provided are not operational, weight shall be estimated by the Scale Clerk employed by the Regional District of Nanaimo.
7. All charges payable under this bylaw shall be paid prior to leaving the site.

REGIONAL DISTRICT OF NANAIMO

MINUTES OF THE ELECTORAL AREA 'B' PARKS AND OPEN SPACE ADVISORY
REGULAR COMMITTEE MEETING HELD
TUESDAY, NOVEMBER 5, 2013
7:00pm

(GABRIOLA WOMEN'S INSTITUTE HALL)

Attendance: Howard Houle, Director, RDN Board, Chair
Jacinthe Eastick
Randy Young
Sam Betts
Megan Dickinson

Staff: Elaine McCulloch, Park Planner
Wendy. Marshall, Manager of Park Services

CALL TO ORDER

Chair Houle called the meeting to order at 7.00 p.m.

MOVED M. Dickinson, SECONDED R. Young that the Mudge Island Water Access Report and the Islands Trust Park Re-Zoning Bylaw Report be moved to the top of the agenda so that they can be considered first and to adopt the agenda so amended.

CARRIED

MINUTES

MOVED R. Young, SECONDED M. Dickinson that the Minutes of the Regular Electoral Area 'B' Parks and Open Space Advisory Committee meeting held July 2, 2013 be approved.

CARRIED

BUSINESS ARISING FROM THE MINUTES

MoTI Permits for trail improvements (e.g. Macdonald West Trails) - Ms. Marshall advised that this item is on the work plan.

'The Strand' boat launch improvements - Ms. Marshall advised that this item is on the work plan.

707 Community park South Road gate – staff confirmed it is on the work plan to be installed.

CORRESPONDENCE/COMMUNICATIONS

MOVED R. Young, SECONDED J. Eastick to receive the following correspondence:

L. Reed to Director Houle, RDN, RE: DeCourcy Drive Community Park

D. Henry to Director Houle, RDN, RE: DeCourcy Drive Community Park

C. Simpson, Islands Trust Regional Planning Manager to Tom Osborne and Dr. Jasper Lament, Re:
Referral of Gabriola Island Draft Bylaws 271 and 272 to Rezone Park Areas

CARRIED

REPORTS

MOVED S. Betts, SECONDED R. Young that the staff reports be received.

CARRIED

MUDGE ISLAND WATER ACCESS (HAND-OUT)

Ms. McCulloch reviewed the survey questionnaire and the Mudge Island Water Access Development Priorities hand-outs and the Committee and attendees at the meeting provided feedback.

MOVED J. Eastick, SECONDED R. Young that improving parking, shore access and installing signage at the existing Davidson Bay (MI-15) boat launch on Mudge Island be listed as a first priority for development.

CARRIED

MOVED H. Houle, SECONDED R. Young that RDN staff review the feasibility of constructing and operating a public barge & boat landing on the Ministry of Transportation and Infrastructure Lands at Flat Fish Road on Mudge Island.

CARRIED

ISLAND TRUST PARK RE-ZONING BYLAW REPORT

Ms. McCulloch summarized the staff report and recommendations regarding the Gabriola Island Parks Rezoning referral – Island Trust Draft Bylaws.

MOVED R. Young, SECONDED J. Eastick that the *Gabriola Island Parks Rezoning Referral-Islands Trust Draft Bylaws* report be received and forwarded to the Islands Trust for review.

CARRIED

MOVED J. Eastick, SECONDED S. Betts that the Gabriola Island draft Bylaws 271 and 272 be supported with the following amendments:

- a. To allow a maximum sign area of 2 sq. m. per park entrance rather than the current restriction of a maximum sign area of 4 sq. m. per park to include a new permitted use; and
- b. To specifically allow special events in all park zones under permit by the Regional District of Nanaimo per RDN Bylaw No. 1399 – Regulation of Park Use

CARRIED

BUSINESS ARISING FROM THE CORRESPONDENCE/COMMUNICATIONS

DeCourcy Community Park

The park is narrow, the trail would end at the top of the bluff, a split rail fence would need to be installed, and a bench may be sited there.

MOVED J. Eastick, SECONDED M. Dickinson that a trail be developed in DeCourcy Drive Community Park (B-24) to provide a view point.

CARRIED

UNFINISHED BUSINESS

HUXLEY COMMUNITY PARK PLANNING PROCESS - ongoing

Stakeholder and open house consultation as well as the questionnaire will inform the creation of concept plans for the park. The concept plans will be presented for a second round of consultation next spring.

NEW BUSINESS

2014 Committee Appointments

The term of two committee members ends on December 31, 2013.

ADJOURNMENT

MOVED M. Dickinson to adjourn at 9.35p.m.

CARRIED

Chairperson



RDN REPORT	
CAO APPROVAL 	
EAP	
COW	
OCT 31 2013	
RHD	
BOARD	
EA 'B' POSAL /	
RPTSC	

MEMORANDUM

TO: Wendy Marshall
Manager of Parks Services

DATE: October 31, 2013

FROM: Elaine McCulloch
Parks Planner

FILE:

SUBJECT: Gabriola Island Parks Rezoning Referral – Islands Trust Draft Bylaws

PURPOSE

To review and provide recommendations on the draft Gabriola Island Bylaws 271 and 272 to rezone RDN community and regional parks.

BACKGROUND

A referral letter from the Islands Trust was received by the Regional District on October 11, 2013 (*Appendix 1*) requesting RDN comment on the draft Gabriola Island Bylaws 271 and 272 to rezone both community and regional parks on the Island.

As the project involves community and regional parklands, the referral will be provided to the Electoral Area 'B' Parks and Open Space Advisory Committee as well as to the Regional Parks and Trails Select Committee for review and comment.

The scope of the project being conducted by Islands Trust is limited to rezone areas that had become parks over the past number of years but still had non-park zoning such as Resource, Forestry, etc. The scope also includes updating the land use designations for Coats Marsh Regional Park and Descanso Bay Regional Park to ensure it accurately reflects the use identified in their respective management plans. The scope of the project does not include a review of all parks and all zoning categories.

For reference on the park zoning, P1 is Provincial and Regional Park, P2 is Passive Community Park and P3 is Active Recreation Community Park.

In initial meetings with the Islands Trust planning staff regarding the proposed parks rezoning, RDN Park staff identified a number of potential concerns regarding the zone descriptions as they are currently written. Those concerns, which are not within the scope of this project, will need to be reviewed by the

Islands Trust and RDN Parks staff at a future date. This deferment will also allow the Huxley Community Park Master Planning process to be completed before considering updating that park's existing P-3 zoning.

In review of the document it is has been noted that the following mapping changes have been made (*Appendix 2*):

Community Parks

1. Cox Community Park (rdn id. B21) – from Resource (R) & Agriculture (AG) to Parks 2 (P2)
2. 707 Community Park (rdn id. B26) – from Forestry Wilderness/Recreation (FWR1) to Parks 2 (P2)
3. Stalker Rd Community Park (rdn id. B12) – from Large Rural Residential (LRR) to Parks 2 (P2)
4. Stalker Rd Community Park (rdn id. B25) – from Agriculture (AG) to Parks 2 (P2)
5. Seymour Rd Community Park (rdn id. B30) – from Resource Residential 1 (RR1) to Parks 2 (P2)
6. Petroglyph Trail (rdn id. B18) – from Resource (R) to Parks 2 (P2)
7. Whalebone Community park entrances & trail connections (rdn id. B2, B3, B4, B5, B6, B7, B8, B16) – from Small Rural Residential (SRR) to Parks 2 (P2)
8. Paisley Pl Community Park (rdn id. B31) – from Institutional 3 (IN3) to Parks 2 (P2)

Regional Parks

1. Coats Marsh Regional Park – from Resource (R) to Parks 1 (P1)
2. Descanso Bay Regional Park – from Tourist Commercial 2 (TC2) to Parks 1 (P1)

In review of the document it is has been noted that following changes to the Land Use Bylaw (LUB) zoning categories have revised to better align with current management plans for the following parks (*Appendix 3*):

Coats Marsh Regional Park

- Removed provision for AM/FM tower.
- Added ability for caretaker residence.

Descanso Bay Regional Park

- Buildings and structures to accommodate campground office uses and retail sales and rentals are permitted.
- Caretaker residence is permitted.

All Parks

- Added an exemption in the sign regulations for interpretive and directional signs: this means that park entrance signs are still subject to the maximum sign area regulations but clarifies that interpretive and directional signs are not.

DISCUSSION

No concerns have been identified by staff to the above mentioned mapping changes that realign the park boundaries with current park zoning categories nor to the zoning category changes which better aligns the zone with uses identified in current park management plans.

Additional Items for Comment:

1) Signs

Current LUB Regulations

Section B.4.1 of the Gabriola Land Use Bylaw regulates signs within the park zones (P1, P2, and P3). There is currently no maximum number of permitted signs, and the total sign area permitted is 4.0 sq. m. (43.0 sq. ft.) per lot. Directional signs sited and maintained by government agencies are included in a list of exempted signs but Islands Trust staff has identified that it is unclear whether wayfinding signs in parks would be included in this exemption.

An exemption was added in the proposed Bylaw sign regulation for interpretive and directional signs - this means that park entrance signs are still subject to the maximum sign area regulations but clarifies that interpretive and directional signs are not.

RDN Parks Staff Comments:

Amend the draft Bylaw to support a maximum sign area per park entrance (e.g. 2 sq. m.) rather than a maximum sign area per park for the following reasons:

Some parks require multiple park entrance points in order to provide convenient park access to surrounding residents. Additional park entrances may be required if the lands surrounding the park are developed further. For example, the 707 Community Park Management Plan currently identifies three park entrances and seven trailhead entrances (total approximate signage area of 5.0 sq.m.). Park management plans are reviewed every five years and updated every ten years; it is possible that the community may request additional park entrances in the future.

It would also be easier to minimize the potential visual impact of park entrance signs on neighbours by limiting the amount of signage permitted at each entrance.

For reference, a park entrance signage would typically include an entrance sign (typ. =0.5 sq. m.) as well as regulatory signage (typ. = 0.5 sq. m.).

Further definition of "entrance" (e.g. within setback area) is required in the draft Bylaw to distinguish between park entrance signage and internal park signage.

2) Public Gatherings / Special Events

Current Land Use Bylaw (LUB) Regulations

Current regulations allow public gathering / assembly for special events in all park zones if the special event is consistent with the permitted principal uses for the zone (and subject to appropriate permissions from the park agency). This means that special events would be restricted to those that meet the principal uses such as active recreation in the P3 zone and passive recreation in the P2 zone.

Options being considered by the Islands Trust for proposed Bylaw include:

- a) Keep the draft bylaws as written.
- b) Insert a new permitted use in the Bylaw to specifically allow special events in all park zones and add a definition of special events stipulating that they are events authorized by the relevant park agency and subject to the management plan for the park if there is one in place.
- c) Allow special events only in the P1 zone and not in the P2 and P3 zones because the parks in the P2 zone and P3 zone do not for the most part have management plans to guide the RDN in issuing a park use permit.

RDN Parks Staff Comments:

- a) The risk of keeping the draft bylaws as written is that an event unrelated to the principal use but acceptable to the community would not be permitted. In the P2 zone permitted principal uses are “passive outdoor recreational activities including walking, hiking and nature appreciation”. Only special events that fit this description would be permitted in the park. For example a bike race may not be permitted on the trails in the 707 Community Park as it may not be considered to be a passive use. In the P3 zone permitted principal uses are “active recreational activities” including sporting events. A special event that is not a sporting event may not be allowed according to this bylaw. For example a community children’s festival would not be permitted in Huxley Community Park or Rollo McClay Community Park as it would not be considered to be a sporting event.
- b) Inserting a new permitted use in the bylaw to specifically allow special events in all park zones is the preferred option as the Regional District currently has a mechanism which regulates special use and commerce in its parks: Bylaw No. 1399 - Regulation of Park Use (Appendix 4). Section 5.16 of this bylaw requires a park use permit for any special use in the park including the following:
 - any commercial or non-commercial, industrial or professional service, activity or event that is intended to attract or requires participants or spectators;
 - any use of reservable common facilities; and
 - any incursion onto park property for non-park purposes including access for water lines, structures, roads, signs or fences.

Conditions associated with a park use permit may include:

- Confinement of the event to a specific location, time period , or group of people;
- The applicant supply, install and service additional garbage receptacles, portable toilets or pay the Regional District for additional servicing;
- The applicant provide and pay for the appropriate fire, police or security protection;
- Restrictions on noise (i.e. generators, music) and the erection or placement of any temporary structures, seating, tables, flags, banners, etc.;

- Any other terms and conditions specific to the nature of the special use requested given consideration of the impact of the special use on the park, park users and neighbours.

A park use permit must also meet a number of other criteria including the following:

- The event should conform with the intent of any management plan for the park;
- The activity does not cause a significant or permanent environmental impact on the park and is sensitive to the use of the park by others;
- The applicant assumes full responsibility for the special use and indemnifies the District to its satisfaction.

The above conditions are considered by RDN parks staff then, if the event proposal is deemed suitable, staff works with the applicant to reduce or eliminate any issues that a specific event may cause.

It is noted that the Gabriola Local Trust Committee has concerns with this broad allowance of special events particularly in parks without management plans because of uncertainty about the criteria used to evaluate applications for special events. As there is a detailed process whereby park special use permit applications are considered by the RDN, current and past practice throughout the RDN's park system has shown only applications that are deemed appropriate are approved.

- c) Another option being considered by the Islands Trust is allowing special events only in the P1 zone and not in the P2 and P3 zones because the parks in the P2 zone and P3 zone do not for the most part have management plans to guide the RDN in issuing a park use permit.

The risk of only allowing special events in the P1 zone and not in the P2 and P3 zones is that no special events whatsoever would be allowed in the P2 and P3 zones; this does not seem to be in the best interest of the community. For example, if community group would like to host a "walk for cancer" fundraiser in a P2 or P3 zoned park it would not be permitted.

ALTERNATIVES

1. That the Gabriola Island draft Bylaws 271 and 272 be supported with the following amendments:
 - a. to allow a maximum sign area of 2 sq.m. per park entrance rather than the current restriction of a maximum sign area of 4 sq.m.per park to include a new permitted use
 - b. to specifically allow special events in all park zones under permit by the Regional District
2. That the Gabriola Island draft bylaws 271 and 272 be not be supported and alternate direction be provided.

FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

The Islands Trust is proposing to update the land use designation and zoning of a number of Gabriola Island parks. The rezoning involves rezoning lots that have become parks over the past number of years but still have non-park zoning such as Resource, Forestry, etc. RDN staff have no objection to the proposed rezoning.

There are however additional issues identified in the Land Use Bylaw that need to be addressed. Firstly, the draft LUB proposes to amend Section B.4.2.1 to include as an exemption “interpretive and directional signs sited and maintained by government agencies in the P1, P2 and P3 zones”. Staff have no objection to this amendment, however it is recommended that the LUB be amended to allow a maximum sign area of 2 sq. m. per park entrance rather than the current restriction maximum sign area of 4 sq. m. per park in order to allow signage at multiple park entrances in some of the larger parks if so desired by the community in the future.

Secondly, current regulations allow public gathering / assembly for special events in all park zones if the special event is consistent with the permitted principal uses for the zone (and subject to appropriate permissions from the park agency). This means that special events would be restricted to those that meet the principal permitted uses such as active recreation in the P3 zone and passive recreation in the P2 zone.

This approach may not be in the best interest of the community since it may have the effect of restricting events in parks which may be acceptable to the community but be unrelated to the principle use identified in the park zone. For example, a community benefit event such as an educational or community fair may not be permitted in either Huxley or Rollo McClay parks as it would not be considered to be a sporting event. The Regional District currently has a mechanism which regulates special use and commerce in its parks: Bylaw No. 1399 - Regulation of Park Use. Any special event within a park is required to go through a permitting process which evaluates the impact a special event may have on the surrounding neighbours as well as the park itself.

Staff recommend that the LUB be amended to allow special events as a permitted use in all park zones given that the current RDN “special use” permitting process has the ability to evaluate special event applications and allow special events in parks that are acceptable to the community.

RECOMMENDATIONS

1. That the *Gabriola Island Parks Rezoning Referral – Islands Trust Draft Bylaws* report be received and forwarded to the Islands Trust for review.
2. That the Gabriola Island draft Bylaws 271 and 272 be supported with the following amendments:
 - a. to allow a maximum sign area of 2 sq. m. per park entrance rather than the current restriction of a maximum sign area of 4 sq. m. per park to include a new permitted use; and
 - b. to specifically allow special events in all park zones under permit by the Regional District of Nanaimo per RDN Bylaw No. 1399 - Regulation of Park Use



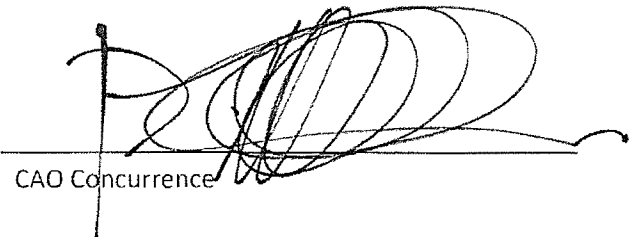
Report Writer



General Manager Concurrence



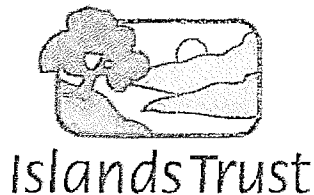
Manager Concurrence



CAO Concurrence

APPENDIX 1

**C. Simpson, Islands Trust Regional Planning Manager to Tom Osborne and Dr. Jasper Lament, Re:
Referral of Gabriola Island draft bylaws 271 and 272 to rezone park areas**



700 North Road, Gabriola Island, BC V0R 1X3
Telephone 250.247.2063 Fax 250.247.7514

Toll Free via Enquiry BC in Vancouver 660-2421 Elsewhere in BC 1.800.663.7867

Email northinfo@islandstrust.bc.ca

Web www.islandstrust.bc.ca

October 11, 2013

File: 6500-20 (Parks Rezoning)

Tom Osborne, General Manager of Parks and Recreation
Regional District of Nanaimo
6300 Hammond Bay Road
Nanaimo, BC V9T 6N2

Dr. Jasper Lament, CEO
The Nature Trust of British Columbia
#260-1000 Roosevelt Crescent
North Vancouver, BC V7P 3R4

RE: Referral of Gabriola Island draft bylaws 271 and 272 to rezone park areas

Dear Tom Osborne and Dr. Jasper Lament,

Please find attached draft bylaws 271 and 272 that the Gabriola Island Local Trust Committee directed be sent to the Regional District of Nanaimo, The Nature Trust of BC, BC Parks and the Agricultural Land Commission for early referral, prior to consideration of first reading.

Islands Trust planner Chloe Fox met with representatives from the Regional District of Nanaimo and The Nature Trust of BC on February 5 of this year. Since then we developed draft bylaws that have been reviewed and amended by the Gabriola Island Local Trust Committee and are now at a point where we would like to receive further input from your agencies.

A number of mapping changes have been made to align the park boundaries with zoning, and to change the zoning categories for a number of parks to better align with their uses. In addition to the mapping changes, below is a summary of how we have addressed the requests made and issues raised at the February 5 meeting:

Coats Marsh Regional Park

- removed provision for AM/FM tower
- added ability for caretaker residence
- confirmed that amphitheatre seating is permitted currently under the bylaw and no amendments are needed

Descanso Bay Regional Park

- buildings and structures to accommodate campground office uses and retail sales and rentals are permitted
- caretaker residence is permitted

Preserving Island communities, culture and environment

Bowen Denman Hornby Gabriola Gambier Lasqueti Mayne North Pender Salt Spring Saturna South Pender Thetis

All parks:

- Added an exemption in the sign regulations for interpretive and directional signs; this means that park entrance signs are still subject to the maximum sign area regulations but clarifies that interpretive and directional signs are not.
- A number of other requests you made are outside the scope of this project and are not planned to be addressed in these bylaws, such as: DeCoursey Island park zoning, and a review of lot coverage and height regulations in all park zones.

There are several additional issues that we would like your input on:

1. Special events:

The RDN requested that public gathering / assembly for special events is permitted in all parks, subject to permitting process for the appropriate park management authority. The Local Trust Committee is considering three options with regards to special events and seeks your input:

- a) keep the draft bylaws as written, which allows public gathering / assembly for special events in all park zones if the special event is consistent with the permitted principal uses for the zone (and subject to appropriate permissions from the park agency). This means that special events would be restricted to those that meet the principal uses such as active recreation in the P3 zone and passive recreation in the P2 zone. The risk of this approach is that an event unrelated to the principal use but potentially acceptable to the community would not be permitted.
- b) insert a new permitted use in the bylaw to specifically allow special events in all park zones and add a definition of special events stipulating that they are events authorized by the relevant park agency and subject to the management plan for the park if one is in place. This would be consistent with the request from the RDN, and would give the most authority to the park agencies to follow their own bylaws, processes and procedures in authorizing special events.
- c) allow special events only in the P1 zone and not in the P2 and P3 zones because the parks in the P2 and P3 zones do not for the most part have management plans to guide the RDN in issuing a park use permit. The risk of this approach is that no special events whatsoever would be allowed in the P2 and P3 zones.

In order to evaluate these three approaches, the Local Trust Committee requested that I seek more information on the type of special events that require a park use permit, and what process and criteria the RDN uses to evaluate applications for these permits.

2. Ecological Reserves:

You requested that ecological reserves be added as a principal use in the P1 zone. The Local Trust Committee requested more information on this. As we understand it the RDN does not currently have any parks categorized as ecological reserve on Gabriola.

3. Signs:

The Local Trust Committee is considering reducing the permitted maximum sign area per lot from 4.0 sq m to 2.0 sq m; the existing entrance signs for Coats Marsh and Descanso Bay meet this reduced limit, but staff has not measured the existing signs in other parks to know

if they meet this 2.0 sq m size limit. We would like you comment on this proposed reduction in maximum sign area.

If you have any questions about this referral please contact Regional Planning Manager Courtney Simpson at 250-247-2209 or csimpson@islandstrust.bc.ca. I would be happy to meet with you in person to discuss, or be available for a meeting of your board or advisory bodies that you are referring this to.

Sincerely,



Courtney Simpson
Regional Planning Manager

cc Gabriola Island Local Trust Committee

Attachments:

1. Draft bylaws 271 and 272
2. Staff Report dated September 19, 2013
3. Excerpt from Gabriola Island Land Use Bylaw No. 177 – section B.4 Signs and section D.4 Recreational and Institutional Zones

APPENDIX 2

Gabriola Island Local Trust Committee Draft Bylaw271

DRAFT

Gabriola Island Local Trust Committee

BYLAW NO. 271

A BYLAW TO AMEND THE GABRIOLA ISLAND OFFICIAL COMMUNITY PLAN, NO. 166

The Gabriola Island Local Trust Committee, being the Trust Committee having jurisdiction in respect of the Gabriola Island Local Trust Area under *the Islands Trust Act*, enacts as follows:

1. Bylaw No 166, cited as "Gabriola Island Official Community Plan (Gabriola Island) Bylaw No. 166, 1997" is amended as shown on Schedule 1, attached to and forming part of this bylaw.
2. This bylaw may be cited as "Gabriola Island Official Community Plan (Gabriola Island) Bylaw 166, 1997, Amendment No. 1, 2013"

READ A FIRST TIME THIS DAY OF , 2013

PUBLIC HEARING HELD THIS DAY OF , 2013

READ A SECOND TIME THIS DAY OF , 2013

READ A THIRD TIME THIS DAY OF , 2013

APPROVED BY THE EXECUTIVE COMMITTEE OF THE ISLANDS TRUST

THIS DAY OF , 2013

APPROVED BY THE MINISTER OF COMMUNITY, SPORT AND CULTURAL DEVELOPMENT

THIS DAY OF , 2013

ADOPTED THIS DAY OF , 2013

SECRETARY

CHAIRPERSON

Gabriola Island Local Trust Committee

Bylaw No. 271

Schedule 1

The Gabriola Island Official Community Plan Bylaw No. 166 cited as "Gabriola Island Official Community Plan (Gabriola Island) Bylaw No. 166, 1997", is amended by amending Schedule B – Land Use Designations as follows:

1. By changing the land use designation on the land legally described as The Northwest $\frac{1}{4}$ of Section 10, Gabriola Island, Nanaimo District, Except those Parts in Plans 29152, 30043 and 30051 (PID: 009-735-828) from Resource to Parks as shown on Plan No. 1 attached to and forming part of this bylaw.
2. By changing the land use designation on the land legally described as:
 - a. Lot B, Section 20, Gabriola Island, Nanaimo District Plan VIP73679 (PID: 025-417-681); and
 - b. Lot A, Section 20, Gabriola Island Nanaimo District Plan VIP73679 (PID: 025-417-673)

from Commercial (Tourist Recreational) to Parks as shown on Plan No. 2 attached to and forming part of this bylaw.

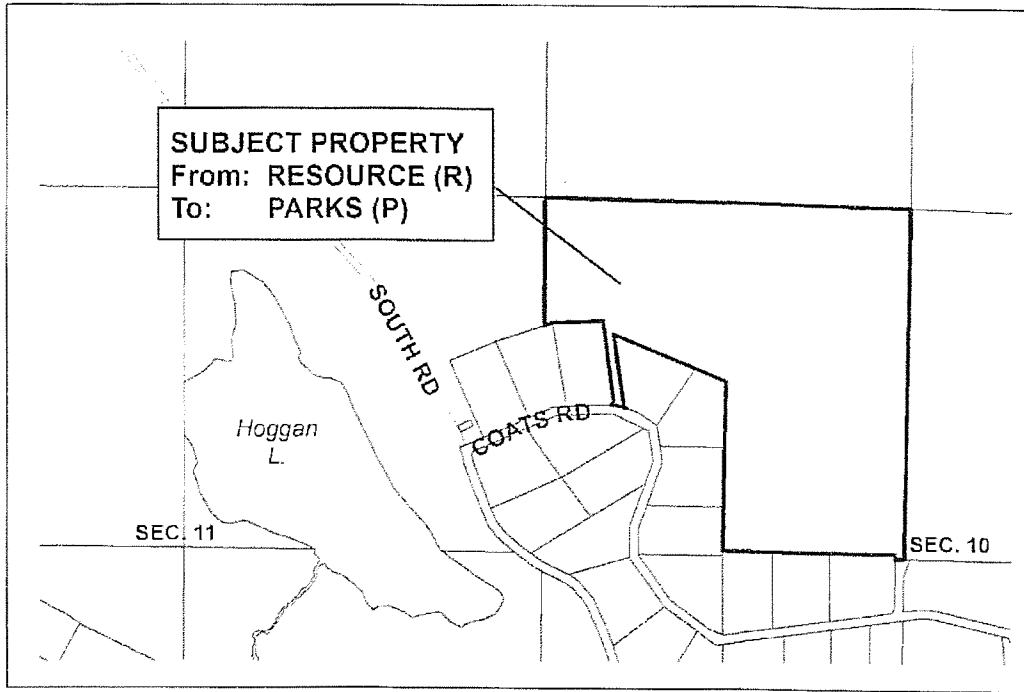
3. By changing the land use designation on the land legally described as:
 - a. The Northeast $\frac{1}{4}$ of Section 13, Gabriola Island, Nanaimo District (PID: 006-654-843);
 - b. The Northwest $\frac{1}{4}$ of Section 14, Gabriola Island, Nanaimo District (PID: 006-655-335);
 - c. The South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of Section 14, Gabriola Island, Nanaimo District (PID: 006-649-815);
 - d. The Southeast $\frac{1}{4}$ of Section 14, Gabriola Island, Nanaimo District (PID: 006-649-599);
 - e. The North $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 15, Gabriola Island, Nanaimo District (PID: 006-656-498); and
 - f. The East $\frac{1}{2}$ of the Northeast $\frac{1}{4}$ of Section 10, Gabriola Island, Nanaimo District (PID: 006-649-408)

from Forestry to Parks as shown on Plan No. 3 attached to and forming part of this bylaw.

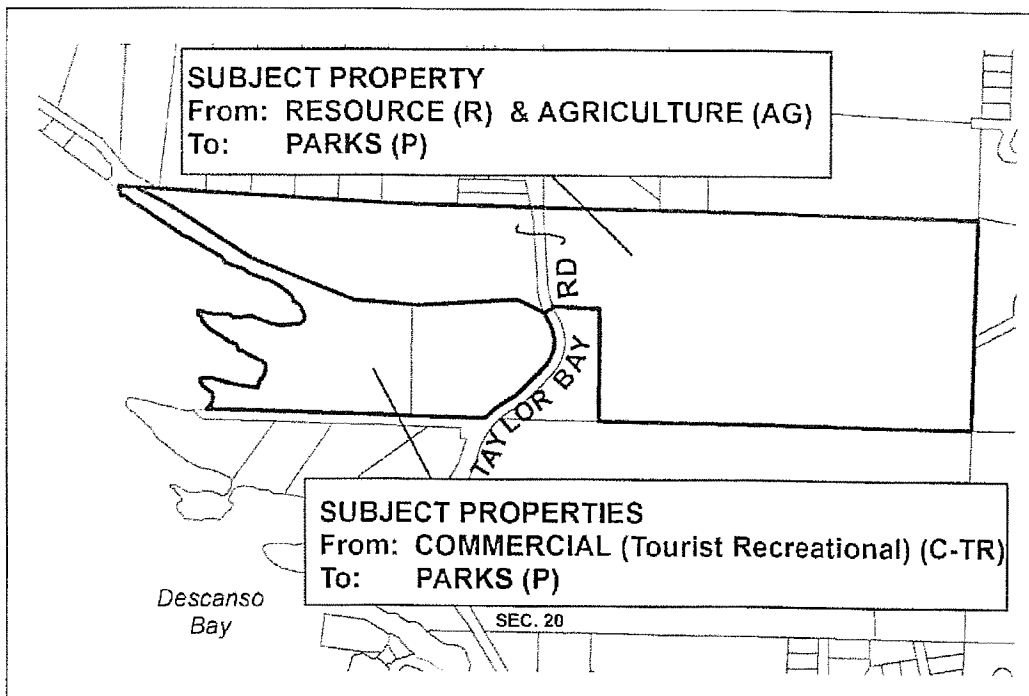
4. By changing the land use designation the land legally described as The North $\frac{1}{2}$ of the North $\frac{1}{2}$ of Section 20, Gabriola Island, Nanaimo District, Except Parts in plans 42874 and VIP73679 from Agriculture and Resource to Parks as shown in Plan No. 2 attached to and forming part of this bylaw.
5. By changing the land use designation of the land legally described as Lot 9, Section 18 & 23, Gabriola Island, Nanaimo District, Plan 45781 from Large Rural Residential to Parks as shown on Plan No. 4 attached to and forming part of this bylaw.

6. By changing the land use designation of the land designated as 'Park' on Plan VIP77409 from Agriculture and to Parks as shown on Plan No. 5 attached to and forming part of this bylaw.
7. By changing the land use designation of the land designated as 'Park' on Plan 41031 from Large Rural Residential to Parks as shown on Plan No. 5 attached to and forming part of this bylaw.
8. By changing the land use designation of the land designated as 'Park' on Plan VIP70945 from Large Rural Residential to Parks as shown on Plan No. 5 attached to and forming part of this bylaw.
9. By changing the land use designation of the land designated as 'Park' on Plan VIP66198 from Resource to Parks as shown on Plan No. 6 attached to and forming part of this bylaw.
10. By changing the land use designations of those portions of land designated as 'Park' on Plan 17658 from Small Rural Residential to Parks as shown on Plan No. 7 attached to and forming part of this bylaw.
11. By changing the land use designation of the land designated as 'Park' on Plan VIP82759 from Resource to Parks as shown on Plan No. 6 attached to and forming part of this bylaw.
12. By changing the land use designation of the land designated as 'Park' on Plan EPP11544 from Institutional to Parks shown on Plan No. 8 attached to and forming part of this bylaw.

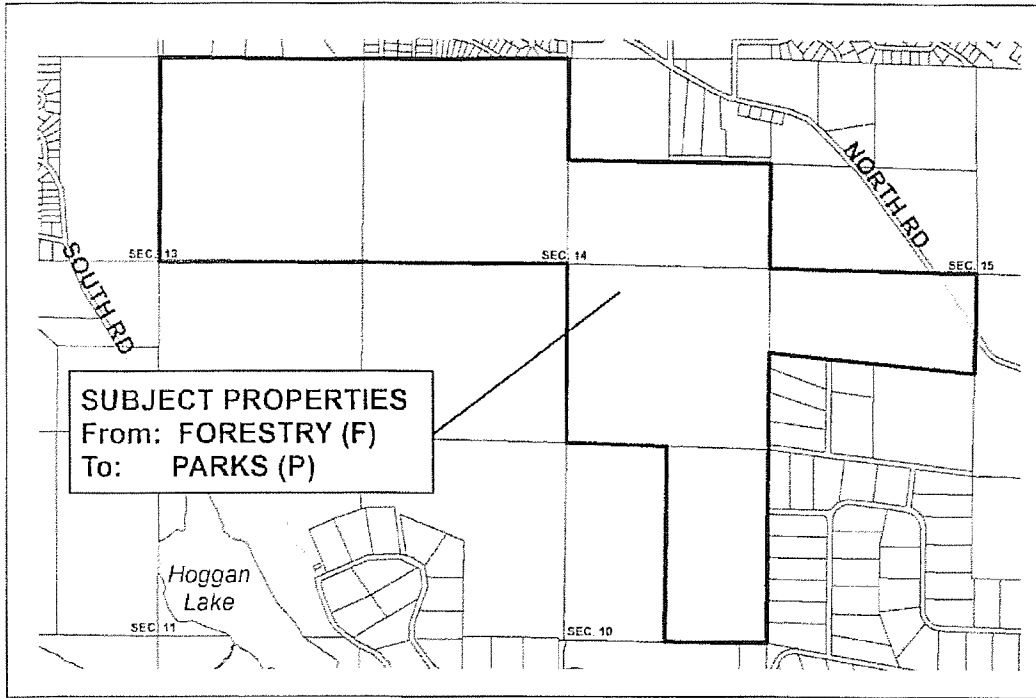
Plan No. 1



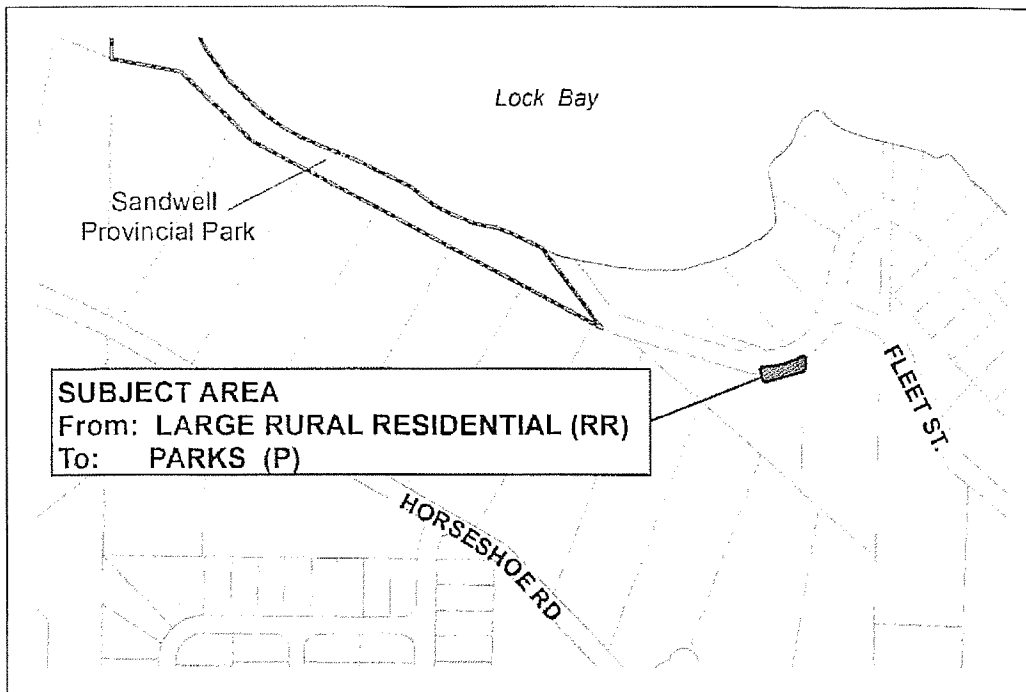
Plan No. 2



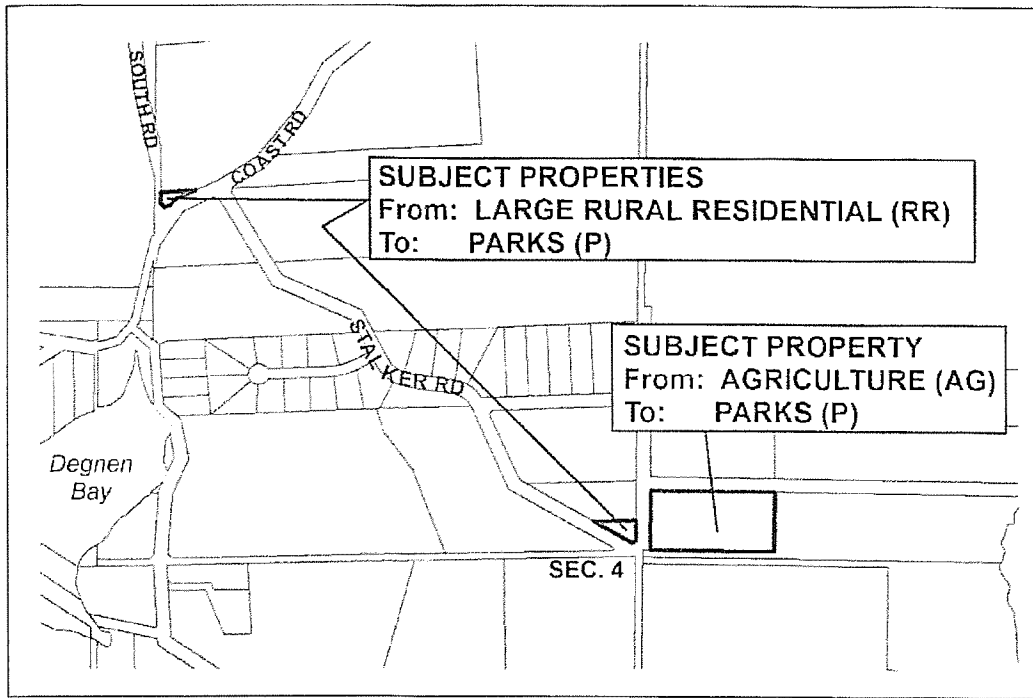
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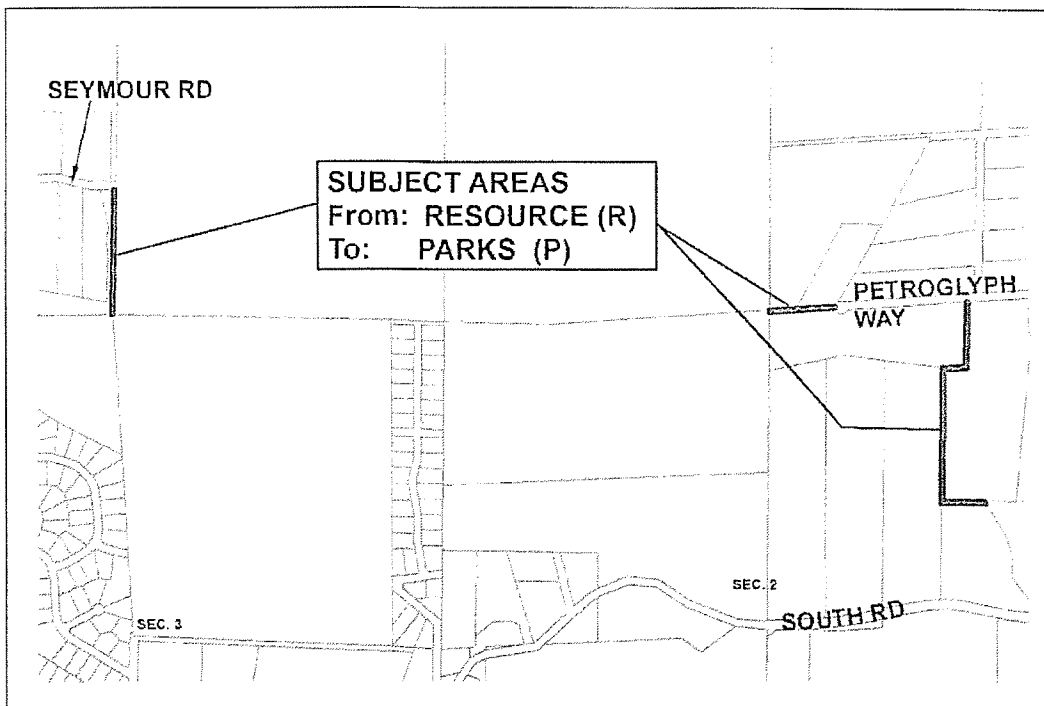
Plan No. 4



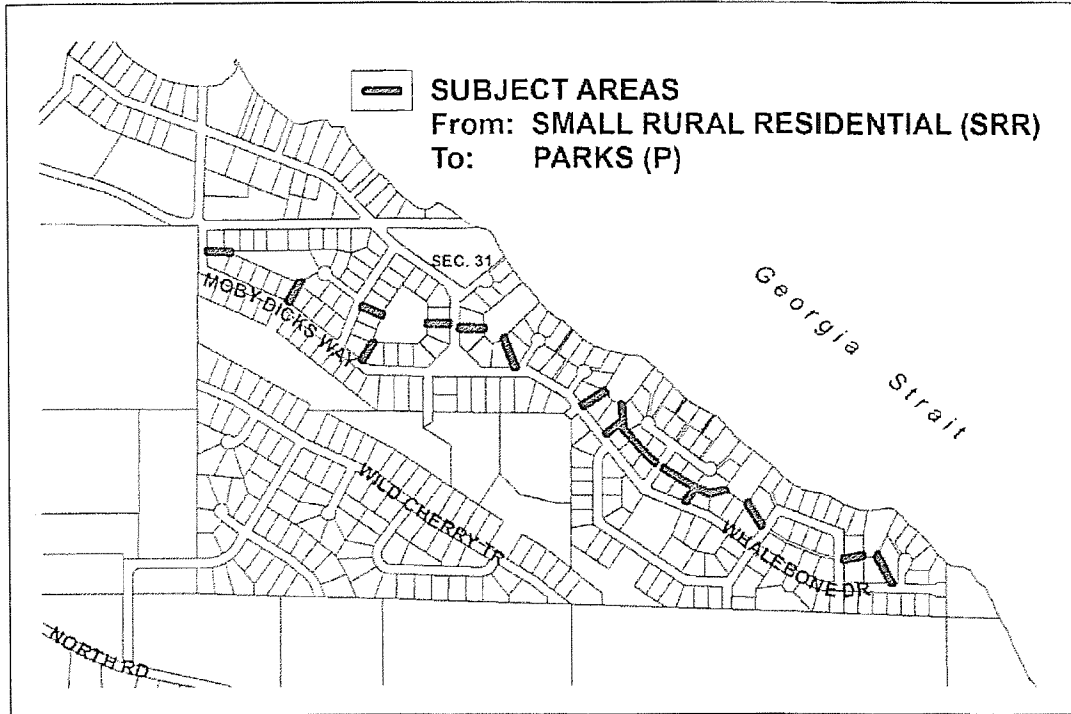
Plan No. 5



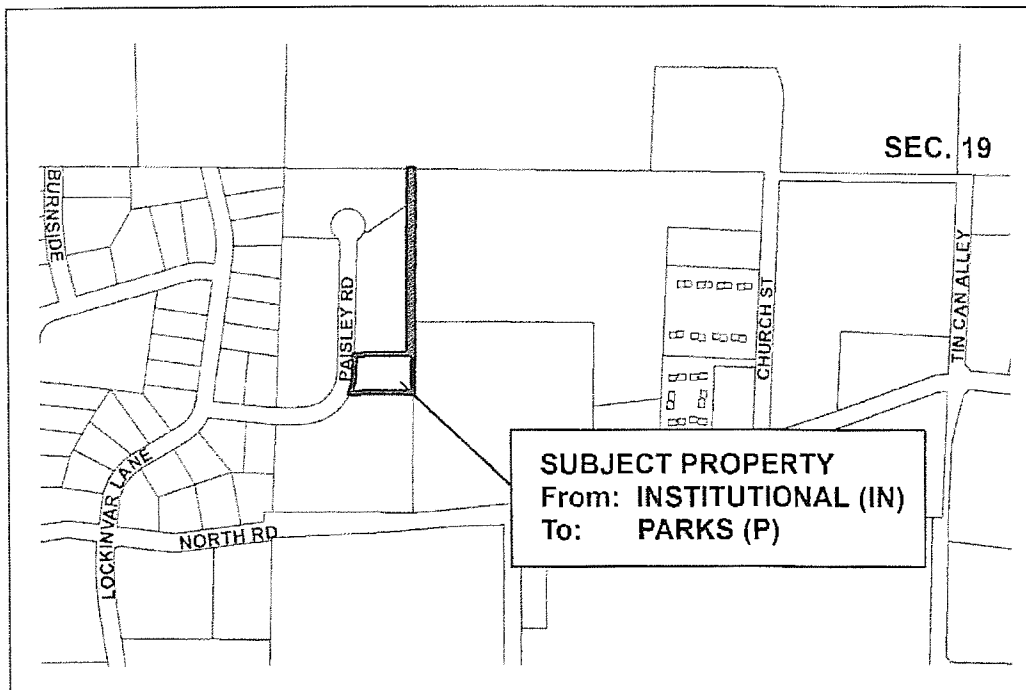
Plan No. 6



Plan No. 7



Plan No. 8



APPENDIX 3

Gabriola Island Local Trust Committee Draft Bylaw272

DRAFT

Gabriola Island Local Trust Committee

BYLAW NO. 272

A BYLAW TO AMEND THE GABRIOLA ISLAND LAND USE BYLAW, NO. 177

The Gabriola Island Local Trust Committee, being the Trust Committee having jurisdiction in respect of the Gabriola Island Local Trust Area under *the Islands Trust Act*, enacts as follows:

1. Bylaw No. 177, cited as "Gabriola Island Land Use Bylaw No. 177, 1999" is amended as shown on Schedule 1, attached to and forming part of this bylaw.
2. This bylaw may be cited as "Gabriola Island Land Use Bylaw 177, 1999, Amendment No. 1, 2013"

READ A FIRST TIME THIS	DAY OF	, 2013
PUBLIC HEARING HELD THIS	DAY OF	, 2013
READ A SECOND TIME THIS	DAY OF	, 2013
READ A THIRD TIME THIS	DAY OF	, 2013
APPROVED BY THE EXECUTIVE COMMITTEE OF THE ISLANDS TRUST		
THIS	DAY OF	, 2013
ADOPTED THIS	DAY OF	, 2013

SECRETARY

CHAIRPERSON

Gabriola Island Local Trust Committee

Bylaw No. 272

Schedule 1

1. Schedule "A" of Gabriola Island Land Use Bylaw No. 177 cited as "Gabriola Island Land Use Bylaw No. 177, 1999", is amended as follows:

a) To section B.4 Signs:

i. article B.4.2.1 is amended to read as follows:

"B.4.2.1 Signs exempted from the provisions of Subsection B.4.1 are:

- a. directional, traffic and marine navigational signs sited and maintained by government agencies; and
- b. interpretive and directional signs sited and maintained by government agencies in the P1, P2 and P3 zones."

b) To section D.2.4 Resource (R):

- i. sub-section D.2.4.1.a.iv is removed and the rest of the list is renumbered accordingly; and
- ii. under sub-section D.2.4.2.a.ii, the second bullet point which reads: "AM/FM Towers on lands shown on Schedule C, Map 5" is removed.

c) To section D.4.1 Parks 1 – Provincial and *Regional Park* (P1):

i. under sub-section D.4.1.1.a "Permitted *Principal Uses*", clause D.4.1.1.a.iii and iv are inserted as follows:

iii ecological reserves

iv campground, on lands shown on Schedule C, Map 16";

ii. new sub-section D.4.1.1.b is inserted as follows:

b. Permitted Accessory Uses

- i *caretaker residence*, on lands shown on Schedule C, Maps 16 and 17
- ii retail sales and rentals, excluding the sale of liquor, on lands shown on Schedule C, Map 16
- iii *campground* office use, on lands shown on Schedule C, Map 16

iii. under sub-section D.4.1.2.a "Permitted *Buildings and Structures*", new sub-sections ii and iii are inserted as follows:

ii Buildings and structures to accommodate campground office uses, retail sales and rentals not exceeding 200 square metres (2,152.9 square feet) of combined *floor area*, on lands shown on Schedule C, Map 16

iii Maximum of one caretaker residence, on lands shown on Schedule C, Maps 16 and 17";

- iv. new clause D.4.1.3.b.ii, is inserted as follows:
 - “ii The minimum *setback* for *campsites* is 10.0 metres (32.8 feet) from any *lot line*.”;

- v. New sub-section D.4.1.3.d is added as follows:

“d. Other Regulations

- i. Despite Section B.6.4, a travel trailer or recreational vehicle may be used for a *caretaker residence* and may be used without a *principle dwelling unit* on the lot.
- ii. The maximum number of *campsites* is 10 per 1.0 hectares (4 per acre).
- iii. Despite section B.6.4.2, a tent, tent-trailer, camper vehicle, or recreation vehicle is only permitted on a *campsite* a maximum of 60 days in a calendar year.
- iv. Despite section B.6.4.2, no campsite may be occupied by any person, consecutively or cumulatively within a year, for more than 60 days.”

- d) To section F.1 Definitions, the following definitions are inserted in alphabetical order:

“caretaker residence means a *single family dwelling* limited in floor area to 65.0 square metres (699.7 square feet) that is *accessory* to a *principal regional park use*;

- 2. Schedule “B” of Gabriola Island Land Use Bylaw No. 177 cited as “Gabriola Island Land Use Bylaw No. 177, 1999”, is amended as follows:

- a) To the legend the word “Park” is added after “PARKS 1 – Provincial and Regional”.

- b) By changing the zoning on the land legally described as The Northwest ¼ of Section 10, Gabriola Island, Nanaimo District, Except those Parts in plans 29152, 30043 and 30051 (PID: 009-735-828) from Resource to Parks 1 – Provincial and Regional Park as shown on Plan No. 1 attached to and forming part of this bylaw.

- c) By changing the zoning on the land legally described as:

- i. Lot B, Section 20, Gabriola Island, Nanaimo District Plan VIP73679 (PID: 025-417-681); and
- ii. Lot A, Section 20, Gabriola Island Nanaimo District Plan VIP73679 (PID: 025-417-673)

from Tourist Commercial 2 - Campgrounds to Parks 1 – Provincial and Regional Park as shown on Plan No. 2 attached to and forming part of this bylaw.

- d) By changing the zoning on the land legally described as:

- i. The Northeast ¼ of Section 13, Gabriola Island, Nanaimo District (PID: 006-654-843);
- ii. The Northwest ¼ of Section 14, Gabriola Island, Nanaimo District (PID: 006-655-335);

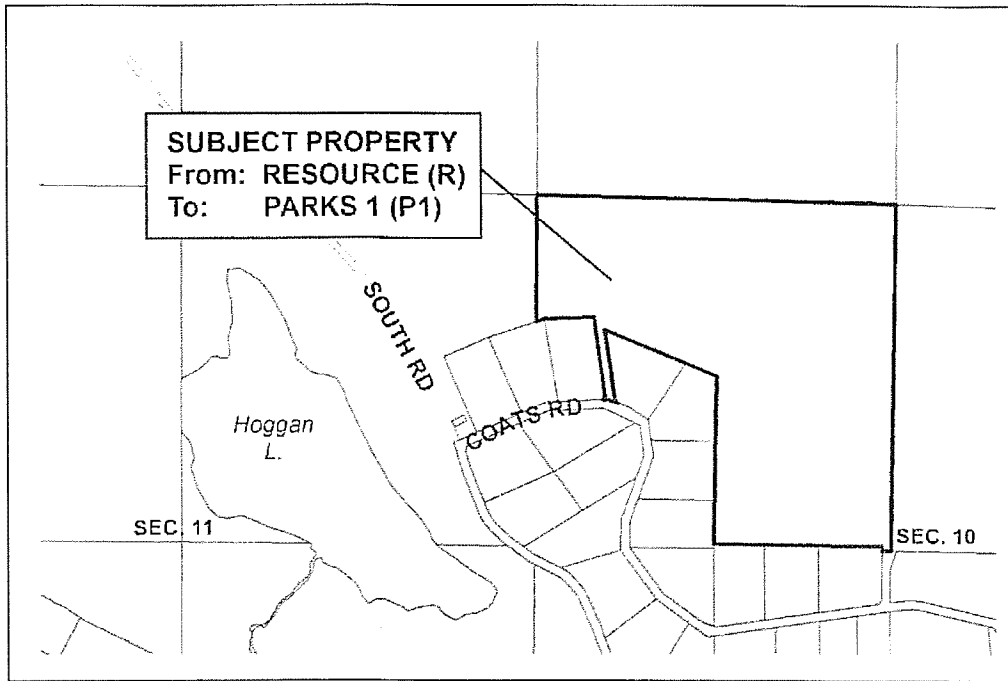
- iii. The South ½ of the Northeast ¼ of Section 14, Gabriola Island, Nanaimo District (PID: 006-649-815);
- iv. The Southeast ¼ of Section 14, Gabriola Island, Nanaimo District (PID: 006-649-599);
- v. The North ½ of the Southwest ¼ of Section 15, Gabriola Island, Nanaimo District (PID: 006-656-498); and
- vi. The East ½ of the Northeast ¼ of Section 10, Gabriola Island, Nanaimo District (PID: 006-649-408)

from Forestry Wilderness/Recreation 1 to Parks 2 – Passive Recreation Community Park as shown on Plan No. 3 attached to and forming part of this bylaw.

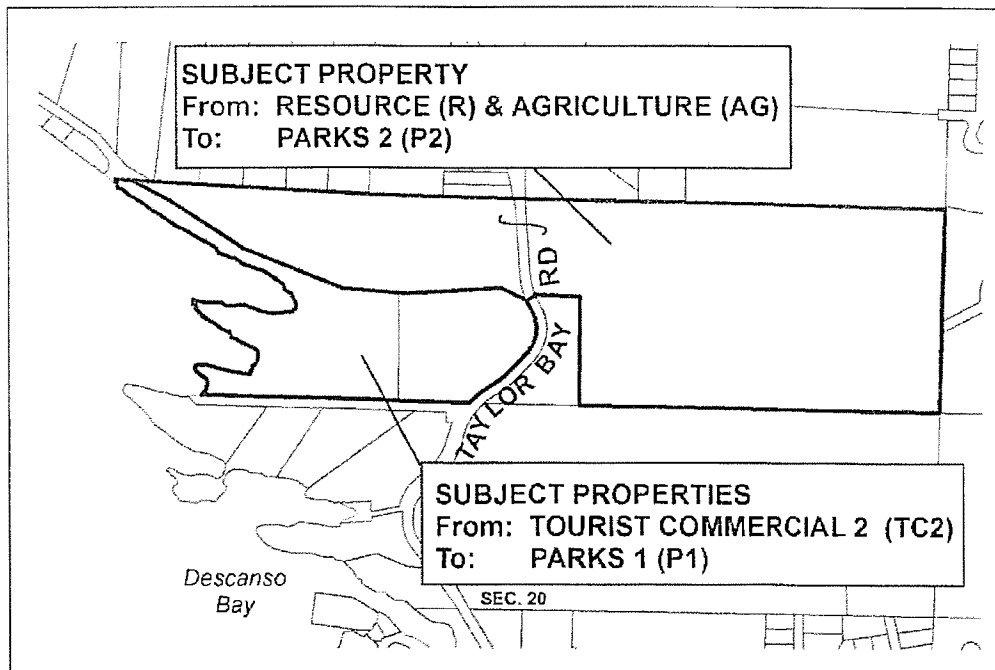
- e) By changing the zoning on the land legally described as The North ½ of the North ½ of Section 20, Gabriola Island, Nanaimo District, Except Parts in Plans 42874 and VIP73679 from Resource and Agriculture to Parks 2 – Passive Recreation Community Park as shown on Plan No. 2 attached to and forming part of this bylaw.
- f) By changing the zoning on the land designated as 'Park' on Plan 41031 from Large Rural Residential to Parks 2 – Passive Recreation Community Park as shown on Plan No. 4 attached to and forming part of this bylaw.
- g) By changing the zoning on the land designated as 'Park' on Plan VIP77409 from Agriculture to Parks 2 – Passive Recreation Community Park as shown on Plan No. 4 attached to and forming part of this bylaw.
- h) By changing the zoning on the land designated as 'Park' on Plan VIP70945 from Large Rural Residential to Parks 2 – Passive Recreation Community Park as shown on Plan No. 4 attached to and forming part of this bylaw.
- i) By changing the zoning on the land designated as 'Park' on Plan VIP66198 from Resource to Parks 2 – Passive Recreation Community Park as shown on Plan No. 5 attached to and forming part of this bylaw.
- j) By changing the zoning on the land designated as 'Park' on Plan 17658 from Small Rural Residential to Parks 2 – Passive Recreation Community Park as shown on Plan No. 6 attached to and forming part of this bylaw.
- k) By changing the zoning on the land designated as 'Park' on Plan VIP82759 from Resource Residential 1 to Parks 2 – Passive Recreation Community Park as shown on Plan No. 5 attached to and forming part of this bylaw.
- l) By changing the zoning on the land designated as 'Park' on Plan EPP11544 from Institutional 3 to Parks 2 – Passive Recreation Community Park as shown on Plan No. 7 attached to and forming part of this bylaw.
- m) By changing the zoning on that portion of land legally described as "lot 9, Section 18 & 23, Gabriola Island, Nanaimo District, Plan 45781" from Large Rural Residential to Parks 1 – Provincial and Regional Park as shown on Plan No. 8 attached to and forming part of this bylaw.

- n) By changing the zoning on that portion of water shown on Plan No. 8, attached to and forming part of this bylaw, from Water General to Water Protection 2.
 - o) By changing the zoning on that portion of water shown on Plan No. 8, attached to and forming part of this bylaw, from Water Protection 2 to Water General.
 - p) By changing the zoning on those portions of water shown on Plan No. 9, attached to and forming part of this bylaw, from Water Protection 1 to Water Protection 2.
 - q) By changing the zoning on that portion of water shown on Plan No. 9, attached to and forming part of this bylaw, from Water Protection 2 to Water Protection 1.
 - r) By changing the zoning on that portion of water shown on Plan No. 10, attached to and forming part of this bylaw, from Water General to Water Protection 2.
 - s) By changing the zoning on that portion of water shown on Plan No. 10, attached to and forming part of this bylaw, from Water Protection 2 to Water General.
3. Schedule "C" of Gabriola Island Land Use Bylaw No. 177 cited as "Gabriola Island Land Use Bylaw No. 177, 1999", is amended as follows:
- a) By deleting Map 5.
 - b) By adding Map 16 as shown on Plan No. 11, attached to and forming part of this bylaw.
 - c) By adding Map 17 as shown on Plan No. 12, attached to and forming part of this bylaw.

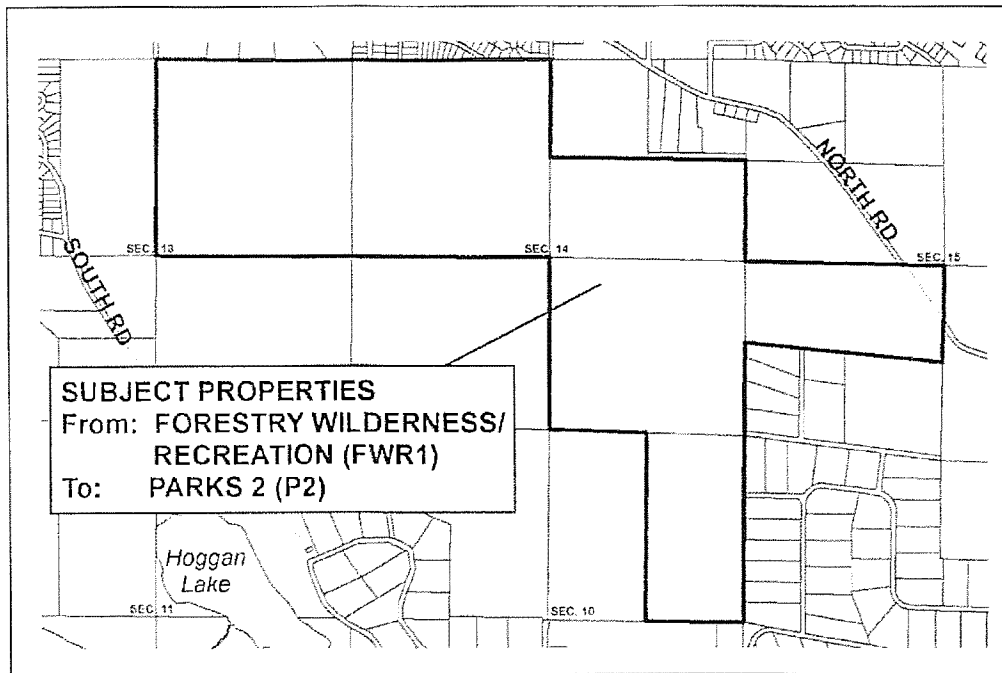
Plan No. 1



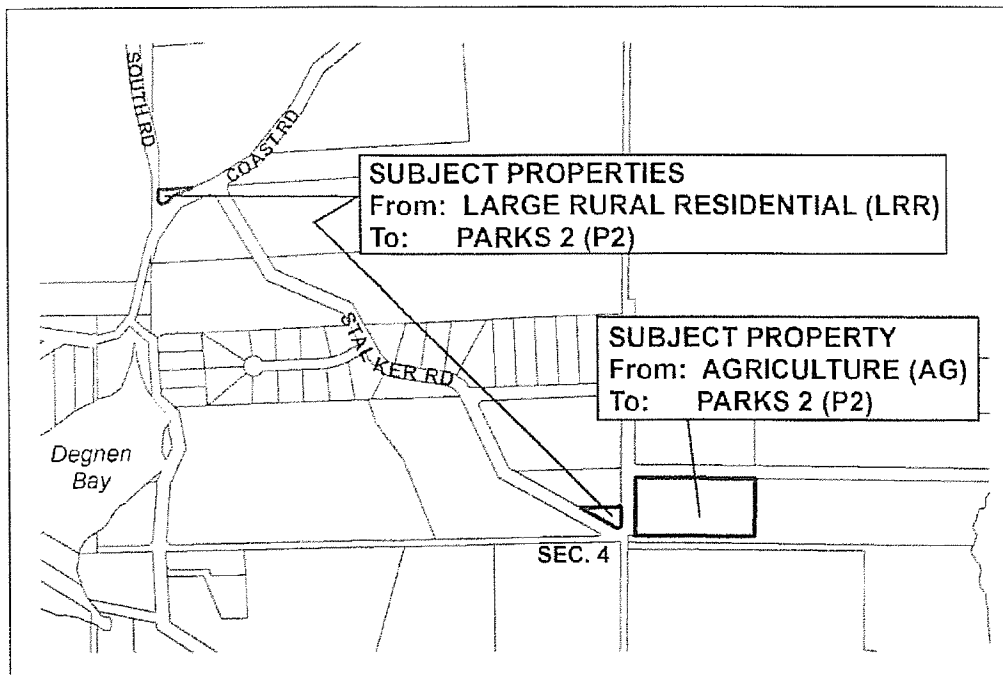
Plan No. 2



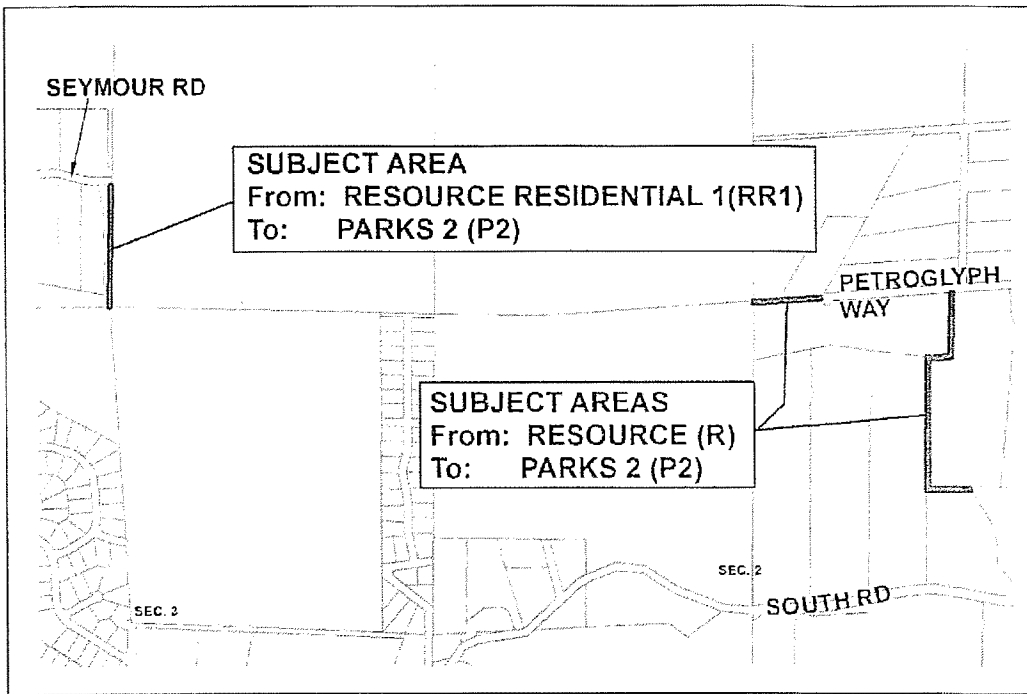
Plan No. 3



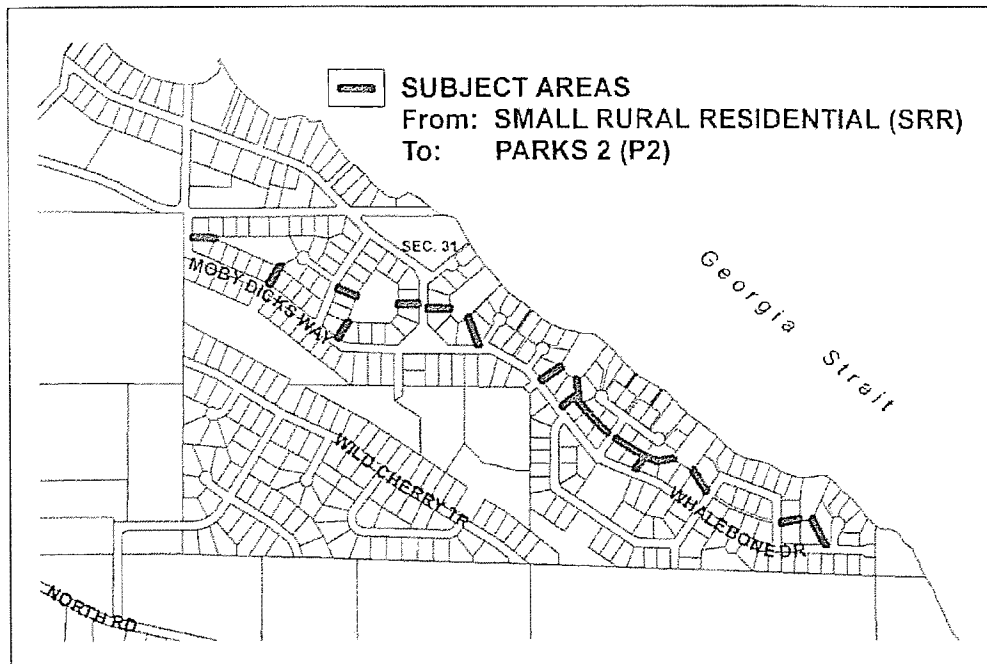
Plan No. 4



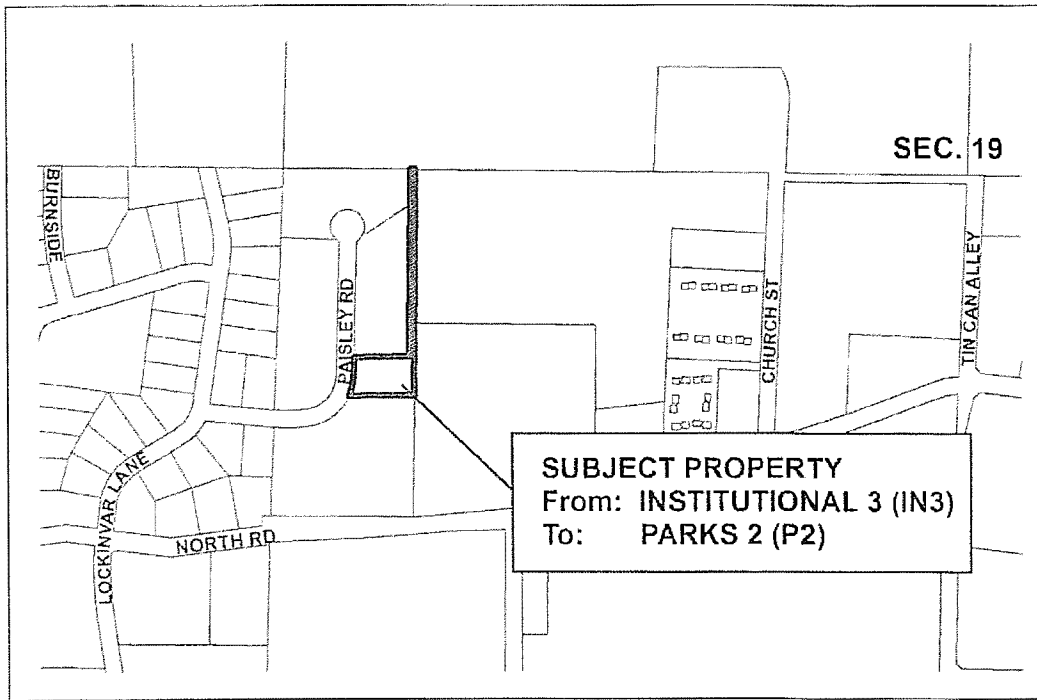
Plan No. 5



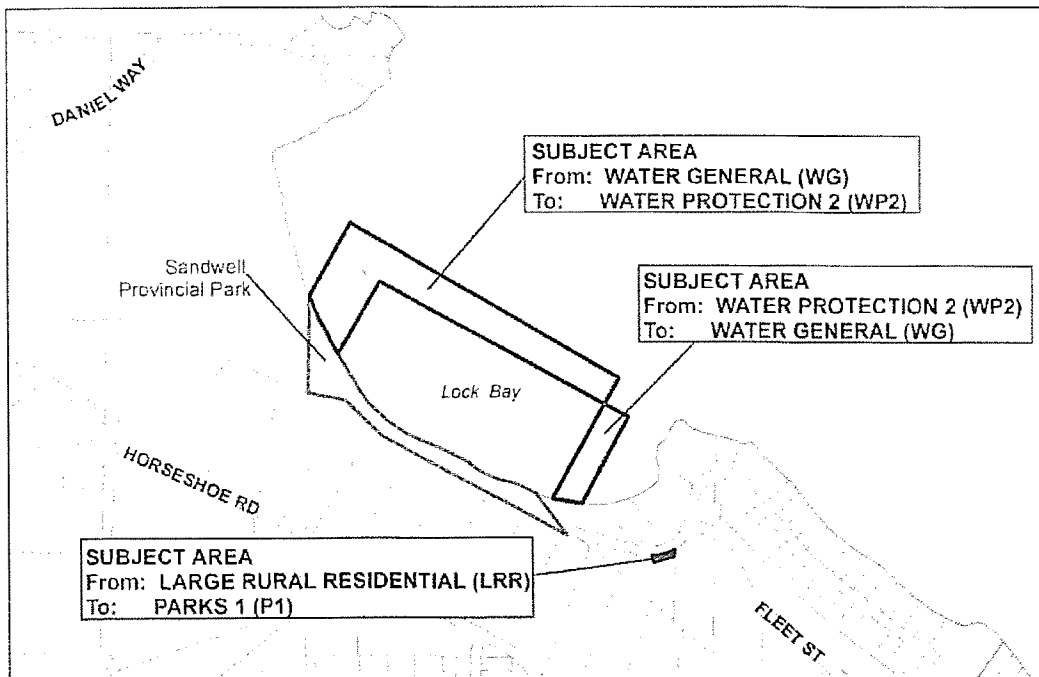
Plan No. 6



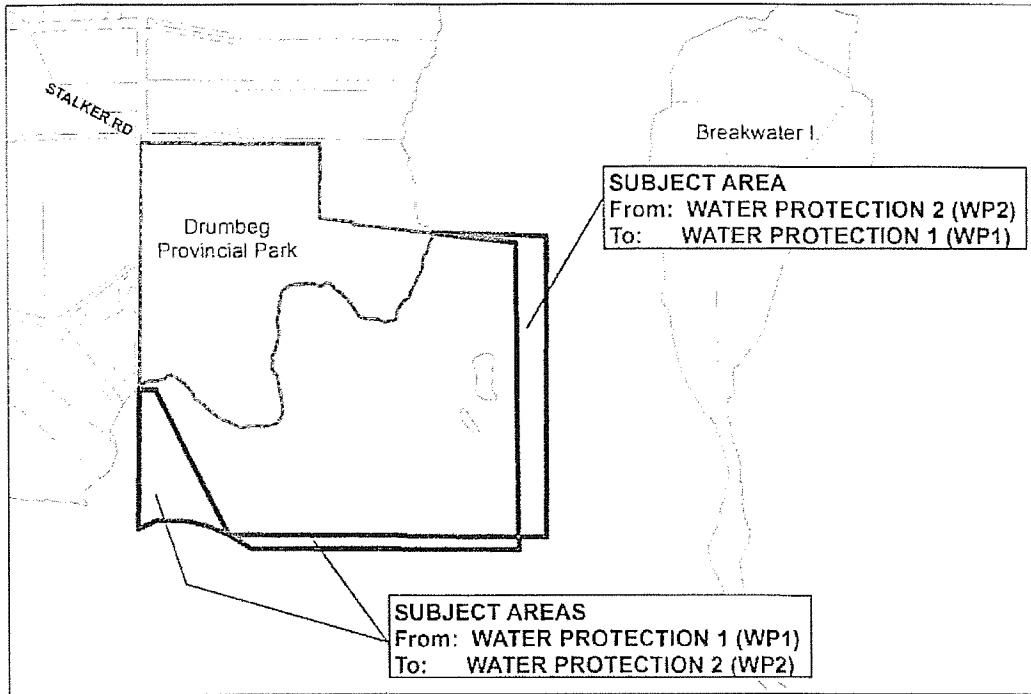
Plan No. 7



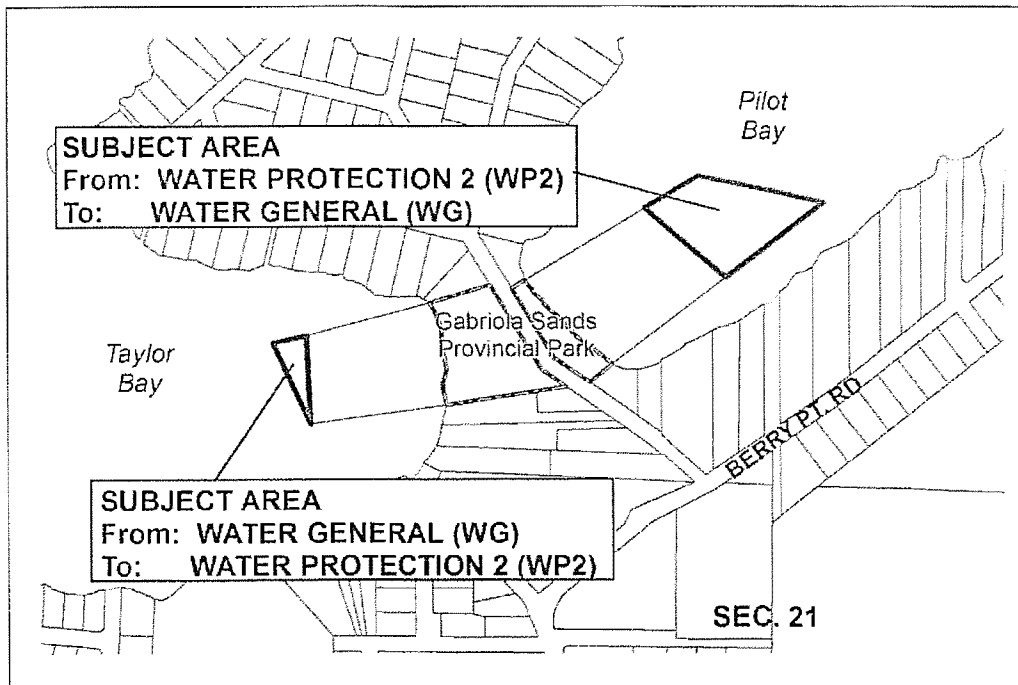
Plan No. 8



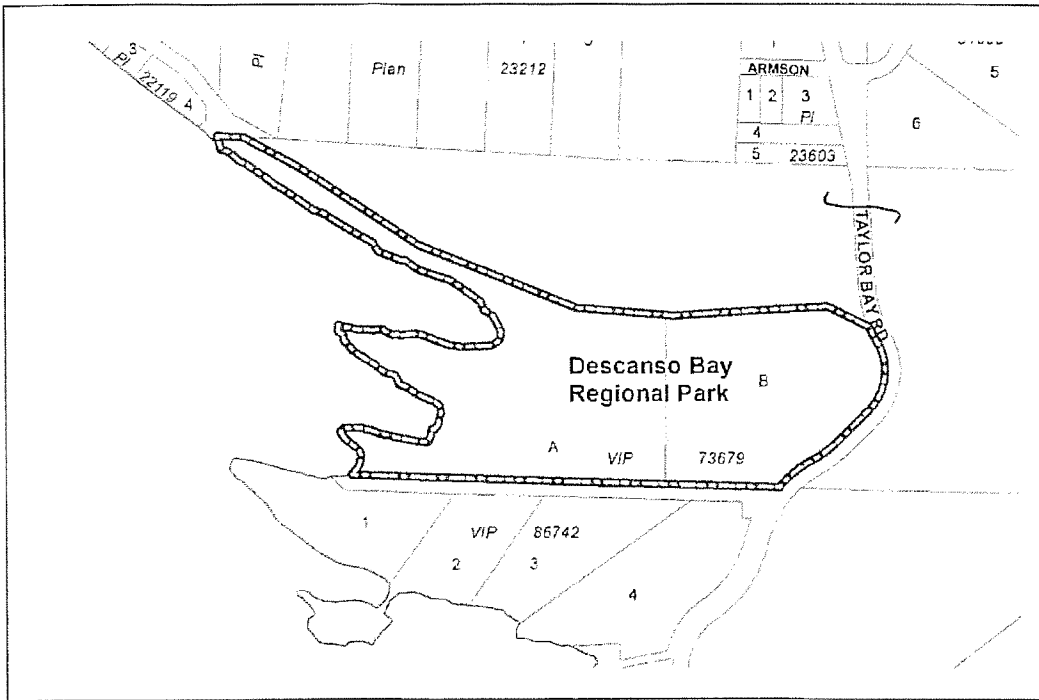
Plan No. 9



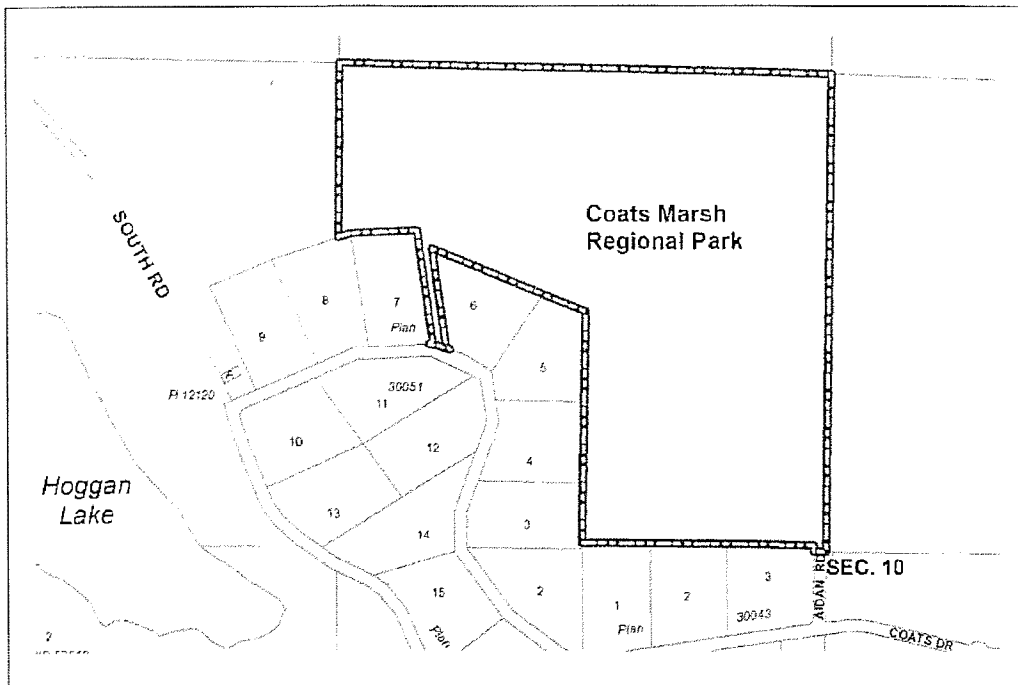
Plan No. 10



Plan No. 11



Plan No. 12



APPENDIX 4

Excerpts from Regional District of Nanaimo Park Use Regulations Bylaw No. 1399, 2004

SECTION 4 INTERPRETATION

4.1 In this bylaw:

(r) **"Special use"** means:

- i. any commercial or non-commercial service, activity or event that is intended to attract or requires participants or spectators and includes: a festival; competition; tournament; procession, drill, performance, concert, gathering, march; fishing derby; show; party; outdoor ceremony; regatta; animal show; group training or lesson or recreational programming; operation of a model airplane, vehicle or vessel; television or motion picture filming; and research, survey or petition activity;

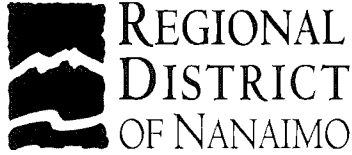
5.16 Special Use and Commerce

- (a) Except for authorized personnel or where authorized by a park use permit, no person shall:
 - i. undertake or engage in a special use;
 - ii. carry on a commercial or industrial undertaking of any kind or nature or provide professional, personal or other services;
 - iii. post, paint or distribute any advertisement, sign, handbill, pamphlet, poster or placard of any kind; or
 - iv. operate, park or station any vehicle displaying advertising or equipped with a public address system.

5.17 Park Use Permits

- (a) Application for a park use permit shall be made to the District Manager who may:
 - i. grant, refuse, revoke, renew or refuse to renew a park use permit;
 - ii. establish park use permit fee amounts that differ from the general rates described in Schedule "C";
 - iii. impose terms and conditions on obtaining, holding or renewing a park use permit;
 - iv. determine the amount of a park use permit fee refund in the event of a cancellation; or
 - v. refer an application to the District Board for determination.
- (b) An applicant for a park use permit may appeal the decision of the District Manager to the District Board by submitting a written request to the Board Chairman within 15 days of issuance of a decision by the District Manager.
- (c) A park use permit application must be accompanied by the required permit fee, damage deposit and proof of comprehensive general liability insurance, as set out in Schedule "C".
- (d) Conditions associated with a park use permit may include:
 - i. the confinement of a special use to a specific location within a park, to certain time periods or to participation by certain people;
 - ii. that the applicant supply, install and service additional garbage receptacles or portable toilets or pay the District for additional servicing required as a result of the permitted activity;
 - iii. that the applicant provide and pay for the provision of appropriate fire and police or security protection during the course of the special use;

- iv. restrictions on the use of generators and other mechanical, electrical or electronic devices; the playing of live or recorded music; and the erection or placement of any temporary structures, seating, tables, flags, banners or other gear associated with the special use activity;
 - v. specific exemptions from provisions of this bylaw;
 - vi. any other terms and conditions specific to the nature of the special use requested given consideration of the impact of the special use on the park, park users and neighbours; and
 - vii. any other terms and conditions consistent with the intent of this bylaw.
- (e) A park use permit may not be issued unless all the following criteria are met:
- i. the special use conforms to any management plan produced for a park;
 - ii. the location of the permitted activity will not cause a significant or permanent negative environmental impact on the park and is sensitive to the use of the park by others;
 - iii. the applicant assumes full responsibility for the special use and indemnifies the District to its satisfaction; and
 - iv. the applicant has satisfied the requirements of paragraphs (c) above and agreed to the conditions set out in his park use permit.
- (f) Without limiting the authority of the District Manager, a park use permit may be refused if the applicant has previously contravened this bylaw.
- (g) The holder of a park use permit must also comply with the regulations, prohibitions and requirements of all other government bodies and local authorities including this and other District bylaws, for example, Bylaw No. 1010 Special Events Regulatory Bylaw for events involving more than 500 people, unless specifically exempted in writing.
- (h) In addition to any other penalties and enforcement actions, where the holder of a park use permit has not satisfied the terms and conditions of his permit:
- i. a park use permit may be revoked;
 - ii. a park use permit fee or a damage deposit may be forfeited to the District;
 - iii. the District may exercise any rights under the applicant's insurance; and
 - iv. the applicant may be required to pay, at the rate specified in Schedule "C", the cost of preparations, repairs, clean-up or park restoration undertaken by the District consequent to special use, failure to do so entitling the District to do the work at the applicant's expense.



BDN REPORT		
CAO APPROVAL		#
EAP		
CDW		
NOV 19 2013		
RHD		
BOARD	✓	

MEMORANDUM

TO: Wendy Idema
Director of Finance

DATE: November 19, 2013

FROM: Manvir Manhas
Senior Accountant

FILE:

SUBJECT: Operating Results for the Period Ending September 30, 2013

PURPOSE:

To present a summary of the operating results for the period ending September 30, 2013.

BACKGROUND:

The Regional Board reviews quarterly financial progress statements in order to identify both positive and negative budget trends as they occur. This report provides information on the operating results for the period January 1 to September 30, 2013.

The year-to-date statements are prepared primarily on a cash paid/received or invoiced basis. Exceptions are property taxes and debt payments, which are recorded or accrued at 1/12 of the annual amount each month and the prior year surpluses (deficits), which are recorded in full at the beginning of the year.

Assuming an even distribution of revenues and expenses throughout the year, the current financial performance benchmark would be approximately 75% versus budget. Where significant variances have been observed staff have provided comments in the individual sections below.

Attached as appendices to this report are the following:

- Appendix 1 Overall Summary by Division
- Appendix 2 Summary of Total Revenues/Total Expenditures by Department

Overall Summary by Division (Appendix 1)

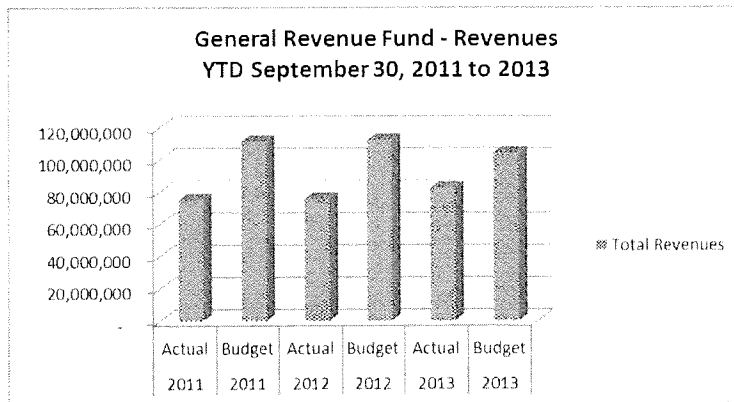
This appendix provides an overview of the year to date results at an organizational level.

Revenues

Total revenues are at 79% of budget with property tax revenues at the expected 75%. There is an \$8.8 million impact to both revenues and expenses for 2013 resulting from the borrowing and flow through transfer to the Vancouver Island Regional Library (VIRL) which was approved after the budget was

completed. With the impact of this transaction removed, total revenues would be 71% of budget and Other revenues would be 47% of budget which is typical for this time of year. Grant Revenues are at 66%, due mainly to grant timing on several Recreation and Parks (12%) projects. Both Grant revenues and Other revenues are impacted by the timing of large projects which don't begin until budgets are finalized in March. Capital projects use a drawdown accounting approach where revenues are recorded as project expenses are incurred.

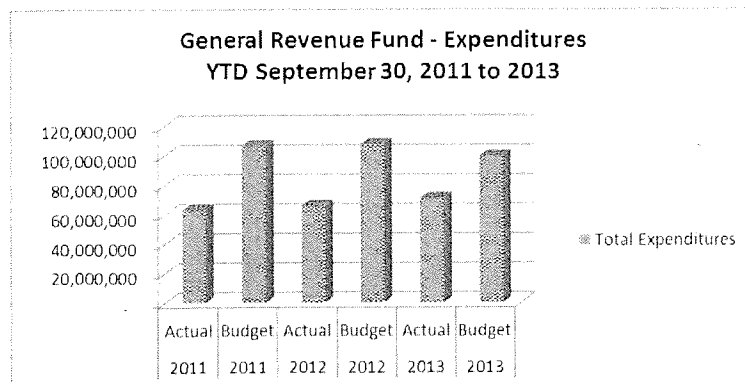
Operating revenues are at 81% of the budget as they reflect the first utility services billings which occur at the end of May but do not include the impact of the summer water billing which will show in October. The charts below show the 3 year trend for revenues and expenses at September 30 with the higher trend in 2013 a result of the VIRL transaction.



Expenditures

Overall expenditures are at 71% of budget and with the impact of the VIRL transaction removed, they would be 63%, again consistent with previous years. Expenditure items noticeably under budget include Community Grants (21%), Professional Fees (38%), and Capital Expenditures (33%). Professional fees and capital expenditures are directly related to the timing of payments for projects and the bulk of community grant funds will be allocated during the fall and will be impacted by the outcome of the Island Corridor Foundation (ICF) agreement. Wages & Benefits are at the expected 74%. Further details are provided under Operating Results by Department below.

Expenditures for Debt Interest (53%) and Debt Principal (75%) vary from budget at this time because of the timing of debt payments made on behalf of municipalities. Transfers to Reserve (102%) are largely completed and recorded in August every year with only specific transfers made earlier in the year.



Summary of Operating Results by Department (Appendix 2)

This appendix lists the total year-to-date revenues and expenditures for functions within each organizational division. This listing illustrates at a glance the overall status of an individual service as at September 30 compared to the overall budget for that service.

Corporate Services

The Corporate Services division of Appendix 2 is being skewed at 115% for revenue and 113% for expense because of the \$8.8 million borrowing flow through transfer to the Vancouver Island Regional Library (see Regional Library at 473%) which was not incorporated in the budget for the year. With the impact of this transaction removed, year to date total revenues are at 67% and expenditures are at 63% which is largely related to the Fire Protection service areas.

Under Fire Services, the Coombs Hilliers (48% revenue/58% expenditures), Dashwood (57% revenue/73% expenditures), and Bow Horn Bay (32% revenue/42% expenditures) fire service areas have capital projects underway or planned where the revenues will be transferred from reserves as the projects are completed. As well, some fire departments pay out clothing and gas allowances to volunteers at year end which also impacts expenditures.

Wellington Fire Service (97% of expenditures) and the District 69 E911 Service (100% of expenditures) reflect that the transfers to the City of Nanaimo and to the North Island 911 Corporation have already been made per our agreements with them.

Development Services

The Development Services division of Appendix 2 shows year-to-date total revenues at 82% and expenditures at 67%. The service areas showing variances in revenue and expenditures are as follows:

- VIHA Homelessness Grants (100% revenue/0% expenditures) is because additional grants will be issued at a later date as new initiatives are funded.
- Economic Development South (75% revenue/100% expenditures) reflects that the transfer of funds to the Nanaimo Economic Development Corporation has occurred.
- Community Works Funds (61% revenue/64% expenditures) reflects the drawdown approach to these grants where revenues are brought in as expenses are incurred. Community Works includes projects such as the Cedar Heritage Centre, the Community Bus on Gabriola Island and Community Trails Projects with upgrades currently underway and costs to be incurred through the fall.
- Emergency Planning (58% revenue/63% expenditures) reflects outstanding grant revenues that have been claimed, but not received; and for expenditures, it reflects the timing of the grant funded projects underway where revenues are recorded as project expenses are incurred.
- Nuisance Premises (30% revenue/16% expenditures) and Hazardous Properties (36% revenue/28% expenditures) are because there have been no incidents requiring clean up to date this year.

Regional and Community Utilities

The Regional and Community Utilities division of Appendix 2-A shows year-to-date total revenues at 69% and expenditures at 60%. The service areas with variances at September 30 are as follows:

- Wastewater Management Plan (93% revenues/64% expenditures) reflects unspent program costs pending approval of the liquid waste management plan by the Ministry.
- Southern Community Wastewater (63% revenue/59% expenditures), and Duke Point Wastewater (83% revenue/63% expenditures) are a result of the timing of capital projects for expenses as well as for revenues in the Southern Community as revenues are accrued as the expenses are incurred.
- Under the Water Supply service areas only the San Pareil Fire Improvements (6% revenue/8% expenditures) is significantly low in both revenues and expenditures as a result of the capital project work planned for the Fall. Several other water services show lower than budget expenditures such as Whiskey Creek (58% revenue/60% expenditures), French Creek (77% revenue/53% expenditures) and Englishman River (94% revenue/49% expenditures). These also reflect the timing of capital and underground maintenance projects.
- The Nanoose Bay Bulk Water (65% revenue/58% expenditures) and French Creek Bulk Water (30% revenue/12% expenditures) budgets include transfers to the Englishman River Water Service Joint Venture capital work for \$428,000 funded by DCC's and reserves which have not been fully completed. The remainder of the funds will be transferred when the costs are incurred by the Joint Venture and billed back to the RDN.

Recreation and Parks Services

The Recreation and Parks division of Appendix 2-B shows year-to-date total revenues at 73% and expenditures at 70%. The service areas with variances at September 30 are as follows:

- All of the Community Parks Service areas have projects and reserve transfers where the timing is impacting revenues and expenditures as well. This is particularly noticeable in Area A (16% revenue/13% expenditures) and Area F (53% revenue/37% expenditures) which have capital projects underway (Meadowood Way Park, and the Cedar Skatepark) funded by both grants and reserve transfers. In Area 'H' where the Henry Morgan Park project is complete, revenues are at 94% and expenses are 87%.
- Gabriola Island Recreation (122% revenue/140% expenditures) is high for two reasons: transfers to the Gabriola Recreation Society are done in two installments (January 1 & June 1) during the year; and because they transferred \$43,000 in surplus funds back to the RDN to hold in reserve for them which was not included in the budget.
- Area 'A' Recreation & Culture (80% revenue/53% expenditures) also reflects unspent capital funds related to renovations at the Cedar Heritage Centre.
- Southern Community Recreation at 99% and the Port Theatre at 100% for expenditures reflect that the transfers of funds to the recipients for these services were made in August.

Transportation and Solid Waste Services

The Transportation and Solid Waste division of Appendix 2-B shows year-to-date total revenues at 71% and expenditures at 61%. The service areas with variances at September 30 are as follows:

- Solid Waste Disposal (58% revenue/45% expenditures) reflects lower transfers in from reserves as well as lower capital expenditures due to timing of large projects such as the redevelopment of the closed portion of the landfill which are planned for later this year and into 2014.
- Solid Waste Collection and Recycling is at 92% of its revenue budget vs. 68% of expenses because the annual utility billing is largely completed in May each year generating significant revenues at that time. The expenditure side will catch up later in the year as well because billings from haulers tend to lag behind a month or two.

SUMMARY:

The attached appendices reflect the operating activities of the Regional District recorded up to September 30, 2013. Appendix 1 summarizes the overall results across the organization. To date 79% of budgeted revenues and 71% of budgeted expenditures have been recorded. There is an \$8.8 million impact to both revenues and expenses for 2013 resulting from the borrowing and flow through transfer of funds to VIRL which was approved after the budget was completed. With the impact of this transaction removed, total revenues would be 71% of budget and expenditures would be 63%, which is consistent with previous years. Grants (64%) are below the benchmark for seasonal and other timing reasons noted above.

Expenditures for professional fees (38%) and capital projects (33%) are lower overall due to the summer time commencement for many capital projects. Community Grants (21%) are lower because some grant transfers occur in the Fall after funds are transferred from the province and because the ICF transfer will not occur until the terms of the agreement are completed. Across all services, wages and benefits are in line with expectations at 74% of the budget.

RECOMMENDATION:

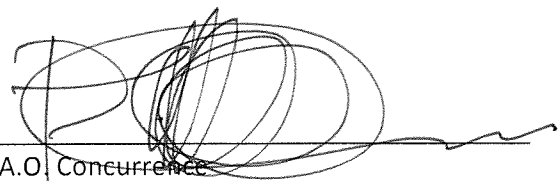
That the summary report of financial results from operations to September 30, 2013 be received for information.



Report Writer



Director of Finance Concurrence



C.A.O. Concurrence



GENERAL REVENUE FUND
September 30, 2013

	CORPORATE SERVICES			DEVELOPMENT SERVICES			REGIONAL & COMMUNITY UTILITIES			RECREATION & PARKS SERVICES			TRANSPORTATION AND SOLID WASTE SERVICES			TOTAL REVENUE FUND		
	Actual 2013	Budget 2013	% Var	Actual 2013	Budget 2013	% Var	Actual 2013	Budget 2013	% Var	Actual 2013	Budget 2013	% Var	Actual 2013	Budget 2013	% Var	Actual 2013	Budget 2013	% Var
REVENUES																		
TAX REQUISITION	\$5,374,831	\$7,166,442	75%	\$1,830,807	\$2,441,076	75%	\$9,517,352	\$12,689,801	75%	\$7,100,874	\$9,467,830	75%	\$6,251,538	\$8,335,384	75%	\$30,075,402	\$40,100,533	75%
GRANTS	140,677	143,590	98%	106,004	274,050	39%	197,221	193,515	102%	86,110	725,927	12%	4,107,502	5,889,105	70%	4,637,514	7,226,187	64%
OPERATING REVENUE	308,497	183,550	168%	983,291	1,125,731	87%	1,708,290	1,642,530	104%	1,165,262	1,475,856	79%	12,995,969	16,735,656	78%	17,161,309	21,163,323	81%
OTHER REVENUE	13,946,817	9,514,083	147%	179,627	258,457	69%	5,623,194	11,491,215	49%	507,481	905,617	56%	832,204	4,220,912	20%	21,089,323	26,390,284	80%
PRIOR YEAR'S SURPLUS (DEFICIT)	1,383,288	1,383,289	100%	1,356,102	1,356,101	100%	2,975,303	2,975,447	100%	1,340,037	1,340,037	100%	2,210,196	2,210,196	100%	9,264,926	9,265,070	100%
TOTAL REVENUES	21,154,110	18,390,954	115%	4,455,831	5,455,415	82%	20,021,360	28,992,508	69%	10,199,764	13,915,267	73%	26,397,409	37,391,253	71%	82,228,474	104,145,397	79%
EXPENSES																		
OFFICE OPERATING	861,582	1,272,835	68%	583,986	907,997	64%	790,054	1,123,104	70%	530,835	793,544	67%	3,018,647	4,119,531	73%	5,785,104	8,217,011	70%
COMMUNITY GRANTS	31,373	517,916	6%	22,000	39,857	55%	0	0		84,985	103,200	82%	0	0		138,358	660,973	21%
LEGISLATIVE	238,668	337,085	71%	0	0		0	0		0	0		0	0		238,668	337,085	71%
PROFESSIONAL FEES	115,627	345,989	33%	234,605	498,770	47%	206,780	753,098	27%	78,108	263,010	30%	301,693	612,110	49%	936,813	2,472,977	38%
BUILDING - OPER & MAINT	181,547	251,704	72%	50,075	75,763	66%	185,970	300,862	62%	672,540	953,721	71%	283,858	491,737	58%	1,373,990	2,073,787	66%
VEH & EQUIP - OPER & MAINT	195,979	304,357	64%	37,112	43,755	85%	521,375	872,618	60%	118,228	190,886	62%	3,457,626	5,815,150	59%	4,330,320	7,226,766	60%
OTHER OPERATING COSTS	27,906	329,000	8%	113,813	178,900	64%	2,542,088	4,336,116	59%	248,495	468,296	53%	4,176,291	6,778,335	62%	7,108,593	12,090,647	59%
WAGES & BENEFITS	2,630,980	3,534,320	74%	1,726,137	2,409,419	72%	2,865,986	4,175,807	69%	3,091,715	4,206,346	74%	10,189,956	13,484,697	76%	20,504,774	27,810,589	74%
PROGRAM COSTS	0	0		43,536	50,000	87%	0	0		119,263	143,555	83%	0	0		162,799	193,555	84%
CAPITAL EXPENDITURES	254,501	1,466,500	17%	55,695	72,890	76%	5,314,932	11,723,984	45%	329,146	1,740,317	19%	394,205	4,365,880	9%	6,348,479	19,369,571	33%
DEBT FINANCING - INTEREST	1,363,858	2,608,080	52%	0	0		221,291	417,077	53%	416,651	730,119	57%	0	0		2,001,800	3,755,276	53%
DEBT FINANCING - PRINCIPAL	1,066,412	2,004,385	53%	0	0		451,639	346,035	131%	1,339,584	1,483,075	90%	0	0		2,857,635	3,833,495	75%
CONTINGENCY	0	0		0	0		0	0		0	35,000		0	278,725		0	313,725	
TRSF TO RESERVE FUND	764,113	669,814	114%	105,473	112,490	94%	3,453,789	3,481,782	99%	806,723	763,502	106%	325,000	329,345	99%	5,455,098	5,356,933	102%
TRSF TO OTHER GOVT/AGENCIES	12,112,302	3,990,401	304%	205,596	365,300	56%	839	6,000	14%	1,535,428	1,542,524	100%	0	0		13,854,165	5,904,225	235%
TOTAL EXPENDITURES	19,844,848	17,632,386	113%	3,178,027	4,755,141	67%	16,554,743	27,536,483	60%	9,371,701	13,417,095	70%	22,147,276	36,275,510	61%	71,096,595	99,616,615	71%
OPERATING SURPLUS (DEFICIT)	\$1,309,262	\$758,568		\$1,277,804	\$700,274		\$3,466,617	\$1,456,025		\$828,063	\$498,172		\$4,250,133	\$1,115,743		\$11,131,879	\$4,528,782	

REGIONAL DISTRICT OF NANAIMO
SUMMARY OF OPERATING RESULTS
September 30, 2013

	Revenues			Expenditures			Surplus	
	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget
<u>CORPORATE SERVICES</u>								
General Administration	\$4,990,771	\$6,487,302	77%	\$3,860,873	\$6,064,694	64%	\$1,129,898	\$422,608
Electoral Areas Administration	564,979	710,299	80%	388,628	605,478	64%	176,351	104,821
Public Safety								
D68 E911	92,888	119,496	78%	76,294	117,530	65%	16,594	1,966
D69 E911	456,442	592,912	77%	542,474	543,880	100%	(86,032)	49,032
Community Justice	66,314	87,580	76%	87,580	87,580	100%	(21,266)	0
Fire Protection - Volunteer								
Coombs-Hilliers	355,265	733,012	48%	428,654	733,012	58%	(73,389)	0
Errington	234,363	312,351	75%	292,156	312,351	94%	(57,793)	0
Nanoose	717,807	821,063	87%	438,822	775,325	57%	278,985	45,738
Dashwood	335,326	584,630	57%	429,510	584,630	73%	(94,184)	0
Meadowood	107,927	139,363	77%	86,153	139,360	62%	21,774	3
Extension	159,013	194,794	82%	122,081	194,794	63%	36,932	0
Nanaimo River	13,348	17,797	75%	17,204	17,795	97%	(3,856)	2
Bow Horn Bay	237,080	731,464	32%	306,797	731,464	42%	(69,717)	0
Fire Protection - Service Contracts								
French Creek (Area G)	377,948	479,998	79%	339,202	428,950	79%	38,746	51,048
Parksville Local (Area G)	136,980	162,004	85%	89,608	89,733	100%	47,372	72,271
Cassidy/Waterloo (Area A & C)	170,482	218,402	78%	164,331	218,401	75%	6,151	1
Wellington (Area C)	55,643	70,943	78%	58,348	59,865	97%	(2,705)	11,078
Regional Library	10,154,865	2,145,614	473%	10,189,086	2,145,614	475%	(34,221)	0
	\$21,154,110	\$18,390,954	115%	\$19,844,848	\$17,632,386	113%	\$1,309,262	\$758,568
<u>DEVELOPMENT SERVICES</u>								
EA Community Planning	\$1,600,810	\$1,922,035	83%	\$1,128,846	\$1,647,839	69%	\$471,964	\$274,196
VIHA Homeless Grants	\$188,000	\$188,000	100%	\$0	\$188,000		\$188,000	
Economic Development South	\$102,750	\$137,000	75%	\$137,000	\$137,000	100%	(\$34,250)	
Economic Development North	\$44,901	\$54,857	82%	\$38,699	\$54,857	71%	\$6,202	
Community Works Fund - Dev Svcs	145,798	240,025	61%	153,736	240,025	64%	(\$7,938)	0
Regional Growth Management	575,440	675,478	85%	330,004	521,620	63%	245,436	153,858
Emergency Planning	198,740	344,191	58%	203,054	320,386	63%	(4,314)	23,805
Search & Rescue	31,231	41,484	75%	35,300	41,300	85%	(4,069)	184
Building Inspection	1,196,416	1,325,830	90%	817,818	1,099,612	74%	378,598	226,218
Bylaw Enforcement								
Animal Control F	31,711	29,437	108%	15,258	19,810	77%	16,453	9,627
Animal Control A, B, C & Lantzville	53,965	69,862	77%	47,423	68,255	69%	6,542	1,607
Animal Control E, G & H	67,630	90,720	75%	68,309	88,860	77%	(679)	1,860
Nuisance Premises	11,693	38,339	30%	5,157	33,055	16%	6,536	5,284
Hazardous Properties	6,638	18,438	36%	4,839	17,420	28%	1,799	1,018
Noise Control								
Electoral Area A	7,329	8,759	84%	4,909	6,920	71%	2,420	1,839
Electoral Area B	5,788	7,901	73%	4,852	7,865	62%	936	36
Electoral Area C	5,252	7,037	75%	4,841	6,865	71%	411	172
Electoral Area E	5,010	6,903	73%	4,850	6,865	71%	160	38
Electoral Area G	6,344	8,447	75%	5,827	7,915	74%	517	532
General Enforcement	170,383	240,672	71%	167,307	240,672	70%	3,076	0
	\$4,455,829	\$5,455,415	82%	\$3,178,029	\$4,755,141	67%	\$1,277,800	\$700,274

REGIONAL DISTRICT OF NANAIMO
SUMMARY OF OPERATING RESULTS
September 30, 2013

	Revenues			Expenditures			Surplus	
	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget
<u>REGIONAL & COMMUNITY UTILITIES</u>								
Regional & Community Utilities Administration	\$200,936	\$352,242	57%	\$200,936	\$352,241	57%	\$0	\$1
Wastewater Management								
Wastewater Management Plan	348,845	374,318	93%	142,950	223,978	64%	205,895	150,340
Southern Community Wastewater	8,903,326	14,085,208	63%	8,135,013	13,887,778	59%	768,313	197,430
Northern Community Wastewater	4,543,165	5,544,779	82%	3,965,178	5,277,206	75%	577,987	267,573
Duke Point Wastewater	266,849	320,961	83%	152,786	240,695	63%	114,063	80,266
Water Supply								
San Pareil fire	42,822	707,200	6%	53,738	707,200	8%	(10,916)	0
Whiskey Creek	109,643	187,907	58%	102,089	169,696	60%	7,554	18,211
French Creek	129,252	167,338	77%	76,569	144,546	53%	52,683	22,792
Surfside	40,332	44,252	91%	17,354	31,353	55%	22,978	12,899
Decourcey	12,783	14,661	87%	6,375	9,929	64%	6,408	4,732
San Pareil	160,550	189,968	85%	121,419	179,807	68%	39,131	10,161
Driftwood	5,897	7,860	75%	4,714	7,850	60%	1,183	10
Englishman River	152,083	161,303	94%	52,130	105,630	49%	99,953	55,673
Melrose Terrace	24,178	28,788	84%	19,414	26,327	74%	4,764	2,461
Nanoose Bay Peninsula	1,516,654	1,967,194	77%	933,285	1,820,154	51%	583,369	147,040
Drinking Water/Watershed Protection	714,031	838,079	85%	508,469	746,715	68%	205,562	91,364
Nanoose Bay Bulk	707,158	1,082,589	65%	551,087	954,590	58%	156,071	127,999
French Creek Bulk	98,850	327,345	30%	37,941	309,417	12%	60,909	17,928
Sewer Collection								
French Creek	675,338	966,718	70%	596,422	960,169	62%	78,916	6,549
Nanoose (Fairwinds)	748,985	908,570	82%	441,979	774,812	57%	307,006	133,758
Pacific Shores	77,741	92,138	84%	58,295	76,097	77%	19,446	16,041
Surfside	75,997	77,070	99%	70,827	76,606	92%	5,170	464
Cedar	151,344	179,214	84%	99,568	158,734	63%	51,776	20,480
Englishman River Stormwater	14,734	15,915	93%	6,110	8,480	72%	8,624	7,435
Cedar Estates Stormwater	10,369	11,550	90%	6,919	10,500	66%	3,450	1,050
Barclay Crescent	185,045	215,820	86%	135,555	194,935	70%	49,490	20,885
Pump & Haul	2,835	2,400	118%	1,950	2,400	81%	885	0
Streetlighting	101,618	121,121	84%	52,036	78,640	66%	49,582	42,481
Engineering Services	0	0		3,636	0		(3,636)	0
	\$20,021,360	\$28,992,508	69%	\$16,554,744	\$27,536,485	60%	\$3,466,616	\$1,456,023

**REGIONAL DISTRICT OF NANAIMO
SUMMARY OF OPERATING RESULTS
September 30, 2013**

	Revenues			Expenditures			Surplus	
	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget	Variance	2013 Actual	2013 Budget
<u>RECREATION & PARKS SERVICES</u>								
Regional Parks	\$2,207,200	\$2,780,345	79%	\$1,973,514	\$2,700,288	73%	\$233,686	\$80,057
Community Parks								
Electoral Area A	132,410	804,068	16%	106,084	787,572	13%	26,326	16,496
Electoral Area B	195,711	259,547	75%	140,567	216,119	65%	55,144	43,428
Electoral Area C	78,602	97,651	80%	57,411	81,208	71%	21,191	16,443
Electoral Area D	63,303	106,261	60%	40,091	98,406	41%	23,212	7,855
Electoral Area E	89,161	138,001	65%	70,765	118,532	60%	18,396	19,469
Electoral Area F	112,161	211,383	53%	70,367	189,726	37%	41,794	21,657
Electoral Area G	116,105	140,320	83%	80,678	118,437	68%	35,427	21,883
Electoral Area H	311,670	330,079	94%	270,943	310,134	87%	40,727	19,945
Area A Recreation & Culture	153,076	190,695	80%	86,781	163,527	53%	66,295	27,168
Northern Community Recreation	1,261,861	1,534,987	82%	1,283,533	1,524,852	84%	(21,672)	10,135
Oceanside Place Arena	1,870,992	2,674,843	70%	1,574,798	2,563,266	61%	296,194	111,577
Ravensong Aquatic Centre	2,664,589	3,450,413	77%	2,396,728	3,349,301	72%	267,861	101,112
Gabriola Island Recreation	114,353	93,630	122%	129,741	92,803	140%	(15,388)	827
Southern Community Recreation	768,371	1,023,024	75%	1,009,800	1,023,024	99%	(241,429)	0
Port Theatre Contribution	60,199	80,020	75%	79,900	79,900	100%	(19,701)	120
	\$10,199,764	\$13,915,267	73%	\$9,371,701	\$13,417,095	70%	\$828,063	\$498,172
<u>TRANSPORTATION AND SOLID WASTE SERVICES</u>								
Gabriola Island Emergency Wharf	\$9,538	\$10,959	87%	\$2,407	\$6,150	39%	\$7,131	\$4,809
Southern Community Transit	13,922,815	18,756,557	74%	12,753,616	18,362,720	69%	1,169,199	393,837
Northern Community Transit	1,413,339	1,827,266	77%	1,098,113	1,581,770	69%	315,226	245,496
Solid Waste Disposal	7,361,986	12,769,296	58%	5,608,390	12,363,525	45%	1,753,596	405,771
Solid Waste Collection & Recycling	3,689,731	4,027,175	92%	2,684,750	3,961,344	68%	1,004,981	65,831
	\$26,397,409	\$37,391,253	71%	\$22,147,276	\$36,275,509	61%	\$4,250,133	\$1,115,744
TOTAL ALL SERVICES	\$82,228,472	\$104,145,397	79%	\$71,096,598	\$99,616,616	71%	\$11,131,874	\$4,528,781



RDN REPORT	
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RHD	
BOARD	<input checked="" type="checkbox"/>

MEMORANDUM

TO: Daniel Pearce
Acting Manager, Solid Waste Services

DATE: November 15, 2013

FROM: Jeff Ainge
Zero Waste Coordinator

FILE: 5380-20-STEW

SUBJECT: Packaging and Printed Paper – MMBC Contract Documents

PURPOSE

To seek Board direction in responding to the formal contract documents received from Multi-Material British Columbia.

BACKGROUND

In July 2013, the Board received a staff presentation and report explaining the impending changes to collection of residential packaging and printed paper (PPP) which have come as a result of an amendment to the provincial Recycling Regulation. Under the amended Regulation the Province has approved a new Stewardship Plan for those materials. In August 2013, the Regional Board received a report outlining the implications of the proposed financial incentives for the Regional District of Nanaimo (RDN) to collect residential packaging and printed paper as a contractor of Multi-Material British Columbia (MMBC).

As previously described to the Board, the approved stewardship plan splits the delivery of the stewardship program into two elements: PPP collection services and PPP processing services. MMBC's approach to collecting PPP is to provide opportunities for those currently collecting PPP to continue collecting it under contract to them. Accordingly, MMBC has offered the RDN a collection incentive to continue providing PPP collection service after May 2014.

With respect to the curbside collection of residential PPP materials, at the August 2013 meeting the Board endorsed the following recommendations:

1. *That the Board direct staff to respond to Multi-Material BC accepting the Curbside Collector financial incentive offer and indicating interest in entering into a contract to become a collection service provider under the approved stewardship plan.*
2. *That the Board direct staff to enter into negotiations with BFI Canada Inc. to amend the current collection contract to apply the five-year extension early and to de-couple PPP collection from processing.*

As per the Board's direction, staff submitted the required intentions forms to MMBC by the September 16, 2013 deadline. Staff has also provided BFI with notice of the Board's direction regarding the current collection contract.

Contract Documents

On October 18, 2013 the RDN received the MMBC contract documents, made up of a Master Services Agreement and a Statement of Work. The documents require execution by November 30, 2013.

Staff has met with legal counsel, City of Nanaimo staff, and with representatives from MMBC to review the documents. Related correspondence has been received from the Municipal Insurance Association of BC, and RDN legal counsel. Key areas of concern and the focus of discussions included the following:

- In response to concerns expressed regarding the financial penalties associated with collected materials exceeding the 3% contamination rate, MMBC has provided an Operations Procedure to append to the contract. The process to assess and remediate contamination rates is a multiple step process which can take a full 12 months to work through in advance of any service level failure penalties being imposed. Likewise, penalties for late submission of any required reports would only be levied after efforts had been made by MMBC to contact the RDN to discuss reasons for the delay and after revised submission dates had been missed.
- Staff had expressed an interest in having the count of serviced homes (the customer count) updated more frequently than the annual count allowed for in the contract. The payment of the collection financial incentive to the RDN is based on the customer count. MMBC will accept a quarterly update from the RDN along with the required quarterly customer service reports. A change order process can be initiated at that time to modify the count, which will in turn adjust the monthly financial incentive payment.
- The financial incentive provided in the MMBC contract is predicated upon a threshold collection weight of 135 kg of PPP per household per year. If that weight is not achieved MMBC may reduce the value of the incentive. Staff has advised MMBC that this is not an achievable amount based on historical data from the RDN curbside recycling collection program (averaging 110 kg of recycling per household annually). The region's demographic attributes (older median age and small household size of 2.2 persons per household) may be contributing factors to the lower rate, along with smaller newspapers, not accepting glass and an undetermined amount of PPP being deposited in the green bin. MMBC has countered with verbal assurance that they will not reduce the incentive as long as we can prove that the program remains effective.
- In response to questions regarding reporting formats, MMBC will provide templates and set up reporting portals in advance of the program launch in May 2014.
- The insurance requirements laid out in the MMBC contract have since been revised following concerns expressed by many local governments. MMBC and the Municipal Insurance Association of BC have met to discuss what is possible under the local government coverage, and a revised Schedule has been provided to append to the contract.
- The location of a Post Collection Service Provider (where the curbside collected materials will be delivered) will not be known until the new year. If the location is outside the regional district boundaries, the RDN's contracted collector (BFI Canada) will be required to drive some distance to offload the PPP. This may have a downstream effect on our contract extension negotiations with BFI.
- The contract language is somewhat weighted in favour of MMBC, which generated comment by legal counsel. Should the relationship with MMBC prove unworkable, and the RDN's involvement with the

new stewardship program become unfeasible, the contract includes a Termination for Convenience clause which allows either party to give 180 days' notice of intent to terminate the agreement. The RDN will be a contractor to MMBC from whom we will receive a financial incentive to collect PPP as well as perform a suite of related reporting and oversight tasks. While staff believes that the phase-in process may be challenging as relationships and new routines become established, the outcomes should be positive for all concerned, from the Provincial government through to the local resident.

ALTERNATIVES

1. Approve executing the Master Services Agreement and Statement of Work to become a service provider under contract to MMBC.
2. Not approve executing the Master Services Agreement and Statement of Work and provide further direction to staff.

FINANCIAL IMPLICATIONS

Alternative 1

By contracting with MMBC to become a curbside collection service provider of residential PPP starting in May 2014 the RDN would receive a financial incentive of \$34 per household. For the proposed 2014 budget, staff estimates the pro-rated incentive to be approximately \$600,000. The total value of the financial incentive for a full calendar year would exceed \$1 million. The annual utility bill (user fee) for the residential collection customer would be reduced by the amount of the collection incentive.

Alternative 2

Under Alternative 2, by not entering into a formal agreement with MMBC the RDN would continue collecting residential PPP through to the end of the current collection contract first term (March 31, 2015) with no financial incentive from MMBC. At the completion of the current collection contract's first term in 2015, MMBC would take over curbside collection of PPP (following an open market selection process for a new collector). The RDN would also need to issue a request for proposals to select a collector for the collection of garbage and food waste only. This scenario would generate considerable disruption for residents, and would possibly not result in any savings over current collection costs.

LEGAL IMPLICATIONS

Staff has received a legal review of the MMBC contract documents and has had the opportunity to review the comments and concerns with MMBC. The Master Services Agreement is a document applicable to both the local government collectors and the post-collection processors. A number of the concerns expressed by the RDN legal counsel do not apply to us because they relate to obligations required of the post-collector. Staff met with MMBC staff on November 8, 2013 and addressed the remaining legal concerns.

STRATEGIC PLAN IMPLICATIONS

Working with MMBC to implement the new PPP stewardship program meets the Board's strategic plan objective of supporting provincial product stewardship programs, ensuring a smooth transition to extended producer responsibility.

SUMMARY

Under the provincial government approved Packaging and Printed Paper (PPP) Stewardship Plan, the stewardship agency Multi Material British Columbia (MMBC) is providing opportunities for local governments currently collecting PPP to continue collecting PPP under contract to them from May 2014. The RDN has received the MMBC contract documents which MMBC has requested be executed by November 30, 2013.

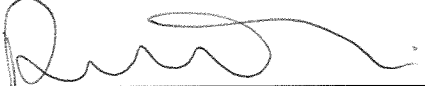
Staff has met with legal counsel, City of Nanaimo staff, and with representatives from MMBC to review the documents. Related correspondence has been received from the Municipal Insurance Association of BC, and RDN legal counsel. Numerous issues and items contained within the contract documents and the intended scope of work have been discussed; the majority of which have been resolved to staffs' satisfaction. While staff believes that the phase-in process may be challenging as relationships and new routines become established, the outcomes should be positive for all concerned, from the Provincial government through to the local resident. Staff is recommending the contract agreements be executed.

RECOMMENDATIONS


That the Board approve executing the Master Services Agreement and Statement of Work to become a service provider under contractor to MMBC for a five year term.



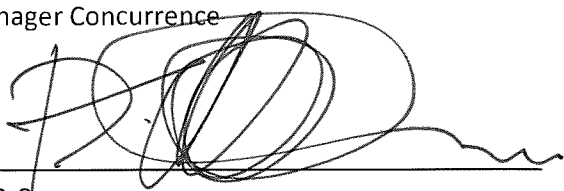
Report Writer



General Manager Concurrence



Manager Concurrence



CAO Concurrence

MASTER SERVICES AGREEMENT

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This Master Services Agreement (this "**Agreement**") is entered into as of November 30, 2013 ("**Effective Date**")

BETWEEN:

REGIONAL DISTRICT OF NANAIMO, having a place of business at 6300 Hammond Bay Road, Nanaimo, British Columbia ("**Contractor**"),

AND:

MULTI-MATERIAL BC SOCIETY a not-for-profit agency incorporated under the *Society Act* (British Columbia) ("**MMBC**").

RECITALS:

- A. Whereas MMBC represents companies and organizations ("**Producers**") that supply products in packaging and printed paper to residents of British Columbia obligated under the *Recycling Regulation* under the *Environmental Management Act* (British Columbia);
- B. Whereas MMBC developed the Packaging and Printed Paper Stewardship Plan;
- C. Whereas the Director, Waste Management, Environmental Standards Branch, Ministry of Environment approved the Packaging and Printed Paper Stewardship Plan on April 15, 2013;
- D. Whereas MMBC is meeting Producers' obligations under the *Recycling Regulation* by implementing the Packaging and Printed Paper Stewardship Plan, including through this Agreement; and
- E. Whereas MMBC wishes to receive, and Contractor wishes to provide, the services set out in this Agreement, and the parties wish to foster dialogue and a good business relationship in carrying out such services.

In consideration of the mutual covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MMBC and Contractor agree as follows:

SECTION 1. INTERPRETATION

1.1. Definitions. In this Agreement, the following terms will have the following meanings:

"**Affiliate**" means any entity controlled by, controlling, or under common control with a party.

"**Agreement**" has the meaning set out on the first page of this document, and includes the Schedules (including Statements of Work) attached hereto.

"**Applicable Law**" means any domestic or foreign law, rule, statute, subordinate legislation, regulation, by-law, order, ordinance, protocol, code, guideline, treaty, policy, notice, direction or judicial, arbitral, administrative, ministerial or departmental judgment, award, decree, treaty, directive, or other requirement or guideline published or in force at any time during the Term which applies to or is otherwise intended to govern or regulate any person (including any party), property, transaction, activity, event or other matter, including any rule, order, judgment, directive or other requirement or guideline issued by any governmental or regulatory authority.

"**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia.

“**Change**” has the meaning set out in Section 2.2.1.

“**Change Request**” has the meaning set out in Section 2.2.1.

“**Change Response**” has the meaning set out in Section 2.2.4.

“**Confidential Information**” means information of or relating to a party (the “**Disclosing Party**”) that has or will come into the possession or knowledge of the other party (the “**Receiving Party**”) whether such information is or has been conveyed verbally or in written or other tangible form, and whether such information is acquired directly or indirectly such as in the course of discussions or other investigations by the Receiving Party, that: (a) where MMBC is the Disclosing Party, is any information of MMBC or relating to its business or affairs including technical, financial and business information, ideas, concepts or know-how, Services performance and Services delivery reporting information, and the terms of this Agreement; and (B) where Contractor is the Disclosing Party, is limited to financial information of Contractor. However, Confidential Information does not include information that: (i) was already known to the Receiving Party, without obligation to keep it confidential, at the time of its receipt from the Disclosing Party; or (ii) is or becomes available to the public other than as a result of a breach hereof by the Receiving Party; provided that the foregoing exceptions will not apply with respect to any personal information that is subject to privacy laws.

“**Contractor**” has the meaning set out on the first page of this Agreement.

“**Dispute**” has the meaning set out in Section 14.1.

“**Effective Date**” has the meaning set out on the first page of this Agreement.

“**Fees**” has the meaning set out in Section 5.1.

“**Force Majeure**” has the meaning set out in Section 15.3.

“**Intellectual Property Rights**” means inventions, patents, copyrights, trademarks, industrial designs, integrated circuit topography rights, know-how, trade secrets, confidential information, and any other intellectual property rights whether registered or unregistered, and including rights in any application for any of the foregoing.

“**Labour Disruption**” has the meaning set out in Section 4.6.1.

“**MMBC**” has the meaning set out on the first page of this Agreement.

“**MMBC Policies and Standards**” has the meaning set out in Section 4.2.

“**Packaging and Printed Paper**” or “**PPP**” has the meaning set out in Schedule 4.2, as may be updated by MMBC pursuant to Section 4.2.

“**Service Levels**” has the meaning set out in Section 4.4.1.

“**Service Level Failure**” has the meaning set out in Section 4.4.

“**Service Level Failure Credit**” has the meaning set out in Schedule 4.4.

“**Services**” has the meaning set out in Section 2.1, including the delivery of any Work Product.

“**SOW Term**” has the meaning set out in Section 3.2.

“**Statement of Work**” means any statement of work attached hereto or as may from time to time be issued hereunder.

“**Term**” has the meaning set out in Section 3.1.

“**Work Product**” means the deliverables to be created or provided to MMBC by Contractor pursuant to any Statement of Work and any data, records, and reports that have been prepared, created, written or recorded in performance of the Services, whether by Contractor, MMBC, or Contractor and MMBC together.

1.2. Interpretation.

1.2.1. Including – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.

1.2.2. Technical Terms – Any capitalized term used in this Agreement that is not defined in Section 1.1 or elsewhere in this Agreement will have the generally accepted industry or technical meaning given to such term.

1.2.3. Number, Gender, and Persons – In this Agreement, words importing the singular number will include the plural and vice versa, and words importing the use of any gender will include the masculine, feminine and neuter genders and the word “person” will include an individual, a trust, a partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.

1.2.4. Headings – The headings in this Agreement are solely for convenience of reference and will not be used for purposes of interpreting or construing the provisions hereof.

1.2.5. Currency – Unless otherwise provided for herein, all monetary amounts referred to herein will refer to the lawful money of Canada.

1.2.6. Calculation of Time – When calculating the period of time within which or following which any act is to be done or step taken pursuant to this Agreement, the date which is the reference date in calculating such period will be excluded. If the last day of such period is not a Business Day, then the time period in question will end on the first Business Day following such non-Business Day.

1.2.7. Legislation References – Any references in this Agreement to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body, including any Applicable Law, will be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

1.3. Schedules. As of the Effective Date, the following Schedules form part of this Agreement (note that Attachment numbering is not sequential and is based on a related section reference):

Schedule	Description
Schedule 2.1(a)	– Statement of Work for Curbside Collection Services Provided by Local Government
Schedule 4.2	– MMBC Policies and Standards
Schedule 4.4	– Service Level Methodology
Schedule 12.1	– Insurance Requirements

1.4. Priority. In the event of any inconsistency between any of the provisions of the main terms and conditions of this Agreement, any Schedule that is not a Statement of Work, and any Statement

of Work, the inconsistency will be resolved by reference to the following descending order of priority: (i) Article 1 through Article 15 of this Agreement; (ii) the Schedules annexed to this Agreement that are Statements of Work; and (iii) the applicable Statement of Work, except to the extent a Statement of Work expressly states that it is intended to have priority over the main body of this Agreement or a Schedule referred to in subsection (ii), in which case the Statement of Work will have priority but solely with respect to such Statement of Work.

SECTION 2. SCOPE OF SERVICES

- 2.1. Services. Contractor will perform the Services set out in each Statement of Work, executed simultaneous with this Agreement or separately executed, and any services that are inherent, necessary, or customarily provided as part of those services (collectively, the “**Services**”), all in accordance with the terms and conditions of this Agreement and the Statement of Work. Each Statement of Work will be effective, incorporated into and form a part of this Agreement when mutually accepted and duly executed by both parties.
- 2.2. Changes.
 - 2.2.1. An authorized MMBC representative may, at any time and from time to time, request additions, deletions, amendments or any other changes to any Statement of Work (a “**Change**”) by issuing a “**Change Request**”. For clarity, a Change Request may not solely consist of a request to change the Fees under a Statement of Work; the Fees under a Statement of Work may only be changed under the Change process in this Section 2.2, as agreed by the parties in the executed change order, to reflect, or as a result of, a Change to other rights or obligations under the Statement of Work or as otherwise set out in the Statement of Work.
 - 2.2.2. For a Change Request affecting the administration of this Agreement, Contractor will provide an initial response within five Business Days of receipt of a Change Request indicating whether it is, in accordance with Section 2.2.7, able to comply with the Change Request. If Contractor is unable to comply with the Change Request, the parties will, on MMBC’s request, meet to discuss, in good faith, why Contractor is unable to comply with the Change Request.
 - 2.2.3. For any other Change Request, Contractor will provide an initial response within fifteen Business Days of receipt of a Change Request indicating whether it is, in accordance with Section 2.2.7, able to comply with the Change Request. If Contractor is unable to comply with the Change Request, the parties will, on MMBC’s request, meet to discuss, in good faith, why Contractor is unable to comply with the Change Request.
 - 2.2.4. Where Contractor is, in accordance with Section 2.2.7, able to comply with the Change Request, Contractor will provide a further, more detailed, response (a “**Change Response**”) within 10 calendar days of providing its initial response, and such Change Response will include details of any costs or other changes required to this Agreement to comply with the Change Request.
 - 2.2.5. Contractor may request a Change by delivering a Change Request, together with a Change Response, to MMBC.
 - 2.2.6. If MMBC, in its discretion, accepts the Change Response, an authorized MMBC representative will provide Contractor with written approval of MMBC’s acceptance in the form of an executed change order. If MMBC does not accept a Change Response, the parties will, on MMBC’s request, negotiate in good faith the terms pursuant to which the parties may agree to implement the Change. Contractor will not make any Change to any Statement of Work without MMBC’s prior written approval.

- 2.2.7. Contractor acknowledges that MMBC may be dependent on Contractor for the Services, and Contractor agrees that Contractor will not be entitled to refuse to provide a Change Response under Section 2.2.2 or 2.2.3 unless it is not technically possible for Contractor to carry it out.
- 2.2.8. Contractor will make requested Changes at no additional charge to MMBC unless implementing the Change will require Contractor to incur material additional costs, in which case Contractor will deal transparently with MMBC, including that Contractor will make available to MMBC all supporting information and documentation reasonably requested by MMBC that relates to the pricing of the proposed Change.
- 2.3. Non-Exclusive. Neither this Agreement nor any Statement of Work will grant Contractor exclusivity of supply unless expressly stated otherwise, with reference to this Section, in the applicable Statement of Work (and in no event will the scope of such exclusivity extend beyond the scope of Services under such Statement of Work).

SECTION 3. DURATION

- 3.1. Term of Agreement. This Agreement will commence on the Effective Date and will continue until the expiration or termination of the last Statement of Work under this Agreement (the "**Term**").
- 3.2. Term of Statement of Work. Each Statement of Work will set out the term of the Statement of Work and any terms and conditions relating to the renewal of the Statement of Work (the "**SOW Term**").

SECTION 4. SERVICE STANDARDS

- 4.1. Performance. Contractor warrants that Contractor will perform, or cause to be performed (including through appropriate supervision and inspection), the Services and otherwise fulfill its obligations hereunder honestly and in good faith, exercising reasonable skill, care and diligence, in accordance with recognized professional and North American industry standards, practices, and methods, in a timely manner and in accordance with the terms and conditions of this Agreement and any Statement of Work, having regard for the concerns, needs, and interests of residents and the environment. Except where otherwise set out in the Agreement, all weighing and measurement to be performed by Contractor will be made in accordance with the MMBC Policies and Standards on weights and measurements identified in Schedule 4.2.
- 4.2. Contractor to Comply with MMBC Policies and Standards. Contractor will comply at all times with all terms and requirements set out in the policies and standards set out in Schedule 4.2, as such policies and standards may be updated by MMBC from time to time, and such other policies and standards that MMBC brings to the attention of Contractor from time to time (collectively, "**MMBC Policies and Standards**"). Notice of updating of, or new, MMBC Policies and Standards may be made by MMBC by e-mail to the address set out in Section 15.5 (as such address may be updated pursuant to Section 15.5) and, notwithstanding Section 15.5, such notice will be deemed duly given when so e-mailed, without the need to confirm receipt. If compliance with updated or new MMBC Policies and Standards would require a Change and would require Contractor to incur material additional costs, then Contractor may request a Change pursuant to Section 2.2.5 for the implementation of the updated or new MMBC Policies and Standards; provided that Contractor must make any such request within 30 days of MMBC providing notice of the updated or new MMBC Policies and Standards.
- 4.3. Compliance with Law. Contractor will perform its obligations under this Agreement in a manner that complies with all Applicable Laws, including:
- (a) the *British Columbia Employment Standards Act*;

- (b) the *Workers' Compensation Act of the Province of British Columbia* and the *Occupational Health and Safety Regulations* thereunder;
- (c) the *Environmental Management Act*; and
- (d) the *Waste Management Act*.

4.4. Service Levels.

4.4.1. Contractor will continuously monitor each Service in order to identify, measure and report and correct problems and to ensure that Contractor is meeting or exceeding the following service levels (the "**Service Levels**");

- (a) all service levels set out in this Agreement, including in the applicable Statement of Work;
- (b) if Contractor is providing a service similar to services performed by Contractor prior to the start of the applicable SOW Term, Contractor will, at a minimum, continue to meet the existing service levels achieved by Contractor prior to the start of the applicable SOW Term (but only to the extent they do not conflict with the scope of Service, or the obligations, set out in the applicable Statement of Work); and
- (c) if no service level is provided for a Service or component thereof, all performance levels and measurements for such Service or component that are industry best practices,

provided that in the event of a conflict between any service levels, the highest service level standard will apply. Contractor will notify MMBC in writing immediately if Contractor knows that Contractor has failed, or believes Contractor will fail, to achieve a Service Level.

4.4.2. Contractor recognizes that Contractor's failure to meet a Service Level will have a material adverse impact on the business and operations of MMBC and that damages resulting from Contractor's failure to meet a Service Level may not be capable of precise determination. As such (and without limiting MMBC's rights or remedies), MMBC will be entitled to any express remedies for Contractor's failure to meet a Service Level (each such failure a "**Service Level Failure**") that may be set out in Schedule 4.4 or the applicable Statement of Work. Contractor agrees that it is obligated to meet all Service Levels, even if no express remedy for a failure to meet such Service Level is provided in Schedule 4.4 or in a Statement of Work.

4.4.3. Upon MMBC's request, and in any event at least once per year, MMBC will meet with Contractor (which meeting may be in person or by phone as determined by MMBC) to review and discuss Contractor's performance level of the Services and Service Levels.

4.5. Contingency Planning. Without limiting Contractor's liability for performance of its obligations under this Agreement, Contractor will implement and maintain throughout the Term such contingency measures as may be appropriate, in MMBC's sole discretion (acting reasonably), including a comprehensive business continuity plan (the "**Business Continuity Plan**"), to continue the performance of its obligations under this Agreement under various scenarios including equipment failure, fuel shortage, strike, road closures (including due to weather, construction or otherwise), fire, pandemic, quarantine, and natural disasters. MMBC will have the right, upon demand from time to time, to review the Business Continuity Plan. Contractor will update its Business Continuity Plan at least once each year and in the event of any material change in operations or circumstance. Contractor will invoke its Business Continuity Plan where necessary due to any incident or event, including an event of Force Majeure, that has the potential to have a material impact on Contractor's ability to provide any material part of the Services for any material period of time, or upon the request of MMBC. Without limiting Contractors' obligations under this Agreement, whenever an incident or event that invokes the

Business Continuity Plan also impacts other services provided by Contractor, and as a result Contractor is allocating resources or implementing temporary service changes or workarounds, Contractor will treat MMBC and the Services no less favourably than: (i) where Contractor is a local government, any other non-essential services it provides, or (ii) where Contractor is not a local government, any of its other customers, in each case in the allocation of such resources or in the implementation of such temporary service changes or workarounds.

4.6. Labour Disruption.

- 4.6.1. Contractor will provide MMBC with at least 30 days prior written notice of the expirations of any labour agreement and Contractor will include, with such notice, an assessment of the likelihood of a Labour Disruption (as defined below).
- 4.6.2. In the event that a labour disruption of any kind causes a reduction in Service Levels (a "**Labour Disruption**"), Contractor will inform MMBC within four hours by phone and e-mail of the nature and scope of the disruption, as well as Contractor's immediate plans to invoke any or all of its Business Continuity Plan.
- 4.6.3. Without limiting Contractor's obligations under this Agreement, where a Labour Disruption also impacts other services provided by Contractor, and as a result Contractor is allocating resources or implementing temporary service changes or workarounds, Contractor will treat MMBC and the Services no less favourably than any other services it provides, or any of its other customers, in the allocation of such resources or in the implementation of such temporary service changes or workarounds (for example, if Contractor provides collection Services hereunder and other collection services, and Contractor proposed to provide temporary drop-off sites in respect of its other collection services, then Contractor will also proposed to provide such sites in respect of the Services hereunder).
- 4.6.4. MMBC will have the right to make an equitable reduction to any Fees to reflect the value of any Services not received by MMBC due to a Labour Disruption.
- 4.6.5. In the event that a Labour Disruption lasts more than seven days, and for so long as the Labour Disruption continues, MMBC will have the right to terminate this Agreement or any Statements of Work, for cause, immediately upon delivery of written notice of termination by MMBC to Contractor.

SECTION 5. PAYMENT

- 5.1. Fees. In consideration of the complete and proper fulfillment of Contractor's obligations in accordance with the terms and conditions of this Agreement, MMBC will pay Contractor the amounts set forth in any Statement of Work (the "**Fees**"). Except as expressly set out in a Statement of Work, there will be no other amounts payable by MMBC to Contractor in respect of the Services or this Agreement, including any amounts for expenses or costs of travel, personnel, fuel, equipment, or facilities relating to the Services or this Agreement.
- 5.2. Set-Off. MMBC may set-off and deduct from any amounts payable to Contractor: (a) any amounts owing by Contractor to MMBC pursuant to this Agreement or any other agreement between Contractor and MMBC, including any Service Level Failure Credits; and (b) any costs incurred by MMBC in collecting any amounts owing by Contractor to MMBC pursuant to this Agreement or any other agreement between the parties. The failure by MMBC to set-off or deduct any amount from an invoiced payment will not constitute a waiver of MMBC's right to set-off, deduct or collect such amount.

5.3. Invoicing.

5.3.1. Submission of Claim - Unless otherwise set out in a Statement of Work, Contractor will submit claims using the MMBC claims reporting portal, or through such other method as MMBC may designate. MMBC will review submitted claims and will issue a purchase order to Contractor for valid approved claims.

5.3.2. Generation of Invoice - After receipt of a purchase order from MMBC, Contractor will invoice MMBC for the validated claim, with reference to the issued purchase order; provided that MMBC may, at its discretion, choose to issue payment to the Contractor based on the approved purchase order without the need for Contractor to submit an invoice. Where invoices are required by MMBC, Contractor will invoice MMBC using the contact information provided by MMBC for such purpose (as may be updated by MMBC from time to time).

5.3.3. Late Submission - Contractor must submit all claims within 30 days of the performance of the applicable Services, and all invoices (where required to be submitted by MMBC) within 30 days of the purchase order date. In no event will MMBC be liable for payment of any claim submitted more than 90 days after the performance of the applicable Services, or payment of any invoice submitted more than 90 days after the purchase order date.

5.4. Taxes. Except where otherwise noted, the Fees exclude all applicable sales, goods and services, value added, use or other commodity taxes that may be lawfully imposed upon the Services; where Contractor clearly and separately itemizes such taxes on Contractor's invoice to MMBC, MMBC will pay and Contractor will remit such taxes to the appropriate taxing authority. On request, Contractor will provide reasonable assistance to MMBC to challenge the validity of any tax imposed on it due to this Agreement. If it is determined that MMBC paid Contractor an amount for tax that was not due, Contractor will refund the amount (plus any interest earned on it) to MMBC. The parties will cooperate with each other to enable each party to determine its tax liabilities accurately and to reduce such liabilities to the extent permitted by Applicable Law.

5.5. Withholding Taxes. MMBC may deduct or withhold from any payment(s) made to Contractor any amount that MMBC is required to deduct or withhold in accordance with Applicable Law, including administrative practice ("**Withheld Taxes**") and will remit such Withheld Taxes to the appropriate taxing authority in a timely manner. All such Withheld Taxes will be treated as having been paid to Contractor by MMBC.

5.6. Payment. Subject to the terms and conditions of this Agreement and any Statement of Work, MMBC will pay Contractor, via electronic funds transfer, the undisputed Fees for the Services within 30 days of the invoice date. Contractor will provide MMBC with complete and accurate billing and contact information, including all information required by MMBC to effect electronic funds transfers and a billing email address to which MMBC may send submission reports and purchase orders. Contractor will promptly provide MMBC with any updates to such billing and contact information.

5.7. No Volume Commitment. Notwithstanding anything to the contrary in the Agreement, Contractor acknowledges that MMBC makes no representation or warranty as to the nature, timing, quality, quantity or volume of Services required from Contractor under this Agreement or the compensation that may be earned by Contractor, including as to any amounts of materials to be collected or managed through post-collection services by a Contractor.

SECTION 6. PERSONNEL

6.1. Suitable Personnel. Upon MMBC's request, Contractor will promptly investigate any written complaint from MMBC regarding any unsatisfactory performance by any of Contractor's personnel (including employees of a subcontractor or agent) and take immediate corrective

action. If the offending conduct is repeated, and Contractor is not restricted by a collective agreement from doing so, MMBC may require that such person be removed from all performance of additional work for MMBC. Removal of such person will be addressed by Contractor immediately.

- 6.2. Key Personnel. Contractor must (a) employ those people described as key personnel (“**Key Personnel**”) in any Statement of Work in the roles described in any Statement of Work and ensure that the Key Personnel maintain those roles; not replace any Key Personnel without MMBC’s prior informed consent unless the person: (i) dies, becomes ill or incapacitated so as to be unable to perform their role; (ii) is terminated for cause or just cause; or (iii) resigns from Contractor’s employment (other than to be employed by an associated entity of Contractor); and (c) ensure that any people replacing Key Personnel with the consent of MMBC, have at least equivalent ability, experience and expertise as the Key Personnel replaced.
- 6.3. Subcontracting. Contractor will not delegate or subcontract all or any part of Contractor’s obligations under this Agreement to anyone without the prior written consent of MMBC (not to be unreasonably withheld), including that MMBC’s prior written consent is required by Contractor to continue to delegate or subcontract to a person following a change in control (including a sale of all or substantially all assets) of such person. The delegation or subcontracting of all or any part of Contractor’s obligations under this Agreement will not relieve Contractor from any obligation or liability hereunder. Any breach of this Agreement by any delegate or subcontractor will be deemed to be a breach of this Agreement by Contractor.

SECTION 7. REPORTING AND AUDIT

- 7.1. Record Keeping. During the Term and thereafter until the later of three years (or such longer period as may be required by Applicable Law) or the date all disputes or other matters relating to this Agreement are resolved, Contractor will keep and maintain complete and accurate data, records, and documents in accordance with generally accepted accounting principles consistently applied to support and document all claims and amounts becoming payable to Contractor by MMBC hereunder, and all data, records, and documents relating to the performance of the Services, and compliance with Contractor’s obligations under this Agreement.
- 7.2. Reporting. In addition to any other reporting obligations under this Agreement or a Statement of Work, Contractor will provide the following reporting to MMBC:
- (a) at least every two weeks (or such other period as may be set out in a Statement of Work), Contractor will report, through MMBC’s claims reporting portal, or through such other method as MMBC may designate, the reporting information set out in the applicable Statement of Work for Services performed. Such reporting may include applicable sites; amount, type, or weight of materials; and service dates;
 - (b) upon such frequency as MMBC may request (but not more frequently than monthly), reports pertaining to the performance of the Services and Contractor’s other obligations under this Agreement reasonably sufficient to permit MMBC to monitor and manage Contractor’s performance; and
 - (c) such additional reports as MMBC may reasonably identify from time to time to be generated and delivered by Contractor on an ad hoc or periodic basis.
- 7.3. Audit.
- 7.3.1. Without limiting any other audit right, during the Term and for the period Contractor is required to comply with Section 7.1, MMBC (or its audit representative) will have the right upon reasonable prior written notice to audit and inspect: (a) any site, facility, vehicle, or equipment relating to the

performance of the Services; and (b) all data, records, documentation and other information of Contractor relating to this Agreement or the Services, in order to verify Contractor's performance and compliance with its obligations under this Agreement, including that MMBC (or its audit representative) may conduct a financial audit to verify the amounts paid or payable by MMBC hereunder. If any audit reveals that MMBC has been overbilled, Contractor will reimburse the overcharged amount to MMBC with interest at prime plus 1%. If the overbilled amount exceeds five percent of the total amounts charged during the time period audited, Contractor will bear all of MMBC's costs in relation to such audit.

- 7.3.2. Without limiting any other audit right, during the Term and for the period Contractor is required to comply with Section 7.1, Contractor will make the data, records, and documents retained pursuant to Section 7.1 available for inspection or audit by MMBC (or its audit representative) upon MMBC's request.
- 7.3.3. Without limiting any other audit right, during the Term MMBC (or its audit representative) may conduct composition studies, without notice, of any materials collected, transported, processed, or otherwise handled under this Agreement, at any stage of the Services and regardless of the location of such materials.
- 7.3.4. Contractor will co-operate with and provide to MMBC (or its audit representative) such reasonable assistance as they require in order to exercise the rights set out in this Section 7.3. Contractor will ensure that it has agreements in place with all subcontractors to enable MMBC (or its audit representative) to directly exercise the audit rights under this Section 7.3 in respect of such subcontractor.

SECTION 8. REPRESENTATIONS AND WARRANTIES

- 8.1. Contractor Representations and Warranties. Contractor represents and warrants to and covenants with MMBC that:
 - (a) it is duly incorporated, validly existing, and in good standing under the laws of its jurisdiction of incorporation, and is duly qualified to do business in all jurisdictions in which qualification is necessary in order to transact its business and perform its obligations set out in this Agreement;
 - (b) it has full power, authority, and right to execute and deliver this Agreement, to make the representations, warranties, and covenants set out herein, and to perform its obligations under this Agreement in accordance with its terms. This Agreement has been validly executed by an authorized representative of Contractor, and constitutes a valid and legally binding and enforceable obligation of Contractor;
 - (c) it has and will, at his own expense, procure all permits, certificates and licenses required by Applicable Law for the performance of the Services;
 - (d) the representations, warranties, covenants, claims, inducements, and agreements made by Contractor in Contractor's written response to any procurement process related to the Services or this Agreement are true and correct as of the Effective Date, including those in any proposal submitted in response to a request for proposals and any statements or claims in any completed and submitted questionnaire in response to any offer of a collection financial incentive; and
 - (e) it has not given and will not give commissions, payments, kickbacks, gifts, lavish or extensive entertainment, or other inducements of more than minimal value to any employee or agent of MMBC in connection with this Agreement and, to the best of its knowledge, no officer, director, employee, agent or representative of Contractor has given any such commissions,

payments, kickbacks, gifts, entertainment or other inducements to any employee or agent of MMBC.

SECTION 9. CONFIDENTIALITY

- 9.1. Confidentiality Covenant. The Receiving Party will: (i) take all measures reasonably required to maintain the confidentiality and security of the Confidential Information of the Disclosing Party; (ii) not use or reproduce Confidential Information for any purpose, other than as reasonably required to exercise or perform its rights or obligations under this Agreement; (iii) not disclose any Confidential Information other than to employees, agents or subcontractors of the Receiving Party ("**Representatives**") to the extent, and only to the extent, they have a need to know the Confidential Information in order for Receiving Party to exercise its rights or perform its obligations under this Agreement and who are bound by a legal obligation to protect the received Confidential Information from unauthorized use or disclosure; and (iv) be responsible for any breach of this Agreement by any of its Representatives.
- 9.2. Legal Requirement. Notwithstanding Section 9.1, the Receiving Party may disclose Confidential Information of the Disclosing Party to the extent required by a court of competent jurisdiction or other governmental authority or otherwise as required by Applicable Law, provided that, unless prohibited by Applicable Law, the Receiving Party gives the Disclosing Party an opportunity to oppose the disclosure or to seek a protective order protecting such Confidential Information prior to any such disclosure.
- 9.3. Return of Confidential Information. Upon expiry or termination of this Agreement, or upon request by the Disclosing Party, the Receiving Party will return to the Disclosing Party, or irrecoverably destroy, any Confidential Information of the Disclosing Party.
- 9.4. Privacy Laws. Contractor will not access, collect, use, disclose, dispose of or otherwise handle information of or about individuals that is subject to Applicable Laws relating to privacy ("**Privacy Laws**") in the performance of its obligations under this Agreement, except: (a) to the extent necessary to perform the Service; (b) in accordance with all Privacy Laws; and (b) in a manner that enables MMBC to comply with all Privacy Laws, including that Contractor will obtain appropriate consents from the applicable individuals to allow Contractor and MMBC to exercise their rights and to perform their obligations under this Agreement as they relate to such information. Unless prohibited by Applicable Law, Contractor will immediately notify MMBC of any demand, or request by a third party (including any government or a regulatory authority) for the disclosure of any information of MMBC that is subject to Privacy Laws, and, to the maximum extent permitted by law, will oppose, seek judicial relief of and appeal any such demand or request. Contractor will immediately notify MMBC if Contractor becomes aware that Contractor has failed to comply with Privacy Laws in connection with the performance of this Agreement.

SECTION 10. PROPRIETARY RIGHTS

- 10.1. Ownership. Except as otherwise specifically provided in any Statement of Work, or as otherwise agreed to by the parties in writing, the Work Product, together with any Intellectual Property Rights therein will be owned by MMBC; accordingly, Contractor will assign and hereby assigns to MMBC all rights, title and interest it may have from time to time in the Work Products effective upon creation. During the Term, Contractor will have a non-exclusive, non-transferable license to use the Work Products for the sole purpose of providing and completing the Services. Contractor will obtain from all individuals involved in the development of the Work Product an express and irrevocable waiver in favour of MMBC, its successors and assigns of any and all moral rights arising under the Copyright Act (Canada) as amended (or any successor legislation of similar force and effect) or under similar legislation in other jurisdictions or at common law that Contractor or such individuals, as authors, have with respect to the Work Products.

SECTION 11. INDEMNITY

- 11.1. Indemnity. Contractor will indemnify and save harmless MMBC, its Affiliates, and their respective directors, officers, contractors, employees, volunteers, and agents from and against any and all manner of actions or causes of actions, damages, costs, losses or expenses of whatever kind (including related legal fees on a solicitor and client basis) which may be sustained or incurred by reason of or directly or indirectly arising out of any act or omission of Contractor or any person for whom the Contractor is, at law or under this Agreement, responsible, in relation to the Services or this Agreement, including without limitation arising out of any (i) breach of this Agreement; (ii) damages to persons or property, personal injury or death; (iii) breach of Applicable Law; (iv) spill, leak, contamination, or other environmental damage; or (v) infringement, violation or misappropriation of any third party's right, including any Intellectual Property Right.
- 11.2. Available Remedies. If Contractor sustains damage in the course of performing the Services that is caused by another contractor of MMBC with whom Contractor is obligated under this Agreement to interact with directly (an "**Other Service Provider**"), MMBC will, upon Contractor's reasonable and good faith request, use commercially reasonable efforts to exercise, for Contractor's benefit, such contractual remedies of indemnification or receipt of service level failure credits as MMBC may have with the Other Service Provider that apply to the damage sustained by Contractor and the event which caused the damage; provided that Contractor: (i) has first used reasonable efforts to address the damage directly with the Other Service Provider, including exercising direct remedies Contractor may have under Applicable Law, contract or otherwise; and (ii) will have a duty to mitigate its damages.

SECTION 12. INSURANCE AND PERFORMANCE BOND

- 12.1. Insurance. During the Term and for any additional period following the end of the Term set out in Schedule 12.1, Contractor will have and maintain in force in Canada, and will cause its subcontractors to have and maintain in force in Canada, at a minimum, the insurance coverages set out in Schedule 12.1, and Contractor will (and will cause its subcontractors to) otherwise comply with the provisions of Schedule 12.1. Failure to secure such insurance coverage, or the failure to comply fully with any of Schedule 12.1 will be deemed to be a material breach of this Agreement. None of the requirements contained herein as to types, limits and approval of insurance coverage to be maintained by Contractor are intended to and will not in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Agreement.
- 12.2. Performance Bond. Contractor will comply with any performance bond requirements that may be set out in a Statement of Work.

SECTION 13. TERMINATION

- 13.1. Termination for Convenience. Either party may, at any time and without cause, terminate this Agreement or any Statements of Work for convenience upon giving the other party 180 days' prior written notice (or such shorter amount of notice if agreed in writing by the other party). Upon receipt of a notice of termination by either party, Contractor will commence the orderly wind down of the Services contracted hereunder, prepare its statement of account on the basis of the effective date specified in the notice, and immediately return all Work Product to MMBC, whether completed or not.
- 13.2. Termination by MMBC for Cause. MMBC may elect to terminate this Agreement or any Statements of Work by providing written notice of such termination, effective immediately or at such other time set out in the notice of termination, to Contractor in the event that:
- (a) Contractor becomes subject to proceedings in bankruptcy or insolvency, voluntarily or involuntarily, if a receiver is appointed with or without Contractor's consent, if Contractor

assigns its property to its creditors or performs any other act of bankruptcy or if the other party becomes insolvent and cannot pay its debts when they are due;

- (b) Contractor commits a material breach of this Agreement and does not cure such breach within 30 days of receipt of notice thereof from MMBC;
- (c) Contractor fails to provide all or a material portion of the Services for a consecutive period of more than seven days;
- (d) Contractor's performance creates a hazard to public health or safety or to the environment;
- (e) Contractor is assessed Service Level Failure Credits in excess of \$10,000 during any rolling six month period; or
- (f) any other termination right described in this Agreement or a Statement of Work is triggered.

- 13.3. Termination by Contractor for Cause. Contractor may elect to terminate this Agreement by providing written notice of such termination, effective immediately, to MMBC in the event that MMBC fails to pay undisputed Fees, as they become due, in an amount that exceeds the aggregate Fees invoiced by Contractor under the three most recent prior monthly consolidated invoices issued by Contractor and MMBC does not cure such non-payment within 60 days of receipt of notice thereof from Contractor.
- 13.4. Change in Applicable Law. MMBC may elect to terminate this Agreement or any Statements of Work by providing written notice of such termination, effective immediately or at such other time set out in the notice of termination, to Contractor in the event that there is a material change in Applicable Law applicable to MMBC or the Services, including if there is a material change to an approved plan under the *Recycling Regulations* of the *Environment Management Act* (British Columbia) or if any new plan (whether submitted by MMBC or any other person) is approved thereunder.
- 13.5. Disruption of Service. The parties expressly agree that the failure or inability of Contractor to perform its obligations under this Agreement will constitute a breach hereunder, and that any costs and expenses reasonably incurred by MMBC for any replacement services as a result of such a failure or inability will be considered direct damages hereunder.
- 13.6. Termination Assistance. Upon termination or expiration of this Agreement, Contractor will continue to provide Services hereunder and will make reasonable efforts to cooperate and assist, according to mutually agreeable terms and conditions, to ensure that there is an orderly transfer of the Services required by MMBC pursuant to this Agreement.
- 13.7. Survival. The following sections will survive the expiration or termination of this Agreement, regardless of the reasons for its expiration or termination, in addition to any other provision which by law or by its nature should survive: SECTION 9 (Confidentiality), SECTION 11 (Indemnity), SECTION 12 (Insurance and Performance Bond), SECTION 14 (Dispute Resolution) and SECTION 15 (General Provisions) in their entirety, and Sections 7.1, 7.3, 10.1, 13.6, and 13.7. The expiry or termination of this Agreement will not affect the rights of any party to make a claim for damages arising from a breach of any provision of this Agreement which occurred prior to such expiry or termination.

SECTION 14. DISPUTE RESOLUTION

- 14.1. Disputes. Any dispute that touches upon the validity, construction, meaning, performance or effect of this Agreement or the rights or liabilities of the parties or any matter arising out of, or in connection with this Agreement (a "**Dispute**"), between MMBC and Contractor will be addressed as follows:
- (a) The parties will first attempt to resolve the Dispute through representatives from each of MMBC and Contractor who work most closely with each other on related matters, within 15 days after written notice of the Dispute was first given, or as otherwise agreed upon.
 - (b) If the Dispute is not resolved at the first stage, either party may escalate the Dispute to the senior MMBC and Contractor representatives, who will meet and work together in good faith to attempt to resolve the Dispute within a further 15 days, or as otherwise agreed upon.
 - (c) If the Dispute is not resolved through the discussion above within the time period set out above, then either party may escalate the Dispute to non-binding third party mediation. The mediation will take place at a time and place mutually agreed by the parties and will be led by a third-party facilitator jointly selected by the parties (who, unless otherwise mutually agreed by the parties, will be an individual accredited to provide such services). If the Dispute remains unresolved within 45 days from the point at which a party escalated the Dispute to non-binding third party mediation, either party may escalate the Dispute by delivering a written notice to the other party referring the matter to binding arbitration.
 - (d) If the parties are unable to resolve the Dispute within the above period, unless otherwise mutually agreed by the parties in writing, the Dispute will be conclusively settled by means of private and confidential binding arbitration, to the exclusion of courts of law. The arbitration will take place before a single arbitrator in Vancouver in the English language and will otherwise be undertaken under the auspices and rules of the British Columbia Arbitration & Mediation Institute. The decision of the arbitrator will be final and binding on the parties and will not be subject to appeal on any grounds whatsoever, and will be enforceable against MMBC and Contractor as the case may be. The parties will mutually agree on an arbitrator, where the parties are unable to mutually agree on an arbitrator, the arbitrator will be determined pursuant to the rules of the British Columbia Arbitration & Mediation Institute.
 - (e) Notwithstanding anything to the contrary in this Section 14.1, either party may start litigation proceedings in a court of law at any time for an application for a temporary restraining order or other form of injunctive relief and each party hereby attorns to the non-exclusive jurisdiction of the courts of the province of British Columbia for such purpose.

SECTION 15. GENERAL PROVISIONS

- 15.1. Relationship of the Parties. It is acknowledged by the parties hereto that the Contractor is being retained by MMBC in the capacity of independent contractor and not as an employee of MMBC. The Contractor and MMBC acknowledge and agree that this Agreement does not create a partnership, joint venture, agency, or other special relationship between them. Except as may be specified in writing, neither party will have the power to obligate or bind the other party. Personnel supplied by Contractor will work exclusively for Contractor and will not for any purpose be considered employees or agents of MMBC.
- 15.2. Assignment. This Agreement may not be assigned by either party in whole or in part, without the other party's prior written consent, except that MMBC may assign this Agreement without Contractor's consent to a person with an approved plan under the Recycling Regulation under

the Environmental Management Act (British Columbia), or who otherwise has obligations similar to those of MMBC or one or more Producers under any successor regulation or legislation, or to a person as part of a corporate reorganization of MMBC. Any attempt by a party to assign all or any part of this Agreement without prior written consent (where such consent is required) is void. Any assignment occurring by operation of law such as on a bankruptcy or amalgamation will be deemed to be an assignment and will be subject to this Section 15.2.

- 15.3. Force Majeure. Neither party to this Agreement or any Statement of Work will be liable to the other party for any failure or delay in fulfilling an obligation hereunder, if said failure or delay is attributable to a fire, act of God, natural disaster, war, riot, civil disturbance, earthquake, flood, or court or governmental order beyond such party's reasonable control ("**Force Majeure**"). The parties agree that the deadline for fulfilling the obligation in question will be extended for a period of time equal to that of the continuance of the Force Majeure. The party to which the Force Majeure applies will use all commercially reasonable efforts to minimize the effect of the Force Majeure on its performance under this Agreement or any Statement of Work.
- 15.4. Governing Law. This Agreement and any Statement of Work will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein without regard to conflicts of law that would apply a different body of law. The parties hereby irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of British Columbia for any legal proceedings arising out of this Agreement, any Statement of Work or the performance of the obligations hereunder.
- 15.5. Notices. All notices, requests, demands or other communications (collectively "**Notices**") given by one party to the other party, will be in writing, in the English language, and will be deemed duly given (i) when delivered by hand; (ii) when sent by facsimile (with receipt confirmed), (iii) except for a notice of termination permitted under this Agreement, by e-mail (with receipt confirmed), (iii), on the designated day of delivery after being given to an express overnight courier with a reliable system for tracking delivery, or (iv) six (6) days after the day of mailing, when mailed by Canada Post, registered or certified mail, return receipt requested and postage prepaid, and addressed as follows:

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

Fax No.: 250-390-1542
E-mail: jainge@rdn.bc.ca

Attention: Zero Waste Coordinator

To MMBC:

Multi-Material BC Society
209-1730 West 2nd Avenue
Vancouver, British Columbia V6J 1H6

Fax No.: 604-736-3154
E-mail: serviceprovider@multimaterialbc.ca

Attention: Director, Operations MMBC

or to such other address as may be designated by notice given by either party to the other.

- 15.6. Further Assurances. The parties will do, execute or deliver all such further acts, documents and things as the other party may reasonably require from time to time for the purpose of giving effect to this Agreement and will use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.
- 15.7. No Publicity. Contractor will not use the name or trademarks of MMBC nor make any statement or issue any advertisement, publicity release, press releases to the public or the media with respect to this Agreement or MMBC, unless it has obtained MMBC's prior written approval, including that Contractor will not disclose or otherwise publicly report on any Service performance metrics (including volumes of material collected or processed).
- 15.8. Timing. Time will be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement will operate as a waiver of this provision.
- 15.9. Severability. If any provision, or portion thereof, of this Agreement or any Statement of Work is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, such determination will not impair or affect the validity, legality or enforceability of the remaining provisions of this Agreement or any Statement of Work, and each provision, or portion thereof, is hereby declared to be separate, severable and distinct.
- 15.10. Waiver. A waiver of any provision of this Agreement or any Statement of Work will only be valid if provided in writing and will only be applicable to the specific incident and occurrence so waived. The failure by either party to insist upon the strict performance of this Agreement or any Statement of Work, or to exercise any term hereof, will not act as a waiver of any right, promise or term, which will continue in full force and effect.
- 15.11. Remedies Cumulative. No single or partial exercise of any right or remedy under this Agreement or any Statement of Work will preclude any other or further exercise of any other right or remedy in this Agreement or any Statement of Work or as provided at law or in equity. Rights and remedies provided in this Agreement or any Statement of Work are cumulative and not exclusive of any right or remedy provided at law or in equity.
- 15.12. Amendment. This Agreement or any Statement of Work may only be amended by written agreement duly executed by authorized representatives of the parties.
- 15.13. Entire Agreement. This Agreement and any Statement of Work will constitute the entire agreement between the parties with respect to the subject matter hereof and will replace all prior promises or understandings, oral or written. There is no representation, warranty, collateral term or condition or collateral agreement affecting this Agreement, other than as expressed in writing in this Agreement. Any purchase order or other instrument of Contractor accompanying either a Statement of Work, a Contractor payment or otherwise is for Contractor's internal use only and its terms will not alter or amend the terms of this Agreement.
- 15.14. Counterparts. This Agreement and any Statement of Work may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement or any Statement of Work by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement or the Statement of Work by such party.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Agreement effective as of the Effective Date.

MULTI-MATERIAL BC SOCIETY

Per: _____
(I have authority to bind MMBC)

Name: _____
(Please Print)

Title: _____

REGIONAL DISTRICT OF NANAIMO

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Agreement to MMBC, Contractor and the first signatory represent that no additional signatories are required).

SCHEDULE 4.2 MMBC POLICIES AND STANDARDS

As of the Effective Date, the following are MMBC Polices and Standards:

1. MMBC's Weight and Measurement Standards, a copy of which is set out below:

MMBC requires that PPP collected, transported and processed be weighed, and that accurate weights be reported to MMBC.

Weight is defined by MMBC as the following:

Gross Weight means the weight of the truck or container plus its contents, measured in kilograms unless otherwise noted.

Tare Weight means the weight of the empty truck or container and any equipment without its contents, measured in kilograms unless otherwise noted.

Net Weight is the weight of the contents of the container or truck, calculated as Gross Weight minus Tare Weight, measured in kilograms unless otherwise noted.

The above weights will always exclude the weight of the vehicle and any contents other than the PPP collected.

The following equation must always be true.

$$\text{Net Weight} = \text{Gross Weight} - \text{Tare Weight}$$

Measurement Canada has produced a comprehensive guide on taking and recording weights, available at <http://www.ic.gc.ca/eic/site/mc-mc.nsf/eng/lm00205.html>.

Collector Responsibilities

All loads must be documented in a manner specified by MMBC, as amended by MMBC from time to time, including a certified scale ticket. The certified scale ticket may be provided by the Designated Post-Collection Service Provider to the Collector if the weighing is performed by the Post-Collector. If the Collector is performing the actual weighing, the Post-Collector responsibilities noted below must be followed by the Collector.

Collectors are to maintain the following Net Weight records and provide upon request to MMBC:

- Curbside Collection: Tonnage by collection date and truck number
- Multi-Family Building Collection: Tonnage by collection date and truck number
- Depot Collection: Tonnage by the date on which the Designated Post-Collection Service Provider removed the PPP from the Depot

Post-Collector Responsibilities

The Designated Post-Collection Service Provider must have the necessary equipment to accurately weigh all PPP received regardless of material category and container type, including the ability to subtract the container weight (Tare deduction) from the Gross Weight to report Net Weight to MMBC.

All loads must be documented in a manner specified by MMBC, as amended by MMBC from time to time, including a certified scale ticket provided by the Designated Post-Collection Service Provider, with Depot name and address, Designated Post-Collection Service Provider name and address, date, time, truck number, Net Weight by material type (in accordance with the material type classifications set out in Exhibit A to Attachment 5), and such other information as MMBC may designate (collectively, "Claim

Information”). Standard Tare Weights for specific trucks may only be used on specific written permission of MMBC.

At least every two weeks, the Designated Post-Collection Service Provider will report the Claim Information through MMBC's claims reporting portal, or through such other method as MMBC may designate.

A note on material en-route:

A Post-Collection transporter may deliver PPP to a consolidation or transfer point prior to delivering it to the processing site. In such cases Net Weights must be measured and recorded for reporting purposes at the consolidation or transfer point by the Designated Post-Collection Service Provider to MMBC.

Post-Collection Service Providers may repack PPP at consolidation or transfer point prior to transporting it to the processing site. If contamination is found and discarded during the repacking process then the Designated Post-Collection Service Provider must report the quantity of contamination (Net Weight) and the management method to MMBC in the final diversion report.

The Designated Post-Collection Service Provider must provide diversion reports to MMBC. All recycling and disposal activities must be detailed on the diversion reports, and Net Weights of material directed to recycling, recovery and disposal must be provided. The total Net Weight of PPP recycled, recovered and disposed recorded on diversion reports should match the total Net Weight of PPP received. These totals will be reviewed by MMBC on a regular basis as part of its chain of custody audits.

2. “Packaging and Printed Paper” or “PPP” means the materials set out in MMBC’s Packaging and Printed Paper Description, a copy of which is set out in the table below:

Material Type	Examples of PPP Accepted	Examples of PPP Not Accepted
Category 1 - Printed Papers		
Newspapers	Daily and community newspapers	
Newspaper Inserts	Newsprint advertising inserts and flyers	
Magazines	Daily, weekly, monthly magazines; travel or promotional magazines	
Catalogues	Retailer product catalogues; automotive and real estate guides/catalogues	
Telephone Directories	Phone books; newsprint directories	
Other Printed Media	Notepads; loose leaf paper; non-foil gift wrap	
Residential Printed Paper	White or coloured paper for general use, printers and copiers	
Miscellaneous Printed Papers	Blank and printed envelopes; greeting cards	
Category 2 - Old Corrugated Cardboard (OCC)		
Old Corrugated Cardboard	Grocery store/liquor store boxes; pizza boxes	
Category 3 (a) – Other Paper Packaging (containing liquids when sold)		
Paper Cup (hot) (polycoated liner)	Non-foam paper cups	
Paper Cup (hot) (biodegradable liner)	Non-foam paper cups	
Paper Cup (cold) (waxed)	Non-foam paper cups	
Paper Cup (cold) (2-sided polycoated)	Non-foam paper cups	
Polycoated Milk Cartons	Milk, soy, rice milk and cream cartons	
Aseptic Containers	Milk, soy, rice milk, cream, soup, broth and sauce containers, typically about 1 litre in size	
Multi-laminated Paper Packaging	Microwavable paper containers; paper bowls/cups for soup	
Category 3 (b) – Other Paper Packaging (not containing liquids when sold)		
Old Boxboard (OBB)	Cereal boxes; shoe boxes; tissue boxes; paper towel and toilet paper tubes; detergent boxes	
Wet Strength Boxboard	Carrier boxes for soft drink containers; some frozen food paper packaging	
Moulded Pulp	Egg cartons; formed coffee take put trays; paper based	

Material Type	Examples of PPP Accepted	Examples of PPP Not Accepted
	flower pots	
Kraft Papers	Paper bags	
Polycoated Boxboard	Some frozen food packaging	
Category 4 - Polyethylene (PE) Film Packaging		
HDPE Films	Some retail bags; some frozen vegetable bags	
LDPE/LLDPE Films	Grocery bags; newspaper bags; dry cleaning bags; bread bags; frozen vegetable bags; soft drink case over-wrap; garden product bags; paper towel over-wrap; diaper and feminine hygiene product outer bags	Stretch film
Category 5 - Polystyrene (PS) Foam Packaging		
PS Clamshells (EPS)	Egg cartons	
PS Trays/Plates (EPS)	Deli and take-out food trays	
PS Meat Trays (EPS)	White and coloured meat trays	
PS Hot Drink Cups (EPS)	Foam drink cups	
PS Cushion Packaging (EPS)	White foam cushion packaging used for appliances, computers, TVs, printers	Foam packaging peanuts
Category 6 - Other Plastic Packaging		
PETE Bottles (non-beverage)	Salad dressing bottles; edible oil bottles; dish soap or mouthwash bottles; window cleaners	
PETE Jars	Peanut butter containers; wide-mouth jars for nuts	
PETE Clamshells	Bakery trays; pre-made fruit and salad packages; egg cartons	
PETE Trays	Single serve meals; deli and bakery items; housewares and hardware products	
PETE Tubs & Lids	Plastic lids for some containers	
PETE Cold Drink Cups	Take-out drink cups	
HDPE Bottles (non-beverage)	Shampoo bottles, milk jugs; spring water containers; bleach containers; vinegar containers; windshield washer fluid containers; pill bottles	
HDPE Jars	Personal care products; pharmaceuticals, vitamin and supplements containers	
HDPE Pails	Laundry detergent, ice cream pails	Pails for lubricants
HDPE Trays	Single serve meals; deli and bakery items; housewares and hardware products	
HDPE Tubs & Lids	Plastic lids for spreads and dairy containers	
HDPE Planter Pots	Plastic garden pots	
PVC Bottles	Water bottles; travel sized personal and hair care	

Material Type	Examples of PPP Accepted	Examples of PPP Not Accepted
	product bottles; household and automotive liquids containers	
PVC Jars	Peanut butter containers	
PVC Trays	Housewares and hardware products	
PVC Tubs & Lids	Plastic lids for some containers	
LDPE Bottles (non-beverage)	Hygienic, cosmetics and hair care containers	
LDPE Jars	Cosmetics containers	
LDPE Tubs & Jars	Plastic lids for spreads and dairy containers	
PP Bottles (non-beverage)	Butter and margarine containers; translucent squeeze bottles; travel sized personal and hair care product bottles	
PP Jars	Cosmetics containers	
PP Clamshells	Hinged containers e.g. sanitary wipes	
PP Trays	Single serve meals; deli and bakery items; housewares and hardware products	
PP Tubs & Lids	Large yogurt tubs; kitty litter containers; ice cream containers	
PP Cold Drink Cups	Some cold drink cups	
PP Planter Pots	Garden planter pots	
PS Bottles (non-beverage)	Pharmaceuticals, vitamin and supplements containers	
PS Clamshells (rigid)	Clear clamshell containers such as berry, muffin and sandwich containers	
PS Trays (rigid)	Clear rigid trays used for deli foods	
PS Tubs & Lids (rigid)	Dairy product tubs and lids	
PS Tubs & Lids (high impact)	Single serve yogurt containers	
PS Cold Drink Cups (rigid)	Clear rigid plastic drink cups	
PS Planter Pots	Some garden pots and trays	
Other ¹ Plastic Bottles (non-beverage)	Bottles without a resin code or with resin code # 7	
Other Plastic Jars	Jars without a resin code or with resin code # 7	
Other Plastic Clamshells	Clamshells without a resin code or with resin code # 7	
Other Plastic Trays	Trays without a resin code or with resin code # 7	
Other Plastic Tubs & Lids	Tubs & lids without a resin code or with resin code # 7	

¹ 'Other' plastic packaging is typically: manufactured from a combination of recycled resins; manufactured with a barrier layer; or, lacking a resin code mark.

Material Type	Examples of PPP Accepted	Examples of PPP Not Accepted
Other Plastic Cold Drink Cups	Cold drink cups without a resin code or with resin code # 7	
Other Plastic Planter Pots	Planter pots without a resin code or with resin code # 7	
Category 7 – Metal Packaging		
Steel Cans (non-beverage)	Steel dog food and vegetable cans; metal lids and closures	
Steel Aerosol Cans	Food spray cans; solvent spray cans	
Spiral Wound Cans (steel ends)	Spiral wound containers for frozen juice, chips, cookie dough, coffee, nuts	
Aluminum Cans (non-beverage)	Cat food and other food cans	
Aluminum Aerosol Cans	Air freshener, deodorant and hairspray containers; food spray cans; wax and polish spray cans	
Aluminum Foil and Foil Containers	Foils wrap; pie plates; aluminum food trays	
Bimetal Containers/Aerosols	Lubricating oil spray cans; insulating foam spray cans; pesticide spray cans	
Category 8 – Glass Packaging		
Clear Glass Bottles and Jars (non-beverage)	Food containers; ketchup bottles; pickle jars; jam and jelly containers; cosmetic jars	
Coloured Glass Bottles and Jars (non-beverage)	Cooking oils; vinegar bottles; cosmetic containers	

SCHEDULE 4.4
SERVICE LEVEL METHODOLOGY

1. Contractor will measure and record all data reasonably required by MMBC to determine Contractor's performance of the Services against the applicable Service Levels. Contractor will retain such records in accordance with Section 7.1 of the main terms of the Agreement. Upon request, and upon such frequency as MMBC may indicate (which may not be more frequently than monthly), Contractor will deliver to MMBC a report, in a form and format approved by MMBC, setting out details of Contractor's actual performance of the Services as measured against each Service Level during the applicable reporting period.

2. In the event of a Service Level Failure in respect of a Service Level expressly set out in a Statement of Work, Contractor will credit to MMBC the applicable Service Level Failure Credit set out in such Statement of Work. Contractor agrees that Service Level Failure Credits compensate MMBC in part for the reduced value of the Services actually provided by Contractor (and not as a penalty or exclusive liquidated damages). Contractor agrees that the Service Level Credits are only partial compensation for the damage that may be suffered by MMBC as a result of Contractor's failure to meet a Service Level and that payment of any Service Level Failure Credit is without prejudice to any entitlement MMBC may have to damages or other remedies under this Agreement, at law or in equity. Service Level Failure Credits will be due regardless of the manner in which the Service Level Failure is identified (including where reported by Contractor or identified by MMBC).

**SCHEDULE 12.1
INSURANCE REQUIREMENTS**

1. **Insurance Coverage.** The insurance coverage required pursuant to Section 12.1 of the main body of the Agreement is as follows:
 - (a) Comprehensive General Liability coverage with limits of not less than \$5,000,000 (five million dollars) per occurrence with a deductible not exceeding \$100,000 per occurrence, or, where Contractor is a local government, Contractor may self-insure for equivalent or better coverage (in which case Contractor will respond to all claims, actions, demands, expenses and losses by whomsoever made in the same manner as if commercial comprehensive general liability insurance was purchased for same and as if MMBC were included in such policy as an additional insured);
 - (b) Contractor will seek advice and obtain any necessary environmental impairment liability insurance or other such policy as may be recommended by their insurance broker or legal counsel to adequately protect against risks of environmental liability, with typical environmental impairment liability insurance for the Services having a limit of not less than \$1,000,000 (one million dollars) per occurrence with a deductible not greater than \$100,000 (for clarity, neither the amount nor type of environmental impairment liability insurance obtained by Contractor will in any manner limit or qualify the liabilities and obligations assumed by Contractor under this Agreement);
 - (c) Workers' Compensation Insurance or Workplace Safety & Insurance coverage with the applicable Provincial (including in all cases British Columbia) or Territorial Workplace Safety & Insurance Board or Employer's Liability Insurance or both with limits as required by Applicable Law covering all Contractor personnel; and
 - (d) Such other insurance coverage as may be set out in a Statement of Work.
2. **Requirements for Insurer.** All insurers must be reputable and financially creditworthy insurers with an A.M. Best financial strength rating of "A-" or higher (or equivalent rating by a similar agency, in MMBC's sole discretion).
3. **MMBC as Additional Insured.** Contractor will add MMBC as an additional insured on its Commercial General Liability policy with the following language: "Multi-Material BC Society and its affiliated entities, officers, partners, directors, employees, representatives and agents are included as Additional Insureds for Comprehensive General Liability.
4. **Evidence of Insurance.** Contractor will cause its insurers to issue to MMBC certificates of insurance on the Effective Date, and once each calendar year thereafter, evidencing that the coverages and policy endorsements required under this Agreement are maintained in force. Where Contractor is a local government and opts to self-insure pursuant to Section 1(a), Contractor will provide a written attestation stating and evidencing such self-insurance (including evidence of authority and financial ability to self-insure), in a form acceptable to MMBC, on the Effective Date and once each calendar year thereafter.
5. **Changes to Insurance Coverage.** Contractor will not reduce any insurance coverage below the requirements set out in this Schedule without MMBC's prior written consent. Contractor will provide not less than 30 days' notice to MMBC prior to any material change to its insurance coverage or to its insurer.
6. Intentionally omitted.

7. **Additional Period of Coverage.** Contractor will continue to have and maintain in force the insurance coverages set out in this Schedule, and Contractor will continue to comply with Section 12.1 of the main body of the Agreement and Schedule 12.1, beyond the end of the Term for an additional 2 years thereafter.

SCHEDULE 2.1(a)
STATEMENT OF WORK FOR CURBSIDE COLLECTION SERVICES PROVIDED BY LOCAL GOVERNMENT

This Statement of Work is incorporated into and forms part of the Master Services Agreement made between Regional District of Nanaimo ("**Contractor**") and Multi-Material BC Society ("**MMBC**") made as of November 30, 2013 (the "**Agreement**"). The effective date of this Statement of Work (the "**SOW Effective Date**") is November 30, 2013.

SECTION 1. Interpretation

1.1 Definitions. In this Statement of Work, the following terms will have the following meaning. Capitalized terms used but not defined in this Statement of Work will have the respective meanings ascribed to them in the Agreement.

"**Agreement**" has the meaning set out on the first page of this Statement of Work.

"**Container**" means any blue bin, bag, open container or cart used for household storage and curbside set-out of In-Scope PPP in the performance of this Statement of Work.

"**Corrugated Cardboard**" means paper-based material consisting of a fluted corrugated sheet and one or two flat linerboards.

"**Curb**" or "**Curbside**" means a location within one (1) metre of the Public Street or Private Road.

"**Curbside Collection**" has the meaning set out in Section 2.1.

"**Curbside Household**" means a self-contained dwelling unit providing accommodation to one or more people, including single-family dwellings and buildings with up to four suites, where the resident is expected to deliver In-Scope PPP to the Curb for collection.

"**Customer**" means residents of Curbside Households within the Service Area.

"**Designated Post-Collection Service Provider**" means the delivery point, designated by MMBC, for the Contractor-collected In-Scope PPP.

"**In-Scope PPP**" mean the PPP set out in Attachment 2.1.2 and such other materials identified as In-Scope PPP by MMBC in writing from time to time.

"**Industrial, Commercial and Institutional**" or "**ICI**" means any operation or facility other than a Curbside Household, including: industrial facilities such as warehouses, distribution centres, manufacturing facilities; commercial facilities such as retail stores, offices, strip malls and vacation facilities, such as hotels, motels, cottages, cabins and rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., ski resorts); and, institutional facilities such as schools, churches, community buildings, local government buildings, arenas, libraries, fire halls, police stations and residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

"**Missed Collection**" means failure of Contractor to collect In-Scope PPP that has been set out by a Customer on the Customer's scheduled collection day by the appointed set out time.

"**Non-PPP Items**" means any material that is not In-Scope PPP.

"**Private Road**" means a privately-owned and maintained way that allows for access by a service vehicle and that serves multiple residences.

“**Public Street**” means a public right-of-way used for public travel, including public alleys.

“**Service Area**” means the geographic area delineated in Attachment 2.1.1.

“**Service Commencement Date**” means May 19, 2014.

“**SOW Effective Date**” has the meaning set out on the first page of this Statement of Work.

“**SOW Services**” has the meaning set out in Section 2.

- 1.2 Attachments. As of the Effective Date, the following Attachments form part of this Agreement (note that Attachment numbering is not sequential and is based on a related section reference):

<u>Attachment</u>	<u>Description</u>
Attachment 2.1.1	- Service Area
Attachment 2.1.2	- In-Scope PPP
Attachment 3.4	- Service Level Failures
Attachment 5	- Fees

SECTION 2. Services

Contractor will provide, on the terms and conditions set out in the Agreement as supplemented and modified by the terms and conditions of this Statement of Work, the following Services (the “**SOW Services**”):

- 2.1 Curbside Collection Services. Beginning on the Service Commencement Date, Contractor will collect In-Scope PPP at Curbside from all Customers within the Service Area as further described in this Section 2(a) (the “**Curbside Collection**”) and in accordance with the terms of the Agreement and this SOW.

2.1.1 Service Area.

- (a) Contractor will perform Curbside Collection from Customers in the Service Area.
- (b) Except for changes that result from an annual baseline review made pursuant to Attachment 5, changes to the Service Area will be made in accordance with the change process set out in Section 2.2 of the main body of the Agreement.
- (c) Notwithstanding the Curbside Household Baseline (as defined in Attachment 5), Contractor is obligated to provide the SOW Services to all Customers in the Service Area.

2.1.2 PPP Materials.

- (a) Contractor will collect all In-Scope PPP from all Customers that: (I) are placed in Containers (including both Contractor-provided and Customer-owned Containers); and (II) any Corrugated Cardboard, tied securely and stacked by the Customers' Container (or stacked alone if no Container is present).
- (b) Collected In-Scope PPP may not contain more than three percent (3%) by weight of Non-PPP Items. In-Scope PPP delivered to the Designated Post-Collection Service Provider will consist of no more than three percent (3%) by weight of Non-PPP Items. Loads exceeding three percent (3%) by weight of Non-PPP

Items may be subject to rejection by the Designated Post-Collection Service Provider and Service Level Failure Credits.

- (c) Notwithstanding Section 2.1.2(b) above, Contractor may not collect, and collected In-Scope PPP may not contain, any packaging containing hazardous or special waste under this SOW.

2.1.3 Collection.

- (a) Contractor will not place limits on the quantity of In-Scope PPP collected from Customers.
- (b) Contractor will pick up In-Scope PPP placed by Customers (in accordance with Section 2.1.2(a)(I) or (II)) at the Curb along the collection vehicle route which may be a Public Street or a Private Road.
- (c) Contractor will perform Curbside Collection no more frequently than weekly and no less frequently than bi-weekly.
- (d) Section 2.1.3 (c) does not apply to Category 8 Glass Packaging.
- (e) Contractor will not compact In-Scope PPP in Curbside Collection vehicles at a ratio higher than 2.5:1.
- (f) Contractor will make collections in an orderly, non-disruptive, and quiet manner, and will return Containers (including, in the case of Carts, with their lids closed) in their set out location in an orderly manner. Location of Containers should not block sidewalks, driveways, or on street parking.
- (g) Contractor will monitor the quality of In-Scope PPP set out for collection. Customers with more than three percent (3%) by weight of Non-PPP Items in a given Container will receive a written notice from Contractor to reduce the quantity of Non-PPP Items. Customers that receive three or more written notices per calendar quarter (three months) will be contacted by the Contractor by phone or in person to resolve the issue. If the quantity of Non-PPP Items is not reduced to less than three percent (3%) by weight after a minimum of three (3) attempts to educate the Customer, MMBC may remove the Customer from the Service Area.
- (h) Where Contractor provided In-Scope PPP collection services to Customers immediately prior to the Service Commencement Date, Contractor will provide Curbside Collection Services that meet or exceed the level of service provided by Contractor prior to the Service Commencement Date.

2.1.4 Containers.

- (a) Contractor will, at Contractor's cost provide Containers that provide Customers with sufficient volume to accommodate In-Scope PPP generated by the Customers between collections so that Container capacity is not a barrier to Customer use of the Curbside Collection service.
- (b) Where Customers or geographical area are added to a Service Area under Section 2.1.1(b), Contractor will deliver Containers to Customers at least ten (10) Business Days prior to the start date provided by MMBC.

- (c) Contractor will procure and deliver a Container to a requesting Customer within seven (7) Business Days of the Customer's initial request.
- (d) Where Customer chooses to provide their own Container, Contractor will handle the Customer-owned Container in such a way as to prevent undue damage, and Contractor will be responsible for unnecessary or unreasonable damage to Customer-owned Containers.
- (e) In the event that a particular Customer repeatedly damages a Container or requests more than one replacement Container more frequently than a time period allowing for reasonable wear and tear during the SOW Term, Contractor may charge Customer for the depreciated value of the Container and will forward in writing the Customer's name and address to MMBC with a full explanation of the incident(s). In the event that the problem continues, Contractor may discontinue service to that Customer provided MMBC provides prior written approval.
- (f) Where Contractor did not provide In-Scope PPP collection services to Customers immediately prior to the Service Commencement Date, Contractor will comply with the following:
 - (i) Contractor will, at Contractor's cost, procure, assemble, deliver to each Customer, and to otherwise prepare for use, Containers that meet the requirements set out in this Agreement.
 - (ii) Contractor will deliver Containers to Customers at least ten (10) Business Days prior to the Service Commencement Date.
- (g) If Contractor collects In-Scope PPP in Containers other than in single-use plastic bags, Contractor will not change to collecting In-Scope PPP in a Container that is a single-use plastic bag without MMBC's prior written approval.

2.1.5 Designated Post-Collection Service Provider.

- (a) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Service Provider on the day of collection, unless Contractor is unable to deliver on the day of collection for an unforeseen reason outside Contractor's reasonable control, in which case Contractor will deliver such collected In-Scope PPP to the Designated Post-Collection Service Provider as soon as possible thereafter and will store such In-Scope PPP during the interim in a safe and secure manner. Contractor may not charge any amounts to the Designated Post-Collection Service Provider in connection therewith. Contractor will not release In-Scope PPP to anyone other than the Designated Post-Collection Service Provider or dispose of any collected In-Scope PPP without prior written authorization from MMBC.
- (b) Contractor will deliver all collected In-Scope PPP to the Designated Post-Collection Service Provider segregated, at a minimum, in the manner set out in Attachment 2.1.2.
- (c) If the Service Area is within the Metro Vancouver Regional District, the Designated Post-Collection Service Provider will accept delivery of In-Scope PPP from the Contractor at a location within 30 minutes (on average based on typical traffic conditions between 10 am and 2 pm Monday to Friday) from the municipal boundary at the point of least distance to the facility operated by the Designated

Post-Collection Service Provider. If the Service Area is not within Metro Vancouver Regional District, the Designated Post-Collection Service Provider will accept delivery of In-Scope PPP from the Contractor at a location 60 kilometers from the municipal boundary at the point of least distance to the facility operated by the Designated Post-Collection Service Provider. If delivery to the Designated Post-Collection Service Provider requires the use of a ferry, then delivery boundary is the ferry terminal and the portion of the trip that requires ferry travel is to be the responsibility of the Designated Post-Collection Service Provider.

- (d) MMBC may change the Designated Post-Collection Service Provider upon 30 days' notice. If MMBC changes the Designated Post-Collection Service Provider such that the new location is greater than 10 kilometers beyond the applicable maximum distance set out in Section 2.1.5(b), such change will be made pursuant to the change process in Section 2.2 of the main body of the Agreement (provided that Contractor may not refuse such a change).
- (e) If the Designated Post-Collection Service Provider refuses to receive In-Scope PPP from Contractor due to a verified claim that Contractor's collected In-Scope PPP contains more than three percent (3%) by weight of Non-PPP Items or contains any hazardous or special waste, MMBC reserves the right to designate an alternative Designated Post-Collection Service Provider and deduct any additional costs associated with use of the alternative Designated Post-Collection Service Provider from the Fees due to Contractor.

2.1.6 Spillage.

- (a) All loads collected by Contractor will be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers on all collection vehicles will be cleared frequently to prevent the occurrence of blowing or spillage.
- (b) Any spillage of materials that occurs during Curbside Collection will be immediately cleaned up or removed by Contractor at its sole expense. Contractor will keep accurate records of each occurrence of spillage and of its clean-up, and will make such records available to MMBC on request, and if requested by MMBC, as part of a regular report to be delivered with such frequency as requested by MMBC (but not more frequently than monthly). Contractor expressly acknowledges it is solely responsible for any violations of Applicable Law that may result from said spillage.
- (c) Without limiting subsection (b) above, Contractor will maintain all collection vehicles to ensure that no liquid wastes (e.g., leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged to Customer premises or Public Streets or Private Roads. All collection and route supervisor vehicles used by Contractor will be equipped with a spill kit sufficient in size to contain a spill of equivalent volume to the largest lubricating, hydraulic or fuel tank on the largest collection vehicle. Any discharge of liquid wastes or oils that may occur from Contractor's collection vehicles prior to them being removed from service will be cleaned up or removed by Contractor within three hours of being noticed by route staff, Customers, or MMBC, and will be remediated by Contractor at its sole expense. Such clean-up or removal will be documented with pictures, and notice of such clean-up or removal will be provided to MMBC in writing. Contractor will immediately notify the MMBC-designated spill coordinator of any spills that enter ground-water or drainage systems.

2.1.7 Routes.

- (a) Contractor Curbside Collection routes may not extend outside the Service Area. Contractor collection vehicles used to perform Curbside Collection may only be used elsewhere if they are emptied before and after such other use and Contractor has obtained prior approval from MMBC in writing.

2.1.8 Pilot programs.

- (a) MMBC may wish to test or implement one or more new services or developments in PPP material segregation, processing, or collection technology. MMBC will notify Contractor in writing at least 90 days prior of its intention to implement a pilot program or of its intentions to utilize a new technology system in a Service Area. The costs (or savings) accrued by MMBC-initiated pilot programs will be negotiated prior to implementation pursuant to the change process in Section 2.2 of the main body of the Agreement. If MMBC deems the pilot a success, and desires to incorporate the service or development represented in the pilot program into this SOW, such a change will be made pursuant to the change process in Section 2.2 of the main body of the Agreement.
- (b) Contractor-initiated pilot programs will require prior written notification to and written approval by MMBC. Contractor-initiated pilot programs will be performed at no additional cost to MMBC.

2.2 Customer Service and Management. As part of Curbside Collection, Contractor will provide the following Services.

2.2.1 Customer Service Requirements

- (a) Contractor's Customer service office and call center will be accessible by a local area code and prefix phone number. Customer service representatives will be available through Contractor's call center during office hours for communication with Customers and MMBC representatives. Customer calls will be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, Contractor will have an answering or voice mail service available to record messages from all incoming telephone calls, and include in the message an emergency telephone number for Customers to call outside of normal office hours in case of an emergency.
- (b) Contractor will maintain a twenty-four (24) hour emergency telephone number for use by MMBC. Contractor will have a representative, or an answering service to contact such representative, available at such emergency telephone number for MMBC-use during all hours, including normal office hours.
- (c) Contractor's Customer service representatives will have instantaneous electronic access to Customer service data and history to assist them in providing excellent Customer service.

2.2.2 Customer Service Representative Staffing

- (a) Contractor will maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by all methods, including telephone, letters, e-mails and text messages. If staffing is deemed to be insufficient by MMBC to handle Customer complaints and service requests in a timely manner, the Contractor will increase staffing levels to address the performance deficiency.

- (b) Where Contractor did not provide In-Scope PPP collection services to Customers immediately prior to the Service Commencement Date, Contractor will provide additional staffing from Service Commencement Date through the end of the fourth month after the Service Commencement Date to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. Contractor will receive no additional compensation for increased staffing levels during the implementation period. Staffing levels during the implementation period will be subject to prior MMBC review and approval.

2.2.3 Customer Complaints and Requests

- (a) Contractor will record all Customer complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Any telephone calls received via Contractor's non-office hours voice mail or answering service will be recorded in the log the following business day. Contractor will make a conscientious effort to resolve all complaints and service requests within twenty-four (24) hours of the original contact. If a longer response time is necessary for complaints or requests, the reason for the delay will be noted in the log, along with a description of Contractor's efforts to resolve the complaint or request.
- (b) Customer service log will be available for inspection by MMBC during Contractor's office hours, and will be in a format approved by MMBC. Contractor will provide a copy of this log in an electronic format from the Microsoft Office suite of software to MMBC on request, and if requested by MMBC, as part of a regular report to be delivered with such frequency as requested by MMBC (but not more frequently than monthly).

2.3 Promotion and Education.

- 2.3.1 Contractor will have primary responsibility for executing public promotion, education, and outreach programs. Contractor will incorporate MMBC-developed communications messages and images in Contractor public promotion, education, and outreach programs.
- 2.3.2 Contractor will have primary responsibility for providing Customers service-oriented information such as dates and times of Curbside Collection.

2.4 Transition and Implementation Services. Where Contractor did not provided In-Scope PPP collection services to Customers immediately prior to the Service Commencement Date, Contractor will, beginning on the SOW Effective Date, develop, with MMBC's input and prior written approval, and submit to MMBC no later than two weeks after the SOW Effective Date, a transition and implementation plan (the "**Transition and Implementation Plan**") for implementing Curbside Collection, including a specific timeline as to when different activities and events will occur, details of how different events impact other events in the timeline, and the process to be used to ensure that implementation occurs on the Service Commencement Date with no disruption. The Transition and Implementation Plan will cover the entire period from the SOW Effective Date, up through and including the six month period following the Service Commencement Date. Contractor will describe in detail what is involved with each of the activities and events listed in the Transition and Implementation Plan.

SECTION 3. Performance Standards and Operational Requirements

- 3.1 Personnel Conduct. Contractor personnel performing Curbside Collection will at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public or private property. If on private property, Contractor personnel will follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor personnel will not trespass or loiter, cross flower beds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand.
- 3.2 Vehicle Standards. Without limiting any other requirements or obligations of Contractor, Contractor will meet or exceed the following standards in respect of collection vehicles used to perform Curbside Collection.
- 3.2.1 All collection vehicles will be maintained in a clean and sanitary manner, and will be thoroughly washed at least once each week. All collection vehicles will have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with applicable law. All collection vehicles and all parts and systems of all collection vehicles will operate properly and be maintained in a condition compliant with all applicable laws, good industry standards, and be in a condition satisfactory to MMBC. Any vehicles not meeting these standards will not be used within the Service Area until repairs are made. All collection vehicles will be equipped with variable tone or proximity activated reverse movement back-up alarms.
- 3.2.2 Contractor will maintain all vehicles used in the performance of Curbside Collection in a manner intended to achieve reduced emissions and particulates, noise levels, operating costs, and fuel use.
- 3.3 SOW Record and Reporting Requirements. In addition to the record keeping and reporting requirements in the Agreement, Contractor will:
- 3.3.1 Service Delivery Reporting
- (a) maintain an electronic record of all calls related to Missed Collections and the response provided by Contractor.
 - (b) maintain an electronic record of all Customer requests, complaints and inquiries, including Customer name, mailing address, contact information (both telephone number and e-mail, if available), property name and service address, if different from mailing address, date of contact, reason for contact, results of Customer request, complaint or inquiry, resulting changes, additional follow-up needed, follow-up conducted, results of follow-up, and list of educational or outreach materials provided.
 - (c) maintain the following records, and such other records as may be requested by MMBC:
 - (i) Tonnage by collection date and weight scale ticket (which must include the collector name and truck number);
 - (ii) Customer communications related to Curbside Collection including telephone calls, letters, e-mails, text messages or webpage messages received; and
 - (iii) Notices left for Customers.

- (d) make all records maintained pursuant to this Statement of Work available to MMBC upon request, and if requested by MMBC, will provide a regular (but no more frequently than monthly) report to MMBC, in a format and by a method approved by MMBC, setting out or summarizing (at MMBC's discretion) such records as may be indicated by MMBC for the reporting period.
- (e) upon MMBC's request, provide up to four ad-hoc reports each year, at no additional cost to MMBC. These reports may include Customer service database tabulations to identify specific Service Level or participation patterns or other similar information. Reports will be provided in MMBC-defined format and software compatibility. These reports will not require the Contractor to expend more than sixty (60) staff hours per year to complete.

3.3.2 Claims Reporting

- (a) All loads must be documented in a manner specified by MMBC, from time to time, including by a certified scale ticket provided by the Designated Post-Collection Service Provider, with Contractor name and address, Designated Post-Collection Service Provider name and address, date, time, truck number, net weight by material type (by material types set out in Attachment 2.1.2; MMBC's claim reporting system will be customized to display only the material types classifications applicable to Contractor, the terminology for which may differ than that set out in Attachment 2.1.2), and such other information as MMBC may designate (collectively, "**Claim Information**"). Standard tare weights for specific trucks may only be used on specific written permission of MMBC.
- (b) At least every two weeks, Contractor will report the Claim Information through MMBC's claims reporting portal, or through such other method as MMBC may designate.
- (c) MMBC will issue a claim summary to Contractor (which, if agreed by Contractor, MMBC, and Designated Post-Collection Service Provider, may be based on Claim Information directly provided to MMBC by the Designated Post-Collection Service Provider), and Contractor will review the claim summary for accuracy. Contractor must report to MMBC any content in the claim summary that Contractor disputes within 5 days of the claim summary being issued.
- (d) After MMBC has approved the Claim Information for Contractor, MMBC will issue a purchase order to Contractor, including a reference number. If MMBC requires an invoice for such purchase order and Contractor has the right to invoice for such purchase order, Contractor may then invoice MMBC for such purchase order. Contractor must include the purchase order reference number on its invoice. For clarity, issuance of a claim summary does not indicate or evidence that MMBC has approved the applicable Claim Information.

3.4 Service Levels. If Contractor fails to meet any Service Level set out in Attachment 3.4, MMBC will be entitled to the applicable Service Level Failure Credits set out in Attachment 3.4.

SECTION 4. SOW Term

This Statement of Work will commence on the SOW Effective Date and its initial term will continue until the expiry of a five (5) year period following the SOW Effective Date. MMBC may extend this Statement of Work for up to two (2) further periods of one (1) year each, by giving Contractor notice in writing not less than 180 days before the expiration of the initial term or any such additional term or terms. The initial term and any such additional term or terms are herein referred to as the "SOW Term".

SECTION 5. Fees

The Fees payable by MMBC for the performance by Contractor of the SOW Services are set out in Attachment 5 to this Statement of Work, and such Fees begin after the Service Commencement Date.

SECTION 6. Additional Terms

- 6.1 No Double Charge. Contractor will not charge Customers a price for delivery of the SOW Services that includes the value of the Fees to be paid by MMBC under this Statement of Work.
- 6.2 Scavenging Forbidden. Contractor will not scavenge, or permit any person (including its employees) to scavenge any materials (including, if permitted by law, materials other than In-Scope PPP that have been set out to be collected by other collection service providers) at any time and at any location during Contractor's performance of the Services or otherwise.
- 6.3 Risk. Contractor will be responsible for all risks, including risk of loss of, or damage caused by, the In-Scope PPP from the time the In-Scope PPP is collected by Contractor until delivery to the Designated Post-Collection Service Provider. In-Scope PPP will be deemed to be delivered when off-loaded from Contractor's vehicles at the Designated Post-Collection Service Provider's facility and accepted by the signature of an authorized representative of the Designated Post-Collection Service Provider. Contractor will be responsible for the cost of any damage to Containers or the Designated Post-Collection Service Provider facility caused by the Contractor.

(Signature page follows.)

IN WITNESS WHEREOF the parties have executed this Statement of Work effective as of the SOW Effective Date.

MULTI-MATERIAL BC SOCIETY

REGIONAL DISTRICT OF NANAIMO

Per: _____
(I have authority to bind MMBC)

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Name: _____
(Please Print)

Title: _____

Title: _____

Per: _____
(I have authority to bind Contractor)

Name: _____
(Please Print)

Title: _____

Note: Second signatory to be completed by Contractor only if Contractor requires two signatories (and by leaving the second signatory blank and returning the Statement of Work to MMBC, Contractor and the first signatory represent that no additional signatories are required).

**ATTACHMENT 2.1.1 TO SCHEDULE 2.1(a)
DESIGNATED SERVICE AREA**

1. Under this Statement of Work,
 - (a) the initial Curbside Household Baseline (as defined in Attachment 5) will be 27,304; and
 - (b) the initial Curbside ICI Baseline (as defined in Attachment 5) will be 0.
2. The Service Area is:

Regional District of Nanaimo, excluding City of Nanaimo

ATTACHMENT 2.1.2 TO SCHEDULE 2.1(a)
IN-SCOPE PPP

For the purpose of this Statement of Work, In-Scope PPP will mean the material described in the categories of PPP below that have been selected as indicated by an x in the associated check box (and the In-Scope PPP shall be segregated, at a minimum, in the streams that have been selected below):

- PPP, in single stream, in Category 1, Category 2, Category 3(a), Category 3(b), Category 6 and Category 7.
- PPP, in multi stream, in Category 1, Category 2, and Category 3(b) which may be comingled together, but must be segregated from all other PPP.
- PPP, in multi stream, in Category 3(a), Category 6 and Category 7 which may be comingled together, but must be segregated from all other PPP.
- PPP in Category 8, segregated from all other PPP.

And, to the extent beverage containers as defined in Schedule 1 of the *Recycling Regulation* to the *Environmental Management Act* (BC) are comingled with In-Scope PPP to be collected by Contractor, such beverage containers shall be deemed to be In-Scope PPP for the purposes of this Statement of Work.

**ATTACHMENT 3.4 TO SCHEDULE 2.1(a)
SERVICE LEVEL FAILURES**

1. Contractor will incur the following Service Level Failure Credits on the following Service Level Failures:

	Service Level Failure	Service Level Failure Credit												
1	Overstatement of Curbside Households or understatement of Industrial, Commercial and Institutional locations in Service Area.	\$5,000 per incident.												
2	Failure to provide a required report pursuant to Section 3.3.1 on time.	\$500 per day past deadline.												
3	Failure to separate Curbside Collection of In-Scope PPP from Customers in Service Area from materials collected outside of the Service Area without prior written approval from MMBC.	\$5,000 per route, plus \$3,000 per month until the route is Service Area only or a request for approval has been submitted in writing and has been approved in writing by MMBC.												
4	Delivery of materials to Designated Post-Collection Service Provider that contain more than 3% by weight of Non-PPP Items.	<p>The Per Load Amount per weigh-scale ticketed load, but not to exceed in the aggregate in any year: (i) an amount that is equal to 24 loads at the foregoing Service Level Failure Credit amount, or (ii) the total Fees paid or payable to Contractor in the year, whichever is lower. For the purpose of this Service Level Failure, the "Per Load Amount" will be determined by the Curbside Household Baseline (as defined in Attachment 5), in accordance with the following table:</p> <table border="1"> <thead> <tr> <th>Curbside Household Baseline</th> <th>Per Load Amount</th> </tr> </thead> <tbody> <tr> <td>10,000+</td> <td>\$5,000</td> </tr> <tr> <td>5,000-9,999</td> <td>\$3,750</td> </tr> <tr> <td>2,500-4,999</td> <td>\$2,500</td> </tr> <tr> <td>499-2,499</td> <td>\$1,250</td> </tr> <tr> <td>0-499</td> <td>\$500</td> </tr> </tbody> </table>	Curbside Household Baseline	Per Load Amount	10,000+	\$5,000	5,000-9,999	\$3,750	2,500-4,999	\$2,500	499-2,499	\$1,250	0-499	\$500
Curbside Household Baseline	Per Load Amount													
10,000+	\$5,000													
5,000-9,999	\$3,750													
2,500-4,999	\$2,500													
499-2,499	\$1,250													
0-499	\$500													
5	A failure to comply with Section 4.6.1 and 4.6.2, or a failure to enact its applicable Business Continuity Plan, on the occurrence of a Labour Disruption.	An equitable reduction in the Fees to reflect the value of any Services not received by MMBC plus \$5,000 per day of Labour Disruption.												
6	Contractor delivers In-Scope PPP to any location, such as a landfill, incinerator or energy recovery facility, other than the Designated Post-Collection Service Provider without the prior written permission of MMBC	\$25,000 per weigh-scale ticketed load.												

2. If the average annual amount of In-Scope PPP collected per Curbside Household by Contractor, in any 12 month period (based on the Curbside Household Baseline defined in Attachment 5), falls below 135 kilograms, then Contractor will, within 90 days, prepare and submit to MMBC for approval a remediation plan designed to raise its collection yield above 135 kilograms per

Curbside Household. Following approval of the remediation plan by MMBC, Contractor will execute the plan. Contractor will provide monthly reporting to MMBC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within 90 days of beginning to execute the plan, then Contractor will work with MMBC to establish additional changes and to adopt best practices recommended by MMBC in order to increase collection yield, and, at MMBC's discretion, may result in an equitable downward change in the Fees to reflect the reduced value of the amount of In-Scope PPP being collected by Contactor.

3. If the quantity of Category 8 Glass Packaging has not declined to less than 3% (by weight) in Categories 1, 2, 3, 6 and 7 PPP collected through Curbside Collection within one year of the Service Commencement Date, Contractor will, within 90 days, prepare and submit to MMBC for approval a remediation plan designed to reduce the quantity of Category 8 Glass Packaging to this level. Following approval of the remediation plan by MMBC, Contractor will execute the plan. Contractor will provide monthly reporting to MMBC detailing the progress and outcomes of the remediation plan. If material improvement does not occur within 90 days of beginning to execute the plan, then Contractor will work with MMBC to establish additional changes and to adopt best practices recommended by MMBC in order to achieve the stated objective.

**ATTACHMENT 5 TO SCHEDULE 2.1(a)
FEES**

1. In this Attachment, the following terms will have the following meaning:

“**Bonus Period**” means each 365 day period during the SOW Term, commencing on the Service Commencement Date.

“**Curbside Household Baseline**” means the number of Curbside Households in Service Area as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment, or pursuant to a change order made pursuant to Section 2.2 of the main body of the Agreement.

“**Curbside ICI Baseline**” means the number of Industrial, Commercial and Institutional locations in the Service Area receiving Curbside Collection Service as initially set out in Attachment 2.1.1, as may be modified in accordance with Section 3 of this Attachment, or pursuant to a change order made pursuant to Section 2.2 of the main body of the Agreement.

2. In consideration for Contractor’s performance of the SOW Services MMBC will pay Contractor:

(a) The selected (as indicated by an x in the associated check box) annual amount in the table below times the Curbside Household Baseline (to be payable in arrears, in equal quarterly payments on net 30 day terms, provided that Contractor has submitted all applicable claims):

Curbside Collection Financial Incentive		
	Single-stream – Categories 1, 2, 3 (a), 3 (b), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$32.00
<input checked="" type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$34.00
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$36.00
	Multi-stream – Categories 1, 2 and 3 (b) separate from Categories 3 (a), 6 and 7	\$ per Curbside Household per Year
<input type="checkbox"/>	>2 Curbside Households per hectare	\$35.00
<input type="checkbox"/>	0.2 to 2 Curbside Households per hectare	\$37.00
<input type="checkbox"/>	<0.2 Curbside Households per hectare	\$39.00

(b) Each of the following that are selected (as indicated by an x in the associated check box) in the table below (which may be none): (i) the Resident Education Top Up amount; (ii) the Service Administration Top Up amount; and (iii) if Contractor also provides depot services pursuant to this Agreement in the Service Area pursuant to an active Statement of Work for Depot Collection Services, the Depot Top Up, in each case as set out in the table below times the Curbside Household Baseline to be invoiced and paid in arrears, in equal quarterly payments, provided that Contractor has submitted all applicable claims:

	Top Up available to local governments accepting Curbside Collection incentive	\$ per Curbside Household per Year
<input checked="" type="checkbox"/>	Resident Education Top Up	\$0.75

<input type="checkbox"/>	Depot Top Up	\$0.25
<input checked="" type="checkbox"/>	Service Administration Top Up	\$2.50

Without limiting Contractor's obligations under this Statement of Work (including without limiting the cost Contractor is required to incur to perform such obligations), the Resident Education Top Up amount must be used for the purpose of providing resident education in respect of the Collection Services.

- (c) If selected (as indicated by an x in the associated check box), the following per tonne amount, to be invoiced and paid pursuant to the claims submission process in accordance with the terms of the Agreement:

Curbside Collection Financial Incentive	
<input type="checkbox"/>	Category 8 - Glass Packaging
	\$ per Tonne
	\$80.00

- (d) For each Bonus Period, the Achieved Bonus Amount times the Curbside Household Baseline, where the "Achieved Bonus Amount" is the performance bonus amount in the table below that corresponds with the average amount of In-Scope PPP per Curbside Household actually collected by Contractor during the Bonus Period. The foregoing will be calculated annually, at the end of each Bonus Period, based on the Curbside Household Baseline and the approved claims submitted for the Bonus Period. The annual performance bonus, if any, will be paid no later than 30 days after the contract anniversary date.

If Contractor also provides collection services to multi-family buildings pursuant to another Statement of Work under this Agreement ("**Multi-Family Household Collection**"), and In-Scope PPP collected during Multi-Family Household Collection is collected in a vehicle with In-Scope PPP collected from Curbside Households under this Statement of Work, then, for the purpose of calculating the performance bonus under this subsection (c), the Curbside Household Baseline will be adjusted to include the number of multi-family households whose In-Scope PPP has been collected in this manner.

Curbside Collection Performance Bonus				
Avg In-Scope PPP Collected per Curbside Household Per Year	180 - 199 Kilograms	200 - 219 Kilograms	220 - 239 Kilograms	> 240 Kilograms
Performance Bonus	\$ per Curbside Household per Bonus Period			
	\$1.00	\$2.00	\$3.00	\$4.00

3. Annual Baseline Review.

- (a) On an annual basis, on a date to be determined by MMBC, Contractor will, in good faith, report and attest (in a form acceptable to MMBC) to the then-current number of:

- (i) Curbside Households in the Service Area;

- (ii) Industrial, Commercial and Institutional (ICI) locations in the Service Area receiving Curbside Collection Service; and
 - (iii) Curbside Households per hectare in the Service Area.
- (b) MMBC may also provide evidence of the then-current numbers for the foregoing. Based on Contractor's attestation and the evidence provided by MMBC, MMBC and Contractor will work in good faith to mutually agree on the new Curbside Household Baseline and to identify and agree upon any changes in population density and the Curbside ICI Baseline. If the agreed upon new values of the foregoing trigger a price change (as, and only as, per the pricing categories listed in this Attachment), the parties will update this Attachment by execution of a change order. Any Dispute in establishing the foregoing will be resolved by the Dispute resolution process under the Agreement.
- (c) For purposes of reporting and determining the number of Curbside Households:
- (i) A single family dwelling is considered one (1) Curbside Household;
 - (ii) A laneway house is considered one (1) Curbside Household;
 - (iii) A duplex is considered two (2) Curbside Households;
 - (iv) A triplex is considered three (3) Curbside Households;
 - (v) A fourplex is considered four (4) Curbside Households;
 - (vi) A single family dwelling that has been converted into two, three or four residential dwelling units, shall be considered a duplex, triplex or fourplex, as described in (iii), (iv) and (v) respectively, where the Contractor recognizes the conversion for utility and/or contract billing and provides Curbside Collection to each unit in the converted building at an equivalent service level as a single family dwelling; and
 - (vii) A single family dwelling that has been converted into multiple dwelling units that is recognized by the Contractor as a single family dwelling for utility and/or contract billing is considered one (1) Curbside Household.
- (d) The number of Curbside ICI Baseline locations and the pro-rated quantity of In-Scope PPP from the Curbside ICI Baseline locations will be excluded from the Fees set out in this Attachment 5.



RDN REPORT	
CAO APPROVAL	
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MEMORANDUM

TO: Paul Thorkelsson
Chief Administrative Officer

DATE: November 17, 2013

FROM: Dennis Trudeau
General Manager
Transportation & Solid Waste Services

FILE: 5365-65

SUBJECT: ICC Odour Study

PURPOSE

To bring forward the results of the ICC odour study.

BACKGROUND

At the March 26, 2013 Board meeting the following motion was passed;

“that staff be directed to engage a consultant to review and evaluate the effectiveness of the odour management plan and associated odour control systems developed and implemented by ICC to achieve zero odour complaints, not only from neighbouring properties or users of the adjacent highway but also from residents of Areas A, B and C, as required under the RDN Waste Stream Management Bylaw No. 1386 and the Waste Processing Agreement”.

The motion was a result of numerous odour complaints that had been received in the vicinity of the ICC composting facility. Complaints are a valuable measure for determining whether there are unacceptable odours leaving property boundaries. We have used this information in the past to improve our operational procedures at RDN owned and operated facilities. While there are many other potential odour sources in the area such as a pulp and paper mill, rendering plant, landfill, sawmill, agricultural activities etc., the odours were being attributed to ICC. An odour study is a good tool to determine whether there are odours attributable to ICC and what options there are to address them.

The ICC composting facility has been providing composting services in the Regional District of Nanaimo (RDN) since 2005. The opening of the facility allowed the RDN to move forward with a commercial organics ban at the landfill in 2005 and implement the collection of organics from single family households in 2010. It has contributed to the RDN being one of the lowest per capita waste generators in North America.

The RDN has a contract with ICC to compost the organic waste that is collected by our food waste program. The term of the agreement is for five years beginning April 1, 2010 and ending March 31, 2015 which is the same term as the agreement negotiated with the collection contractor. As in both agreements, the contractor, provided they are not in breach of any term or condition of the agreement, and have performed the work to the reasonable satisfaction of the RDN, may renew the agreement for a further five year term ending March 31, 2020.

The agreement stipulates that ICC must accept, store, process and make beneficial use of all RDN Organic Waste delivered to the facility. ICC may accept organic waste from sources outside of the RDN provided that RDN Organic Waste is given priority over all other organic waste delivered to the facility from other sources. They are supposed to carry out these activities without allowing unacceptable odours beyond property boundaries.

In addition to the contract with ICC the RDN has issued a Waste Stream Management License (WSML) which authorizes their facility to accept municipal solid waste. The WSML was issued in 2006 and sets out terms and conditions on how the facility should operate.

Staff engaged Morrison Hershfield to carry out the study (Appendix 1) of potential odours coming from the ICC facility. The company was chosen due to their extensive expertise in composting and odour management. The study had the following key tasks:

- Assess ICC operations as a potential source of odours;
- Conduct odour sampling and testing;
- Undertake dispersion modeling of odours emanating from the ICC site; and,
- Summarize findings in a report that indicates if ICC could be responsible for the odour complaints, and if so, which areas ICC should focus on to achieve compliance with their Waste Processing Agreement.

The report indicates that compounds that commonly produce odours at composting facilities are:

- Reduced sulphur compounds (e.g. hydrogen sulphide) – resulting from anaerobic decomposition – smells like rotten eggs, rotten cabbage or garlic;
- Volatile fatty acids – often present in initial phase of composting – smells like vinegar or rancid food;
- Nitrogen compounds – typically ammonia, typical under low pH and low carbon to nitrogen ratio – medicinal smell – not pervasive and is easily dispersed;
- Indoles and Skatoles – naturally occurring in feces, beets and coal;
- Ketones and Aldehydes – ketones created from carbohydrates, fatty acids and amino acids – ketones are difficult to detect, aldehydes are very odorous (sharp, unpleasant odour); and,
- Other compounds such as alcohol, terpenes, guaiacol, pyrans and furans.

The conditions that typically create odours are anaerobic conditions which allow odour-producing microbes to thrive or having a low carbon to nitrogen ratio which results in the release of ammonia.

The operational steps that have the potential to create odours are the handling of incoming feedstock and the active composting process. The characteristics of the incoming feedstock and the way it's been stored can result in odours.

As a part of the odour study a sampling program was carried out to determine the emission rates of odour on the site, which would later be used for a dispersion analysis. Odour sampling was carried out following a site visit which determined the following sampling locations:

- Biofilter servicing the composting building;
- Outdoor aerated piles;
- Outdoor screenings;
- Outdoor storage of overs; and,
- Indoor curing bays.

A total of six samples per area were collected and sent for analysis, by an odour panel in accordance with best practices for odour measurement. The results of the odour measurements showed that the highest odours were being emitted from the outdoor aerated piles, followed by the odours coming from the screened product and overs piles.

The results of the odour measurements identified through the sampling and testing program were used to conduct a dispersion analysis. This gave a realistic assessment of which areas near the facility may be influenced by odours.

The study compared the model results with the time and location of odour complaints that have been received. This will help determine if the compost facility was the likely source of the odour that generated the complaint. The analysis was conducted for 2012 which had the highest number of complaints.

The result of the modeling exercise is that odours in the immediate vicinity of the plant are substantial. However, odours disperse rapidly and none of the complaint locations in 2012 would have had detectable odours originating from ICC under model conditions.

While the model gives a good statistical prediction of where the plume will likely go it cannot account for all of the short term variations that could effectively transport odours to potential receptor locations. The study indicates that residents in low-lying areas could have been potentially affected by exposures of odour from ICC for short periods of time.

The modeling exercise indicates that ICC is not likely to have been the major source of odours at the complaint locations. Due to the possibility of some unforeseen and not predictable atmospheric mixing, there is the possibility that some of the complainants may have been affected by low concentrations of ICC odours for short periods. The odour sampling confirmed that the greatest odours are being emitted from the outdoor aerated static piles, and the biofilter which at the time of testing was not functioning.

The study consultants indicate that placing membrane covers over the outdoor aerated static piles and having a properly operated biofilter could reduce odours from this source by 90%. Additional modeling runs were conducted assuming that the aerated static piles had covers and that the biofilter were functional. The additional analysis showed the odours along the site boundary adjacent to the Duke Point Highway would be unchanged, but the spread of low intensity odours is much lower.

Based on the consultant's site observations, historical knowledge of the ICC site, general knowledge of compost systems and the results of odour sampling the following table (Table 1) has been completed which outlines odour sources and what is needed to reduce odours as required to meet best practices.

Table 1

Odour Source	Potential Impact	ICC Odour Management Plan	Comments
Outdoor aerated static piles	High	GORE or equivalent membrane covers to be placed	Could achieve 90% odour reduction from external piles. Proper sealing around perimeter will be essential
Biofilter	High	Immediate and regular media changes	Essential part of normal operations
Aeration of indoor piles	Moderate to high	Improved air channels and ducting	Entire in-building air management system needs to be professionally reviewed and upgraded
Leachate and housekeeping	Moderate	French drains, sediment traps, oil/water separators and storage tanks to be installed. Sweeper to be purchased for cleaning compost residue on road surfaces	ICC also considering Sprung building to control precipitation run-off
Building containment	Low to moderate	Potential upgrade of low pressure to high pressure misting at doors	Operational procedures could include making sure only doors on one side of building are open at any time
Outdoor overs storage	Moderate	Minimize size of overs pile by utilizing in process immediately	Some storage inevitable. Containment or covering of overs pile with tarps or mature compost could reduce odours
Final product screening	Moderate	Screen when weather conditions favourable. Install tall misting towers	Best managed through a combination of technical and operational measures, as proposed by ICC
Final product storage	Moderate	Ship off site as soon as possible	When storage required, covering of final product pile with tarps or mature compost could reduce odours
Perimeter misting	Low to moderate	Will be expanded to include the boundary between the ICC and Orca sites as well as the Maughan Road fence line	Maintain diligent control to ensure misting operational when ferry traffic on highway
Building air management	Moderate	No plans currently	Ability of fan and ducting to remove and treat meaningful amounts of indoor should be confirmed by professional

Staff is confident that if the actions outlined in Table 1 are implemented that odours from the ICC facility would be reduced to acceptable levels.

ALTERNATIVES

1. That the ICC Odour Study be received.
2. That the ICC Odour Study be received and that staff be directed to amend the ICC WSML to include the necessary facility improvements identified in this report to reduce odours resulting from their operations.

FINANCIAL IMPLICATIONS

Improvements to the ICC facility to address odours will be at their cost so will not have any direct financial implications to the RDN. The improvements should have been completed previously but the owners have indicated they have had difficulties with financing.

Staff have had preliminary discussions with representatives of ICC who have indicated they would require additional funds to finance improvements.

SUSTAINABILITY IMPLICATIONS

Organics diversion is one of the cheapest and most effective strategies to address climate change as well as to conserve expensive landfill space. A region-wide food waste collection program contributes to the sustainability of the RDN by providing benefits to the environment, economy and residents. Diverting food waste to a composting facility reduces the generation of methane, a potent greenhouse gas. Food waste diversion also extends the life of the landfill thereby avoiding the cost of additional expensive disposal capacity. Processing food waste and other organic material at ICC also generates local jobs producing fertilizers, soil amendments and potentially biofuels, thereby enhancing the local economy. Finally, food waste collection as well as recycling programs provides residents with the opportunity to make effective and meaningful contributions toward mitigating climate change.

SUMMARY/CONCLUSIONS

As a result of complaints about odour from the ICC facility an odour study has been completed. In summary, the study indicates that ICC is not likely to have been the major source of odours at the complaint locations. Due to the possibility of some unforeseen and not predictable atmospheric mixing, there is the possibility that some of the complainants may have been affected by low concentrations of ICC odours for short periods.


The odour sampling confirmed that the greatest odours are being emitted from the outdoor aerated static piles, and the biofilter which at the time of testing was not functioning. The study consultants indicate that placing membrane covers over the outdoor aerated static piles and having a properly operated biofilter could reduce odours from this source by 90%. Additional modeling runs were conducted assuming that the aerated static piles had membrane covers and the biofilter was operating properly. The additional analysis showed the odours along the site boundary adjacent to the Duke Point Highway would be unchanged, but the spread of low intensity odours is much lower.

Based on the consultant's site observations, historical knowledge of the ICC site, general knowledge of compost systems and the results of odour sampling a list (Table 1) has been completed which outlines odour sources and what is needed to reduce odours as required to meet best practices.

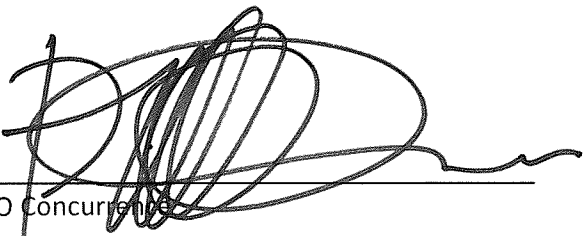
Staff is confident that if the actions outlined in Table 1 are implemented that odours from the ICC facility would be reduced to acceptable levels.

RECOMMENDATION

1. That the Board receive the ICC Odour Study and that staff be directed to amend the ICC WSML to include the necessary facility improvements identified in this report to reduce odours resulting from their operations.



Report Writer



CAO Concurrence

Draft Report

Evaluation of Potential Odours from ICC Composting Facility

Regional District of Nanaimo

Presented to:

Carey McIver
Manager of Solid Waste

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

Report No. 513072300.

November 19, 2013

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1 INTRODUCTION

1.1 BACKGROUND AND PROJECT SCOPE

The ICC Composting facility is located at 981 Maughan Road, Nanaimo. The facility is owned and operated by the ICC Group and has been providing services to the commercial sector since 2005. Most recently, the Regional District of Nanaimo (RDN) has implemented the collection of organics from single family households and is currently in the third year of a 5-year contract with ICC to deliver source-separated residential organics to the composting facility. The facility has a capacity of 100 tonnes per day and is designed to take up to 150 tonnes per day. The ICC facility is an important component of the RDN's solid waste management infrastructure.

Over the past year there have been numerous odour complaints in the vicinity of the ICC facility. While the source of the odours has not been confirmed, complainants have blamed ICC. There are other potential sources of odours nearby including a rendering plant, a pulp and paper mill, a landfill, sawmills, and agricultural activities.

The purpose of this study is to determine if the source of odours that result in complaints could reasonably originate from the operation of the ICC composting plant. If so, a review of plant operations and ICC's odour management plan will provide guidance on areas that need to be improved in terms of facilities and procedures so that ICC can meet the RDN Waste Stream Management Bylaw No. 1386 and its Waste Processing Agreement.

This study focuses on the potential for odours from ICC only. It is not intended to identify, measure, record and analyze all of the other odour sources in the region. This would be a vastly larger study and goes well beyond the timeframe and resources allocated to the review of ICC operations.

The work in this study consists of the following key tasks:

1. Assess ICC operations as a potential source of odours (with benchmarking against best industry practice as outlined by Canada Compost Council and Environment Canada, as well as Morrison Hershfield expertise)
2. Conduct odour sampling and testing
3. Undertake dispersion modeling of odours emanating from the ICC site
4. Summarize findings in a report that indicates if ICC could be responsible for the odour complaints, and if so, which areas ICC should focus on to achieve compliance with their Waste Processing Agreement.

Odour sampling and testing was conducted by RWDI Air and RWDI provided the dispersion analysis directly to Morrison Hershfield for evaluation and integration into the report.

1.2 ODOUR COMPLAINTS AND LOCATIONS

The ICC facility is located in an industrial area, south-east of Nanaimo. The ICC facility produces compost from source segregated organics coming from the commercial and residential sectors in the Region. While composting operations have a reputation for producing odours, other facilities in the same industrial area can also produce odours. Nearby industries with the potential for releasing odours include:

- West Coast Reduction
- Regional Landfill
- Harmac Pacific
- Poultry farms
- St. Jeans Cannery and Smoke house
- Wood operations and saw mills

A number of complaints have been received by ICC or the Regional District and have been recorded. This does not mean that the complaints are due to ICC odours, it only means that the complainants believe that the odours may come from ICC. These complaints have been taken seriously and have led to this study.

In numerical terms, complaints were received as follows:

- 2010 – 3 complaints
- 2011 – 17 complaints
- 2012 – 38 complaints
- 2013 – 25 complaints (up to September)

The location and timing of complaints is shown in the following map (

Figure 1). Also shown are the locations of other potential odour sources that may need a separate study in the future. The circles around the ICC facility are shown in 1km increments. The same complaint information is shown on an air photo in Figure 2.

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Figure 1 Odour Complaint Locations and Frequency

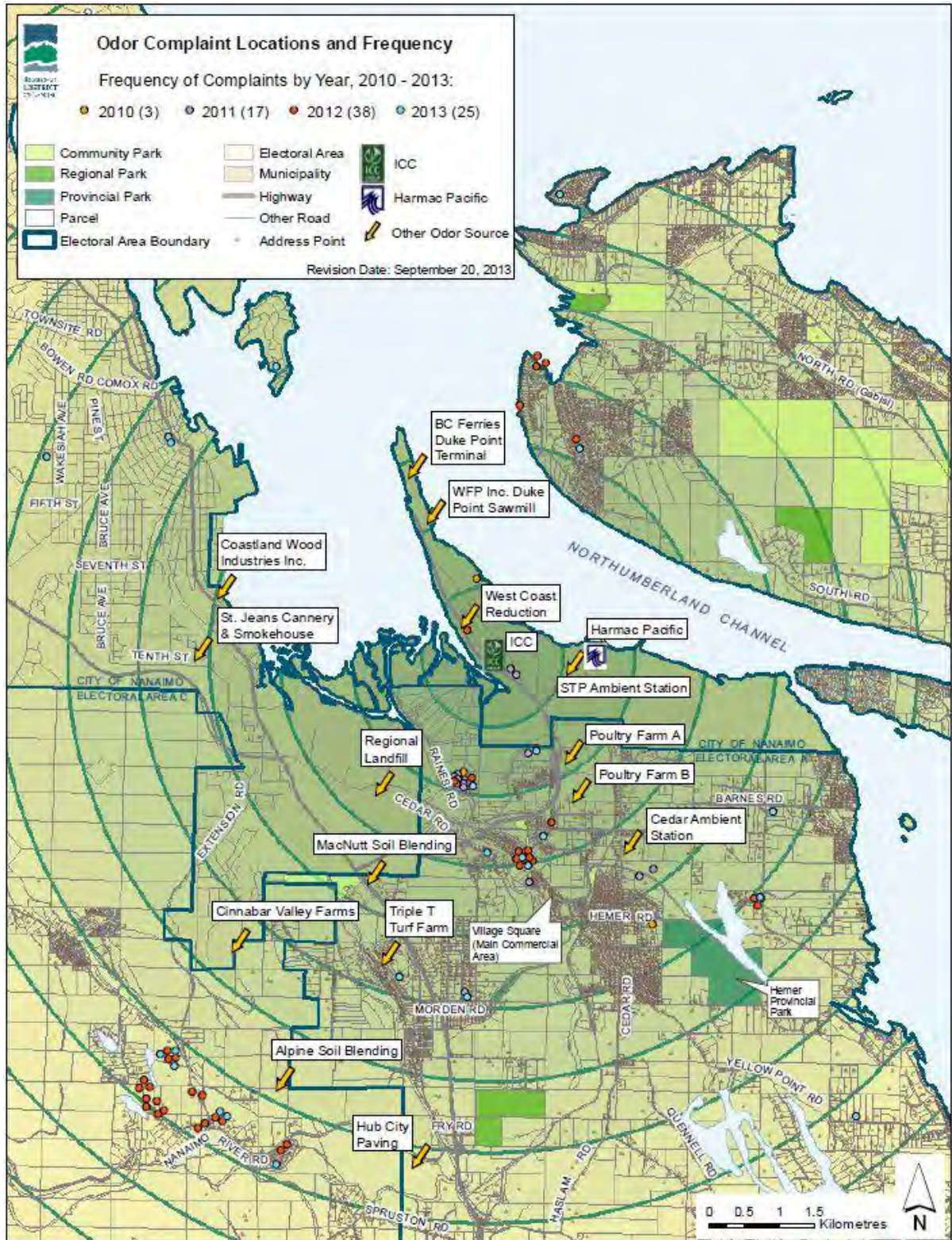
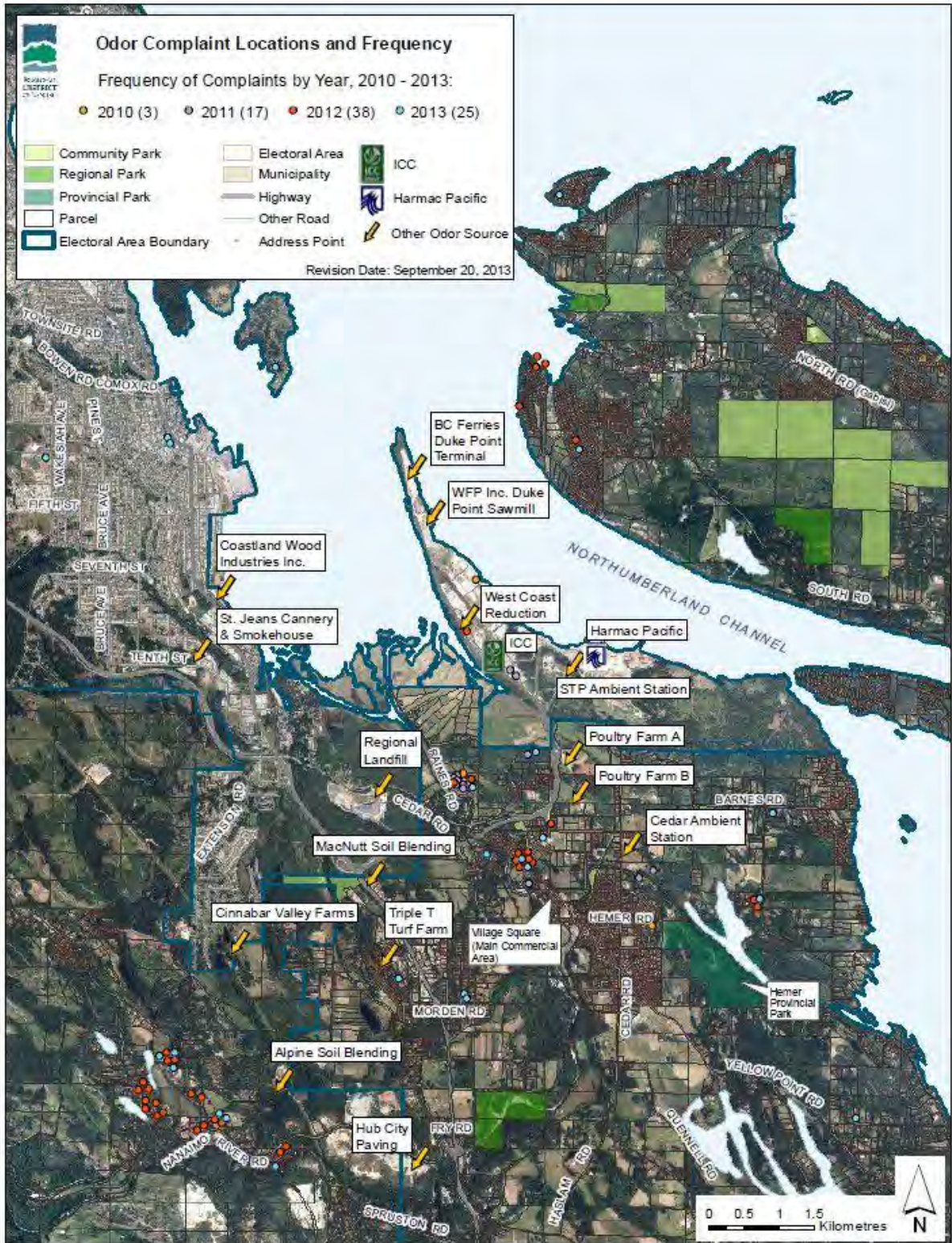


Figure 2 Odour Complaint Locations and Frequency on Air Photo



2 COMPOSTING AND ODOURS

2.1 THE COMPOSTING PROCESS

To evaluate potential sources of odour from composting it is important to understand the composting process and typical operational procedures employed by large-scale facilities. Composting is a natural process that involves converting organic material (e.g. leaf / yard waste, food scraps) into a soil-like product called humus. The decomposition process is undertaken by micro-organisms such as fungi, bacteria and protozoa. Ideal conditions for decomposition are created by controlling the types of materials being composted (the feedstock), moisture, temperature and aeration. Composting is an aerobic process which means that the micro-organisms aiding the process require oxygen. Byproducts of the process include carbon dioxide (CO₂), water (H₂O) and heat. The benefits of composting are many and include greenhouse (GHG) emissions reductions, returning nutrients to the soil, improving the physical characteristics of soil and conserving valuable landfill space.

Anaerobic digestion, or AD, is also a naturally occurring decomposition process aided by micro-organisms that thrive with little or no oxygen. Typical engineered AD systems control the decomposition process in enclosed reactors or chambers. The AD process creates biogas consisting of methane (CH₄) and carbon dioxide (CO₂) in addition to other compounds such as hydrogen sulphide (H₂S) and smaller concentrations of siloxanes and volatile organic compounds. The semi-solid residual from the AD process is called digestate. Both the aerobic and anaerobic processes result in effluent or leachate that requires management – this effluent can be used to control moisture in both processes.

One of the most common and potentially damaging issues with composting facilities is the production of odours. The potential for odours at composting facilities always exists. Compost facility operators must understand how odours are produced, how they are transported to receptors, how they are perceived and changes that can be made to the composting process to minimize odours.

2.2 ODOURS

Odour is the perception of specific chemicals within the olfactory area of the sinuses. To be perceived as an odour:

1. The chemical must be released to the air
2. It must dissolve in the olfactory mucus (consisting mainly of water) and
3. There must be a receptor nerve cell available that can detect it (The Composting Association, 2007).

The olfactory sinus area contains over three hundred types of receptor cells. An odorous chemical may only trigger one or two receptor cells at low concentrations. The perceived pleasantness or unpleasantness of an odour is referred to as the hedonic tone. Hedonic tone tables provide

numerical scores – the higher the score the more pleasant the odour. Examples are coffee, with a score of 2.33, and dead animal, with a score of -3.75.

In the brain, odours are processed by the limbic system which is responsible for emotion and the formation of memories. For this reason, odours, both pleasant and unpleasant, can create strong emotional responses in the perceiving individual.

Adaptation to odours occurs when people are exposed to the source of an odour on an on-going basis. People working around an odour will become less aware of the odour over time. People who are exposed to changing concentrations, for example due to dispersion patterns in the air, will not adapt to the odour and will be sensitive to the odour each time it is perceived.

2.3 ODOURS FROM COMPOSTING

Under optimal conditions the active composting process produces little or no odour. When the conditions are less than optimal, for example when conditions become anaerobic, odours can be produced. Compounds that commonly produce odours at composting facilities are (Transform Compost Systems Limited, 2007):

- Reduced sulphur compounds (e.g. hydrogen sulphide) – resulting from anaerobic decomposition – smells like rotten eggs, rotten cabbage or garlic
- Volatile fatty acids – often present in initial phase of composting – smells like vinegar or rancid food
- Nitrogen compounds – typically ammonia, typical under low pH and low carbon to nitrogen ratio – medicinal smell – not pervasive and is easily dispersed
- Indoles and Skatoles – naturally occurring in feces, beets and coal-tar – creates “poop” smell
- Ketones and Aldehydes – ketones created from carbohydrates, fatty acids and amino acids – ketones are difficult to detect, aldehydes are very odorous (sharp, unpleasant odour)
- Other compounds such as alcohol, terpenes, guaiacol, pyrans and furans

There are two conditions that typically create odours. Anaerobic conditions allow odour-producing microbes to thrive. Having a low carbon to nitrogen ratio (low C:N) results in the release of ammonia. Ammonia is less likely to be perceived by nearby receptors. Compost mixtures with a pH above 8.5 will also release nitrogen in the form of ammonia.

There are two operational steps at composting facilities that have the potential to create odours, handling of incoming feedstock and the active composting process. The characteristics of the incoming feedstock and the way it's been stored can result in odours. For example, anaerobic conditions can be present when grass clippings have been stored in bags for several days. Feedstock with a low C:N ratio such as biosolids or fish processing wastes may be odorous when arriving at the facility. Specific management strategies can be employed to minimize the potential for odours from the incoming feedstock and from handling the feedstock.

During the active composting process less than optimal conditions can result in anaerobic conditions or the production of ammonia from a low C:N ratio. Anaerobic conditions can occur when there is

too much moisture present, the porosity is too low, when the pile sizes are too large and when the material is not turned enough or aerated adequately. All of these conditions can result in less than optimal oxygen for the aerobic decomposition process.

2.4 TYPICAL ODOUR MANAGEMENT TECHNIQUES

Typical odour management strategies focus on both the management of feedstock and controlling the active composting process, which usually involves some form of containment. Emissions treatment consists of employing technologies such as biofilters.

To minimize the potential for odours during feedstock management it is important to know the pattern and schedule for deliveries, and to have a plan in place for managing materials that are likely to be odorous. The Composting Council of Canada provides the following guidelines for managing potentially odorous feedstock (The Composting Process: Odour Management):

1. Incorporate the material quickly into the process – mix the incoming feedstock with porous, high-carbon material to absorb moisture and increase porosity
2. Work with potentially odorous feedstock indoors and employ a biofilter
3. Add a layer of finished compost on top of the new feedstock to act as a biofilter (if the feedstock is not processed immediately)
4. Control the schedule for pickup and delivery of feedstock – schedule prompt pickup of potentially odorous feedstock and schedule delivery of potentially odorous feedstock during times when residents are unlikely to be at home or outside
5. Plan staffing availability – make sure that sufficient resources are available to handle scheduled deliveries

Odour control during the active composting process is best achieved by optimizing the process for ideal aerobic conditions. The Compost Council of Canada also provides the following guidelines for managing the active composting process (The Composting Process: Odour Management):

1. Use compost recipes that result in a C:N ratio of 25-40 (30 being ideal)
2. Adjust moisture content to 40-60%
3. Know the pH of the compost recipe – mixtures above 8.5 will release nitrogen as ammonia
4. Consider porosity – increasing porosity allows air to move more freely through the pile and this can be adjusted by adding coarser feedstock
5. Turn or aerate often – this will enhance aerobic conditions
6. Do not allow pile sizes to become too large – large piles will not allow air to access the centre of the pile

Compost Council of Canada guidelines for minimizing potential odour effects include:

1. Monitor and check weather conditions – this applies to handling feedstock, turning piles and moving piles – handle potentially odorous materials when wind and barometric pressure conditions are favourable
2. Keep the doors closed – if materials are managed indoors make sure that doors are kept closed to ensure that the air circulation system works optimally
3. Check the biofilter – if a biofilter is used, maintain and change the biofilter media as required
4. Use blankets of finished compost – a 30 cm thick layer of finished compost can be used as a biofilter over freshly screened product or overs, or other odorous materials that need to be stored on the site.

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3 POTENTIAL SOURCES OF ODOURS AT ICC

The most recent publication in Canada that provides guidance on organics management and composting is the “Technical Document on Municipal Solid Waste Organics Processing”, published by Environment Canada in the spring of 2013. Odour management is one of the key chapters in this document and potential sources of odours, as well as their management options, identified. Odour sources are broken into main categories as follows:

- Feedstock delivery/storage/processing
- Active composting
- Curing and storage
- Odour and leachate management

For these categories, the project team, based on site observations, historical knowledge of the ICC site and general knowledge of compost systems has assembled the following four tables (Table 1 to

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Table 4) outlining the various process steps in each category, and commenting on how well ICC is managing the process. This information, in connection with the results of odour sampling conducted by RWDI provides an indication of where improvements to the process and/or facility are needed to reduce odours as required to meet best practices.

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Table 1 – Potential odours from feedstock delivery/storage/processing

Process	Location / Activity / Mechanism	Odour Source	Possible Causes	Best Practices	ICC Rating (Good / Fair / Poor)	Potential Mitigation/Comments
Feedstock Delivery / Storage / Processing						
	Trucks en route	Housekeeping	<ul style="list-style-type: none"> Wet / compacted feedstock Bagged green waste Odorous feedstock (e.g. biosolids, fish waste, grass clippings) 	<ul style="list-style-type: none"> Control pick up and delivery schedules minimize potential odour issues Select route to avoid sensitive areas 	NA	This is out of ICC responsibility, although trucks carrying odourous waste could be responsible for some odours. It is suggested to observe some of the key supply trucks coming to the site
	Feedstock delivery	Process		<ul style="list-style-type: none"> Quickly incorporate odorous feedstock into process Avoid storing odorous feedstock for extended periods 	Good	ICC processes the feedstock as quickly as possible once it is received, mixing it with amendment and putting it into the sealed and rotating drums.
	Waste tipping	Housekeeping		<ul style="list-style-type: none"> Work with odorous feedstock in an enclosed area Use a layer of finished compost over stored piles Plan staffing and operations to manage odorous loads 	Fair	The amendment process results in open doors, which could result in some odours being carried out of the building. Misting at the door opening and coordination with doors on the other side of the building could reduce the risk of odours escaping (make sure only one side of the building is open at one time).
	Rejects storage	Process		<ul style="list-style-type: none"> Quickly remove rejects Use a layer of finished compost over stored piles 	Good	Rejects are stored in closed containers with lids and are taken to landfill
	Waste tracked by truck tires / machinery	Housekeeping		<ul style="list-style-type: none"> Watch for signs of tracked feedstock and leachate Clean equipment and roadways frequently 	Poor	Considerable organic residue, mixed with leachate in some cases is on the roadways. Regular cleaning and sweeping required. The purchase of a road sweeper is being considered by ICC
	Amendment receipt and grinding	Process		<ul style="list-style-type: none"> Quickly incorporate odorous feedstock into process 	Good	Green waste is used as amendment was not observed to be odourous. It is ground and stored in open piles close to the material receipt doors.
	Feedstock mixing with amendment	Process		<ul style="list-style-type: none"> Quickly incorporate odorous feedstock into process Work with odorous feedstock in an enclosed area Plan staffing and operations to efficiently mix odorous feedstock Check compost recipe and adjust 	Good	Mixing is carried out in according to best practice with minimal wait times
	Storm water retention pond	Process and housekeeping		<ul style="list-style-type: none"> Odorous leachate could mix with storm water 	<ul style="list-style-type: none"> Separate storm water run-off from leachate sources and keep leachate out of pond 	NA



Table 2 – Potential odours from active composting

Process	Location / Activity / Mechanism	Odour Source	Possible Causes	Best Practices	ICC Rating (Good / Fair / Poor)	Potential Mitigation/Comments
Active Composting						
	Storage in indoor delivery bay	Process	<ul style="list-style-type: none"> ▪ Low C:N ratio ▪ Incorrect moisture content ▪ Hi pH ▪ Low porosity ▪ Unsuitable temperature ▪ Inadequate aeration ▪ Large pile size ▪ Machinery breakdown 	<ul style="list-style-type: none"> ▪ Quickly incorporate odorous feedstock into process ▪ Check building doors, air removal mechanics and biofilter ▪ Check compost recipe and adjust ▪ Check incoming volumes and adjust delivery schedules 	Good	Adequate storage indoors observed, fairly rapid mixing and feeding of system.
	Rotating drums	Process		<ul style="list-style-type: none"> ▪ Check compost recipe, aeration and temperatures - adjust process 	Good	Partially degraded compost coming from the drums is well mixed
	Indoor aerated piles (negative aeration)	Process		<ul style="list-style-type: none"> ▪ Check aeration system and mechanics ▪ Check piles size and adjust ▪ Check compost recipe and adjust 	Poor	Aeration appears inadequate. Complete negative aeration system needs to be re-calculated, fan and motor sizes confirmed, trenches cleaned and repaired.
	Outdoor aerated piles (positive aeration)	Process		<ul style="list-style-type: none"> ▪ Check aeration system and mechanics ▪ Check piles size and adjust ▪ Check compost recipe and adjust ▪ Use a layer of finished compost over outdoor piles 	Poor	Aeration trenches appear clogged. Motors and fan sizes may be inadequate and should be recalculated as part of current upgrade activities. Membrane covers, as required by contract still need to be put into place. Leachate interceptors required.
	Product screening	Process		<ul style="list-style-type: none"> ▪ Check compost recipe and adjust ▪ Confirm active composting process complete (e.g. aeration and temperature) 	Fair/Good	Once compost reaches maturity, the product looks good. Screening should only be carried out when weather is favourable. Misting system proposed should be implemented.



Table 3 – Potential odours from curing and storage

Process	Location / Activity / Mechanism	Odour Source	Possible Causes	Best Practices	ICC Rating (Good / Fair / Poor)	Potential Mitigation/Comments
Curing and Storage						
	Outdoor overs storage	Process	<ul style="list-style-type: none"> Incorrect active composting (see above) 	<ul style="list-style-type: none"> Check compost recipe and adjust Confirm active composting process complete Use a layer of finished compost over outdoor piles 	Fair	Overs from screening emit some odours, but these are not as offensive as raw organic feedstock. There were several larger accumulations of overs that are being gradually used in the process. Operations could minimize the size of odour piles and potentially cover or keep them in a building
	Product curing	Process			Fair	outdoor storage with no cover. Some form of cover could be considered.
	Product trucking off-site	Housekeeping		<ul style="list-style-type: none"> Control pick up and delivery schedules minimize potential odour issues Select route to avoid sensitive areas 	Good	Once cured, product has lower odour

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Table 4 – Potential odours from odour and leachate management

Process	Location / Activity / Mechanism	Odour Source	Possible Causes	Best Practices	ICC Rating (Good / Fair / Poor)	Potential Mitigation/Comments
Odour and Leachate Management						
	Biofilter	Process	<ul style="list-style-type: none"> Biofilter fouling or clogging 	<ul style="list-style-type: none"> Check mechanical systems and repair as required Replace / maintain biofilter 	Poor	Media needs replacing, and that is scheduled, since currently non-functional. Biofilter fan size needs to be checked and confirmed if adequate.
	Building containment	Housekeeping	<ul style="list-style-type: none"> Doors open too long without misting 	<ul style="list-style-type: none"> Check doors - keep doors closed 	Fair	Misting in place for process doors near indoor bays. Misting may be required for product delivery doors. Operational procedures should avoid doors at both sides of building being open at same time.
	Indoor bay misting	Process	<ul style="list-style-type: none"> Inadequate sizing or timing 	<ul style="list-style-type: none"> Check misting system and repair or upgrade as required Review timing and adjust 	Good	Misting observed in operation when doors open. High pressure misting system, similar to perimeter being considered to improve efficiency even more.
	Perimeter misting	Process			Fair	Misting system in place and programmed to come on when ferry traffic occurs on adjacent highway. Some odours still appear to get through (anecdotal information only)
	Indoor piles negative aeration system	Process	<ul style="list-style-type: none"> Undersized blowers, clogged air channels 	<ul style="list-style-type: none"> Check aeration system and mechanics, repair as required Check piles size and adjust Check compost recipe and adjust 	Poor	Aeration trenches appear clogged. Motors and fan sizes may be inadequate and should be recalculated as part of current upgrade activities.
	Receiving area suction hood	Process	<ul style="list-style-type: none"> Undersized ducting and blowers 	<ul style="list-style-type: none"> Check mechanical systems and repair as required 	Fair	Size of ducting and fan/motor should be confirmed by qualified air handling professional
	Outdoor piles cover	Process / Housekeeping	<ul style="list-style-type: none"> Inadequate covers Incorrect covers Covers not well applied or maintained 	<ul style="list-style-type: none"> Check cover types and use - repair or change as required Use a layer of finished compost over outdoor piles 	Poor	Current covers are ripped and not the correct type. Replace with membrane covers that filter out odours. Make sure design results in proper seal around the piles.
	Leachate collection collection and treatment outdoors	Housekeeping	<ul style="list-style-type: none"> Missing or non-functioning interceptors 	<ul style="list-style-type: none"> Inspect collection system and repair as required 	Poor	Interceptors need to be put into place, connected with the leachate collection tanks
	Leachate collection and treatment indoors	Housekeeping	<ul style="list-style-type: none"> Inadequate collection 	<ul style="list-style-type: none"> Inspect collection system and repair as required 	Good	Leachate is collected and pumped to collection tanks.



From the above tables, the following major sources of odours were identified:

1. Uncovered or inadequately covered outdoor aerated static piles
2. Non-functional biofilter
3. Non-functional negative aeration of indoor composting piles
4. Leachate from outdoor piles and general site housekeeping

Secondary sources of odours are potentially from the following:

- a) Building containment: doors are often open to move materials
- b) Outdoor overs storage
- c) Final product screening
- d) Final product storage
- e) Potentially inadequately sized building extraction fan, ducting, hood

These potential odour sources are discussed in Table 5 below.

Table 5 – ICC Odour Sources and Remedial Measures

Odour Source	Potential Impact	ICC Odour Management Plan	Comments
Outdoor aerated static piles	High	GORE or equivalent membrane covers to be placed	Could achieve 90% odour reduction from external piles. Proper sealing around perimeter will be essential.
Biofilter	High	Immediate and regular media changes	Essential part of normal operations
Aeration of indoor piles	Moderate to high	Improved air channels and ducting	Entire in-building air management system needs to be professionally reviewed and upgraded
Leachate and housekeeping	Moderate	French drains, sediment traps, oil/water separators and storage tanks to be installed. Sweeper to be purchased for cleaning compost residue on road surfaces	ICC also considering Sprung building to control precipitation run-off
Building containment	Low to moderate	Potential upgrade of low pressure to high pressure misting at doors	Operational procedures could include making sure only doors on one side of building are open at any time
Outdoor overs	Moderate	Minimize size of overs pile by utilizing	Some storage inevitable. Containment or covering of overs pile with tarps or



Odour Source	Potential Impact	ICC Odour Management Plan	Comments
storage		in process immediately	mature compost could reduce odours
Final product screening	Moderate	Screen when weather conditions favourable. Install tall misting towers	Best managed through a combination of technical and operational measures, as proposed by ICC
Final product storage	Moderate	Ship off site as soon as possible	When storage required, covering of final product pile with tarps or mature compost could reduce odours
Perimeter misting	Low to moderate	Will be expanded to include the boundary between the ICC and Orca sites as well as the Maughan Road fence line	Maintain diligent control to ensure misting operational when ferry traffic on highway
Building air management	Moderate	No plans currently	Ability of fan and ducting to remove and treat meaningful amounts of indoor should be confirmed by professional.

As can be seen from the above table, ICC’s internal odour management plan (not part of this report) addresses most of the identified equipment, process or operational issues. The timing of upgrades has been pushed back, due to apparent delays in funding.

4 ODOUR EMISSIONS TESTING AND DISPERSION ANALYSIS

RWDI Air was commissioned to conduct odour sampling and an air dispersion analysis. A detailed description of methodology used by RWDI for sampling, testing and dispersion modeling can be found in the RWDI Air: Nanaimo ICC Odour Survey Final Report, August 28th, 2013, which is attached in Appendix A.

Please note that odour is measured as Odour Units, or OU. One OU represents a concentration that half of the population can just detect, which is considered the odour threshold. An OU of less than 1 is considered undetectable.

According to RWDI, complaints are usually made above 3 to 5 OU, since it is often difficult to detect 1 OU unless someone is specially trained or very sensitive.

The following is a brief summary of results.

4.1 ODOUR SAMPLING

The purpose of the odour sampling program was to determine the emission rates of odour on the site, which would later be used for the dispersion analysis. Odour sampling was carried out following a site visit carried out by RWDI and Morrison Hershfield personnel to determine the most appropriate sampling locations, which were deemed to be:

- a) Biofilter servicing the composting building;
- b) Outdoor aerated piles;
- c) Outdoor screenings;
- d) Outdoor storage of overs; and
- e) Indoor curing bays.

For each area, odour samples were taken at two different locations, with three samples at each location. A total of six samples per area were collected and sent for analysis, which was conducted by an odour panel in accordance with best practices for odour measurement.

The results of the odour measurements showed that the highest odours were being emitted from the outdoor aerated piles, followed by the odours coming from the screened product and overs piles. Screening did not take place during the odour sampling, but it can be expected to produce some odours, as evidenced by the product and overs piles subsequent to screening. The total emission rate for the ICC facility was calculated to be 5,700 OU/second. The odours originating from the individual areas measured are shown in the following Table 6.

Note: the flux rate is the amount of odour units generated by a square metre of odour releasing surface (for example a pile of compost). This needs to be multiplied by the actual area of the odour releasing surface to come up with a total odour impact. For example, a large pile with a moderate

flux rate will have a larger impact on overall odours than a smaller pile with a similar flux rate. A high flux rate coming from a large area or pile will impact the overall odours coming from the plant the most.

Table 6 – Measured Odour Emissions

SOURCE	FLUX RATE, OU/Sec/m ²	COMMENTS
Oldest outdoor aerated pile	1.8	Highest emissions due to large area and high flux rate
Newest outdoor aerated pile	1.5	Highest emissions due to large area and high flux rate
Screenings pile	0.95	Moderate emissions because pile can be kept small
Oldest indoor pile	0.31	Moderate emissions due to low flux rate and large pile size
Newest indoor pile	0.64	High emissions due to moderate flux rate and large pile size
Newest overs pile	0.90	Moderate emissions because pile can be kept small
Biofilter	0.55	Moderate emissions because biofilter is moderate in size

4.2 ODOUR DISPERSION MODELING

The emission in OU as identified through the sampling and testing program was used to conduct a dispersion analysis. This enables a realistic assessment of which areas near the facility may be influenced by odour during times where odour complaints have been recorded. The model study was conducted using the CALPUFF regulatory dispersion model. CALPUFF is a recommended model under the Guidelines for Dispersion Modeling in British Columbia. By comparing model results with the time and location of odour complaints one can then determine if the compost facility was the likely source of the odour that generated the complaint.

The dispersion analysis was conducted for calendar year 2012, since 38 odour complaints were received during that year. Receptor locations were chosen in accordance with BC Ministry of Environment model guidelines. Local elevation data were used to determine receptor elevations so that topography in the area of the facility is properly represented.

The potential of odour dispersion from the ICC plant was plotted for three exposure scenarios:

- 1-hour maximum odour values
- 10 minute maximum odour values
- 3 minute maximum odour values

The model predicts the odour unit concentration at each receptor point for every hour throughout the model year. The 1-hour maximum is the highest predicted 1-hour average for the given point over the course of the year. It represents the maximum possible odour concentration which might be expected to occur in a typical year at the given location.

In reality a one hour average is comprised of fluctuations of higher and lower values around the hourly mean. However, the solution in the model does not capture these fluctuations explicitly. Short term fluctuations in the model are converted into the hourly average that the model provides.

However, odour is perceptible over shorter exposure periods than 1 hour. Therefore the 1-hour solution must be converted back into a value that represents shorter duration fluctuations. As with the 1-hour results, the resulting shorter duration fluctuations then represent the maximum three minute or ten minute exposure which might be expected to occur in a typical year at the given location.

Since the 10 and 3 minute maximum odour values are more representative of the peak values that occur during the hour, they are also higher. The 10 minute average is 1.65 times higher than the hourly average, and the 3 minute average is 2.31 times higher.

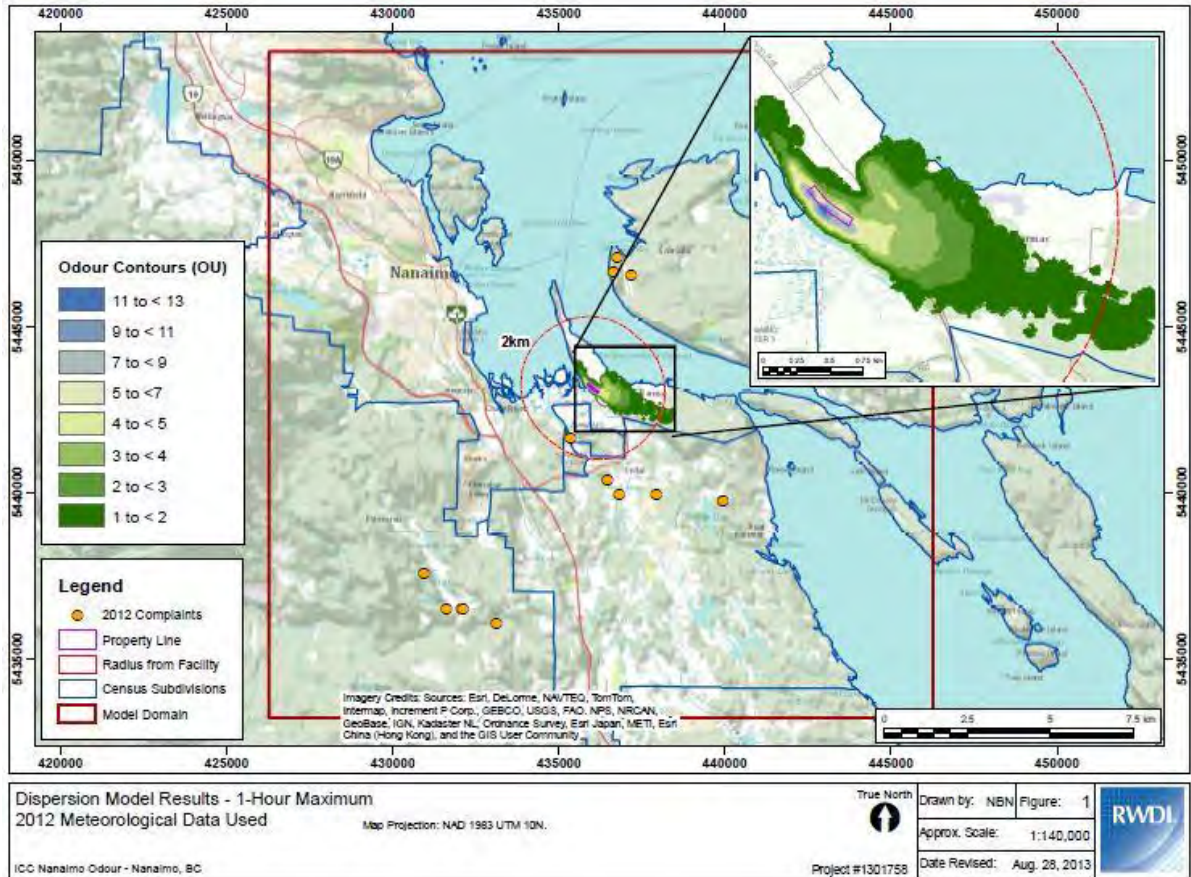
The model is not capable of explicitly simulating all time scales over which odour might be perceptible, nor does the model identically reproduce what may have actually occurred. However, the model is a good indicator of the most likely conditions that will occur over time. The model results indicate the areas where odour exposures would be most likely and, alternatively, where they would be less likely.

4.2.1 1-HOUR MAXIMUM ODOUR VALUES

In Figure 3 below, the RWDI plot for the 1-hour maximum values are shown. These represent the highest values attained at each one of the receptors during the model year. A peak of 16.8 OU is found in the immediate vicinity of the facility. Elevated odour values of more than 7 OU are found in the area of the Duke Point Highway.

Odour values then decrease rapidly with increasing distance from the facility. The delectable limit of odours for half of the human population is 1 OU, and values are below the detectable limit well before reaching any of the complaint locations for the 1-hour odour values.

Figure 3 Dispersion Model Results – 1 hour Maximum

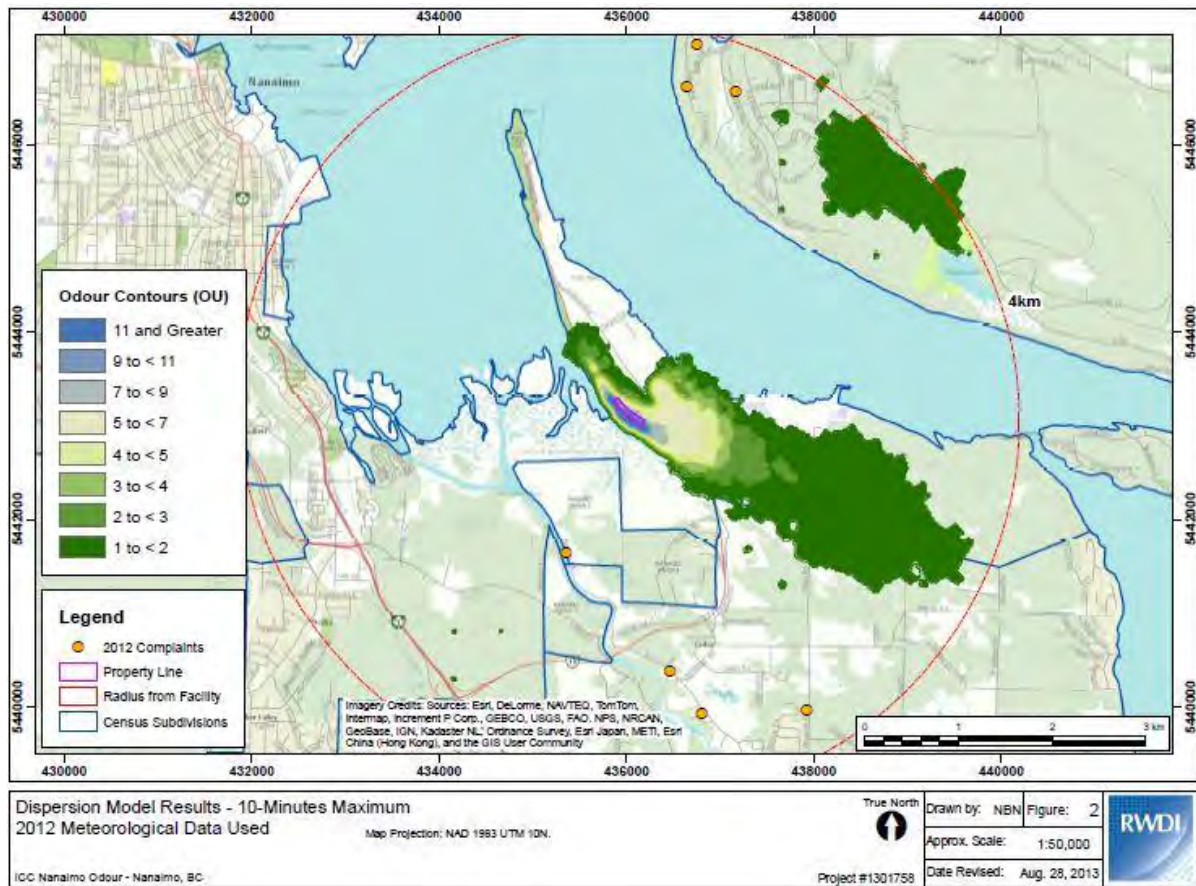


4.2.2 10-MINUTE MAXIMUM ODOUR VALUES

The 10 minute maximum odour values for 2012 are shown in Figure 4. A peak of 27.7 OU was found in the immediate vicinity of the plant, and elevated OU of over 11 was found along the SW boundary of the site, which is close to the Duke Point Highway. The shorter duration (10 minute) odour plume travels farther than the longer duration 1 hour plume before it becomes non-detectable. The radius extends to about 4km from the plant towards Gabriola Island and potentially touches some of the higher elevations. Most of the odour plume has an OU value of 1 to 2, indicating a very low concentration, barely above detection.

For the 10-minute averaging period, odours dilute to values below the detectable threshold (1 OU) before reaching any of the complaint locations.

Figure 4 Dispersion Model Results – 10 Minute Maximum



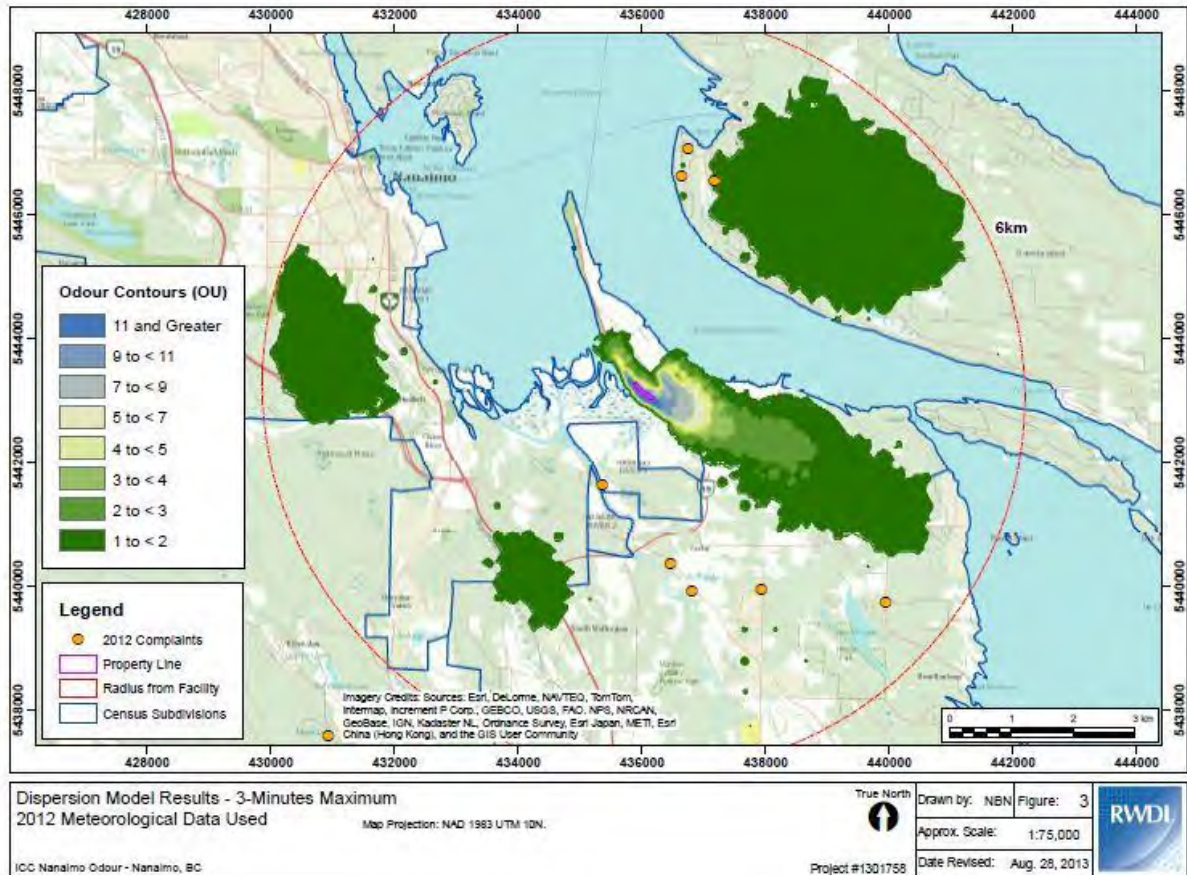
4.2.3 3-MINUTE MAXIMUM ODOUR VALUES

Figure 5 shows the 3-minute maximum odour values for 2012. A peak of 38.8 OU was found in the immediate vicinity of the plant and elevated odours of over 11 OU are predicted along the Duke Point Highway/plant SW boundary.

The three minute odour plume extends almost 6 km from the site, but intersects with only one of the complaint locations, which was on Gabriola Island on the morning of October 25th, 2012. All other complaint locations were not affected according to the dispersion model.

The predicted 3 minute maximum odour values that intersect with the complaint location are only 1 OU, or near the detection limit.

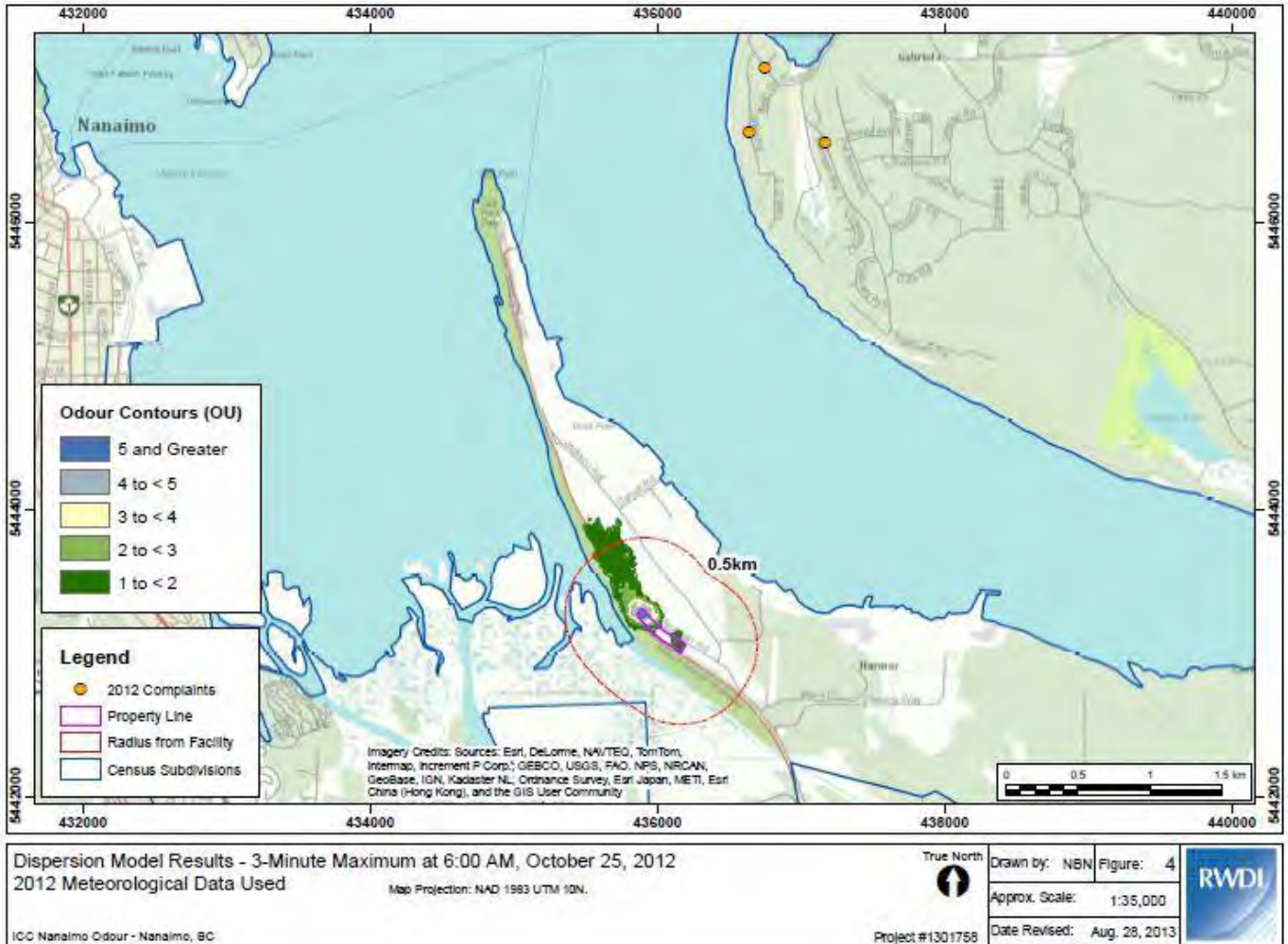
Figure 5 Dispersion Model Results – 3 Minute Maximum



4.2.4 ADDITIONAL ANALYSIS

As an additional analysis, a separate model run was conducted for the morning of October 25th using the prevailing meteorological conditions at that time. This additional analysis is shown in Figure 6 and the modeling run shows that on this date and at this time, the OU from ICC sources at the complaint location should have been non-detectable.

Figure 6 Dispersion Model Results – 3 Minute Maximum October 25th 2012



4.2.5 MITIGATION MODEL

Two additional CALPUFF dispersion modeling scenarios were conducted to represent potential process improvements at the ICC compost facility. For Mitigation Scenario 1, it is assumed that the aerated piles are outfitted with membrane covers which could potentially reduce odours by a minimum of 90%. It is also assumed that the biofilter media would be replaced in this scenario and would remove 80% of the current odours coming from the biofilter. The model results for Scenario 1 are represented as 1-hour, 10-minute and 3-minute maximum odour values. These are shown in

Figure 7,

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Figure 8, and

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Figure 9.

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Figure 7 Dispersion Model Results – Mitigation Model, 1 – Hour Maximum

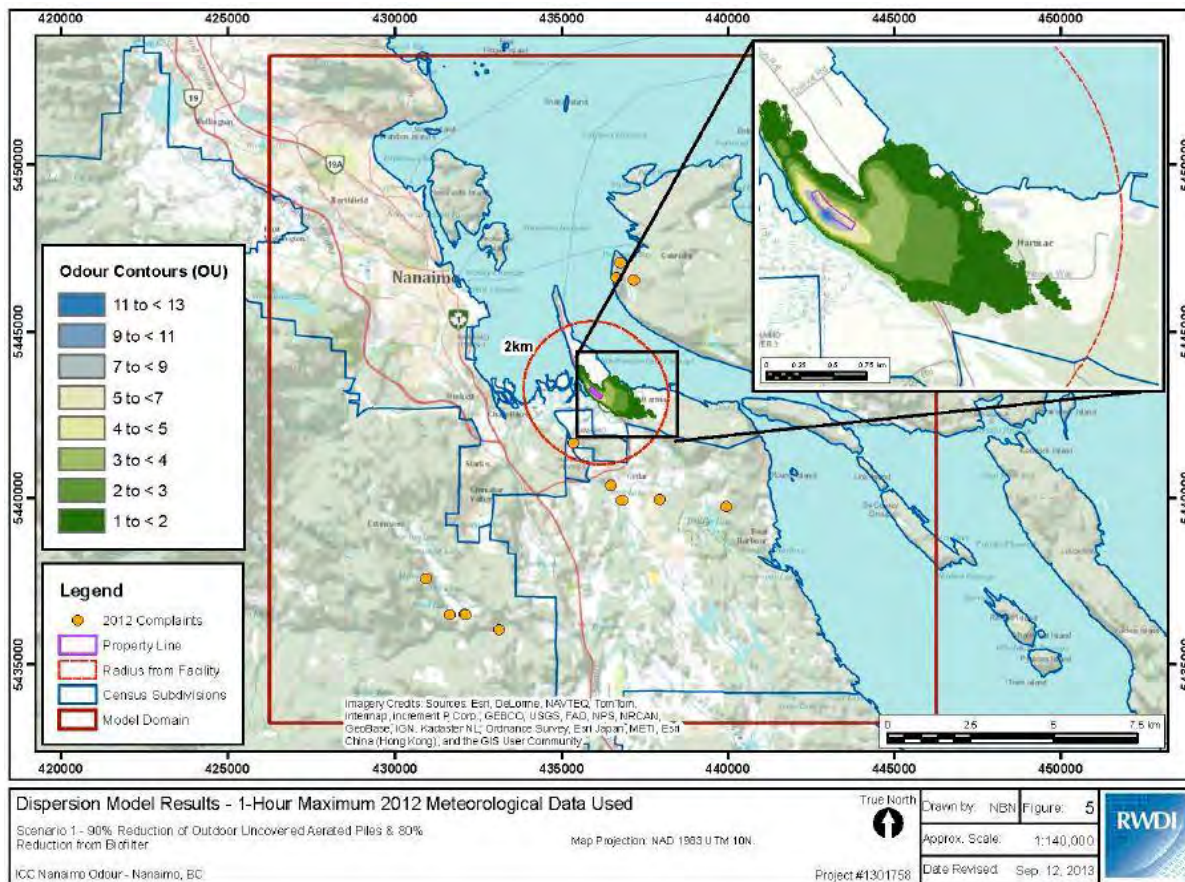


Figure 8 Dispersion Model Results – Mitigation Model, 10 Minute Maximum

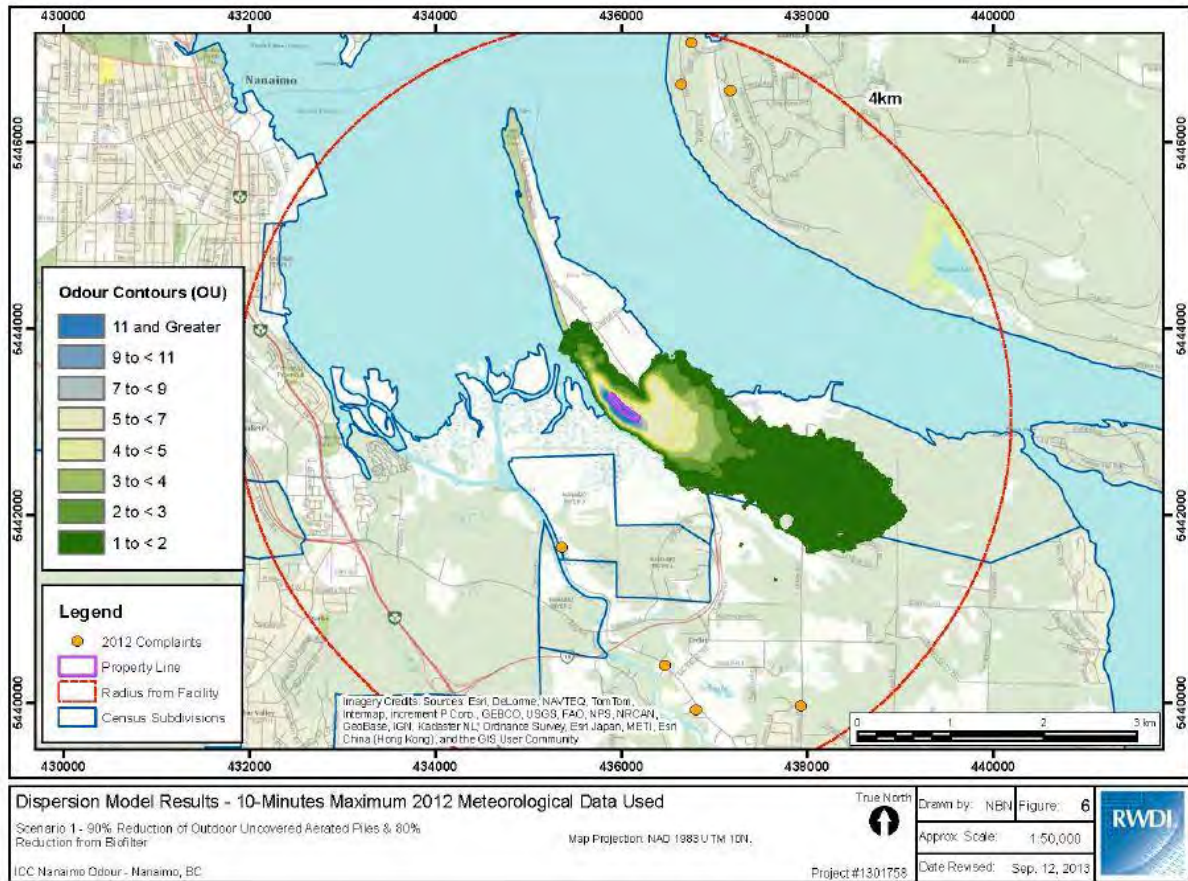
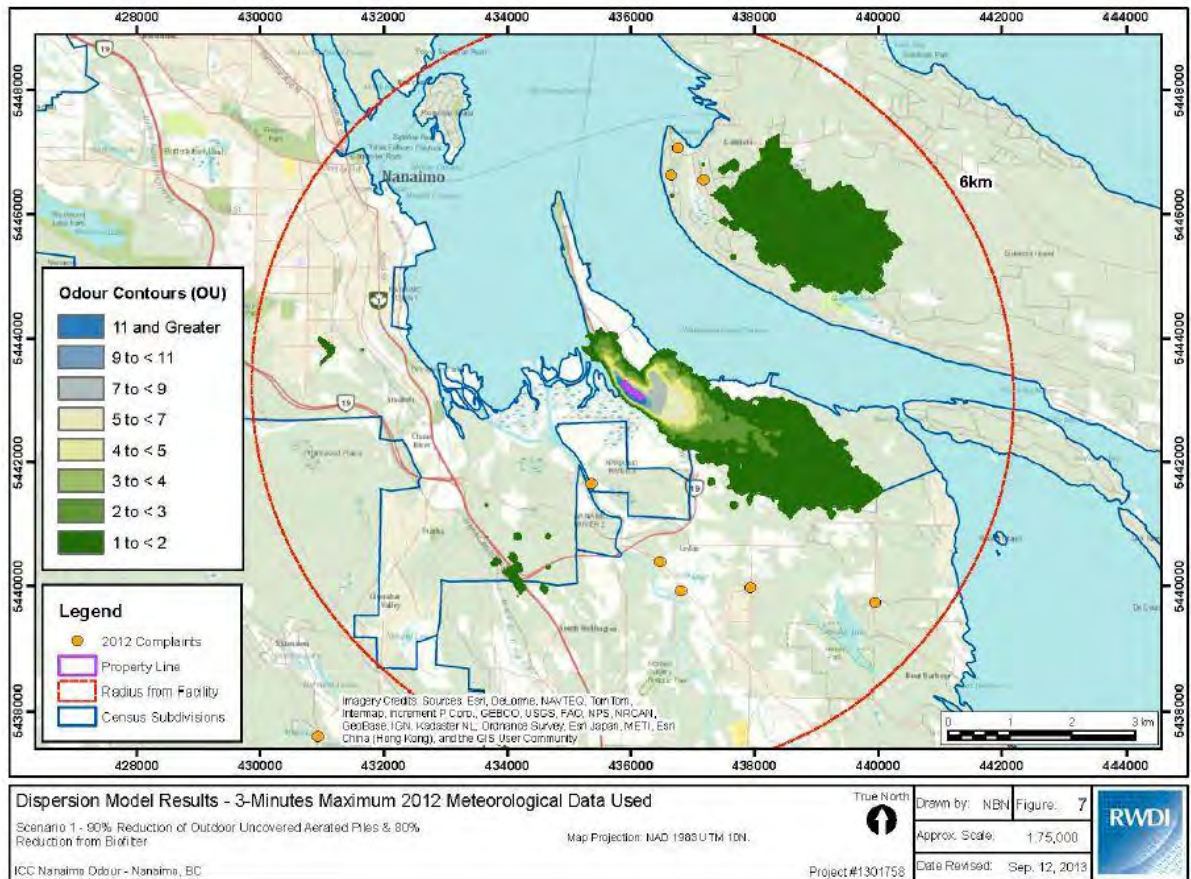


Figure 9 Dispersion Model Results – Mitigation Modal – 3 Minute Maximum



Compared to the modeled 1-hour maximum odour values for 2012, elevated odour values along the SW boundary of the facility are still >7 OU. However, the lower odour values (1 to <2 OU) did not reach as far east as the non-mitigated model.

For the 10-minute maximum odour values the most significant difference between the mitigated model and the previous model is that no odour contours are predicted on Gabriola Island. The mitigated 3-minute maximum odour values also predicted decreased odour contours on Gabriola Island as well as to the areas west and southwest of the facility.

For Mitigation Scenario 2, in addition to the proposed mitigation modeled in Scenario 1, the odours from screenings pile and outdoor overs pile are assumed to be reduced by 60% through a containment method (building or tarps). The model results for Mitigation Scenario 2 are represented as 1-hour, 10-minute and 3-minute maximum odour values. The figures generated for Mitigation Scenario 2 are very similar to figures from Mitigation Scenario 1 and for brevity are not presented here, but can be seen in the RWDI report in Appendix A. Although the total facility emission rate is lower in Scenario 2, the lower odour contours are generally not noticeable in the figures.

5 SUMMARY AND CONCLUSIONS

Operators of the ICC compost facility are attempting to follow best practices for odour management at organics processing facilities, and much progress has been made. However, the areas requiring improvement identified in this report need to be addressed as per ICC's own internal odour management plan and in accordance with best practices for aerobic composting. This can substantially reduce the odours that are being generated at the site.

The odour sampling confirmed that the greatest odours are being emitted from the outdoor aerated static piles, and that the biofilter at the time of testing was not functioning. Biofilter replacement is routine maintenance. Placing membrane covers over the outdoor aerated static piles is part of ICC's odour management plan, and could reduce odours from this source by 90%.

The result of the modeling exercise is that odours in the immediate vicinity of the plant are substantial. However, odours disperse rapidly and none of the complaint locations in 2012 would have had detectable odours originating from ICC under model conditions.

The model gives a good statistical prediction of where the plume will likely go. However, it cannot account for all of the short term (e.g. in the 0.05 seconds to 5 minute range) variations that could effectively transport odour down to the surface. The model most accurately represents where the odour goes in the long term (e.g. 1 hour averaging period). As such, there could potentially be exposures over shorter time scales relevant to odour perception where the model suggests the plume was elevated. In other words, residents in low-lying areas could have been affected by odour from ICC for short periods of time.

In summary, the modeling exercise indicates that ICC is not likely to have been the major source of odours at the complaint locations. Due to the possibility of some unforeseen and not predictable atmospheric mixing, there is the possibility that some of the complainants may have been affected by low concentrations of ICC odours for short periods.

In order to simulate the dispersion of odours from ICC under improved operating conditions, additional modeling runs were conducted assuming that odours from the aerated static piles (greatest emitters of odours) were reduced by 90% and that the biofilter were functional. Based on this analysis, the odours along the site boundary adjacent to the Duke Point Highway are unchanged, but the spread of low intensity odours is much lower.

While it is recognized that there are other potential generators of odours in the study region, the focus of this work has been to determine if and to what extent ICC's compost operations contribute to the odour loading in the region. It was beyond the scope of this study to consider or compare odour emissions from other sources.

Depending on the size and location of the other potential odour contributing facilities in the region, the possible impacts could be localized or travel great distances. By way of example, a Baseline Air Quality Modeling and Human Health Risk Assessment of Current Day Emissions from Norske Canada Crofton Division, by Jacques Whitford in 2004 concluded that combined hydrogen sulfide concentrations from the Crofton facility could be perceived as odour for distance of 20 to 30km from the mill.

Beyond the immediate vicinity of the ICC site, the predicted odours are at a very low concentration of 1 to 2 OU, which is just above the detection threshold for humans. As an additional step, it may be appropriate to review other sources of odours in the region in the same manner that ICC odours were examined. This would enhance an understanding of the potential impact of low level ICC odours versus odours from other sources.

DRAFT

***Appendix A
RWDI Report***



CONSULTING ENGINEERS
& SCIENTISTS

Tel: 604.730.5688
Fax: 604.730.2915

RWDI AIR Inc.
830 – 999 West Broadway
Vancouver, BC, Canada
V5Z 1K5
Email: solutions@rwdi.com



Nanaimo ICC Odour Survey Nanaimo Regional District

Final Report

RWDI # 1301758
August 28, 2013

SUBMITTED TO

Konrad Fichtner, P. Eng.
Morrison Hershfield
310 – 4321 Still Creek Way
Burnaby, BC V5C 6S7
Phone: (604) 454-0402 ext.1052253
KFichtner@morrisonhershfield.com

SUBMITTED BY

Jeff Lundgren, M.Sc.
Technical Director
Phone: (604) 730-5688 ext. 3224
Jeff.Lundgren@rwdi.com

Matthew Sawycky, B.Sc.
Project Manager
Phone: (604) 730-5688 ext. 2639
Matthew.Sawycky@rwdi.com

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1. BACKGROUND

The International Composting Corporation (ICC) in the Regional District of Nanaimo, British Columbia, has received a number of complaints from the local residents concerning odour problems. RWDI was contracted to measure odour emissions from various locations at the ICC plant and to derive a global emission value for the facility. Dispersion modeling was also conducted to estimate the effect of the plant on neighbouring areas based on the emission rates at the time of sampling.

2. ODOUR SAMPLING

Odour sampling took place on July 16th and 17th, 2013 at the ICC site in the Regional District of Nanaimo. The results of the odour sampling were used to provide actual measured odour emission rates for each of the locations enumerated below. These emission rates were then used as source information for dispersion modelling that was then conducted.

2.1 Sampling sites

Triplicate odour samples were collected in each of the following locations at the ICC composting facility:

- a) 1 location on the biofilter servicing the composting building;
- b) 2 locations on the outdoor aerated bays;
- c) 1 location on the outdoor stockpiles of finished compost (screenings);
- d) 1 location on the outdoor storage of overs; and
- e) 2 locations on the indoor curing bays.

2.2 Sampling Procedure

Odour emissions from the compost material and the biofilter were measured using a flux chamber. The flux chamber is 41 cm in diameter; 31 cm high and constructed of 14-gauge stainless steel, as per the US EPA flux chamber sampling methodology. All interior and exterior fittings are constructed from stainless steel and all lines are made from Teflon tubing.

The flux chamber was placed on the surface of the compost media and the bottom edge of the chamber was forced slightly into the media in order to create a seal. A sweep rate of 5 L/min of high purity Nitrogen was introduced into the chamber prior to sampling and the chamber was allowed to reach equilibrium (approximately 25 minute purge time).

The odour sample was then collected in Teflon bags using a lung sampler from a sample port on the flux chamber. The sample bag fill rate was set to 0.5 L/min and therefore did not significantly affect the equilibrium of the chamber.

The rate of airflow through the biofilter was also measured using a hotwire anemometer. A pre-drilled hole in the 8" air-delivery pipe was located near the entrance to the biofilter. The hotwire anemometer was



inserted into the hole and a seal was made around the stem of the anemometer with duct tape to limit increased velocity due to the opening. Air speed measurements were taken at depths of 2”, 4” and 6”. Flow rates were automatically calculated and provided by the hotwire anemometer based on the pipe’s diameter.

In addition to the flux chamber sampling for odour ammonia and H₂S were sampled at each site. Ammonia and H₂S were measured as they are the two most significant odour causing components. Ammonia concentration was measured at each sampling site using *DRAEGER* tubes. H₂S concentrations were measured using a portable Jerome 860 H₂S monitor. Results from these measurements are shown in Table 1. The “H₂S in Box” column refers to measurements of gas pumped directly into the lung sampler (without a bag) from the chamber and then allowing the pressure to equalize.

Table 1: Sampled Ammonia and H₂S Levels

Sample Location	H ₂ S Ambient	H ₂ S in Box	Ammonia in Sample Bag
1 – Biofilter	0.0 ppm	0.0 ppm	0 ppm
2 – Outdoor Aerated Pile OLD	1.6 ppm	1.7 ppm	0.12 ppm
3 – Outdoor Aerated Pile NEW	1.4 ppm	0.0 ppm	0 ppm
4 – Outdoor Screenings	0.0 ppm	0.0 ppm	0.25 ppm
5 – Outdoor Overs	1.4 ppm	0.0 ppm	0 ppm
6 – Indoor Curing Bay OLD	0.0 ppm	0.0 ppm	0.5 ppm
7 – Indoor Curing Bay NEW	0.0 ppm	0.0 ppm	0.20 ppm

2.3 Odour Sample Analysis

Odour sample bags were shipped priority overnight to Pinchin Environmental in Mississauga Ontario where they were analysed by an eight member odour panel. The panel was tested prior to the odour analysis and the members were considered to be in the normal odour sensitivity range.

The odour evaluation used an olfactometer with a tertiary port system to deliver the odour samples to the panel members. The sample bag was pressurized and an electronic mass flow controller metered the sample flow rate. A three-way valve was operated to permit the sample to flow into either one of the three ports. The analysis begins with a high dilution sample and each subsequent sample is diluted at a controlled flow rate with odourless air. For each dilution of the sample, the panellist identifies from which port the odour is detected. A data acquisition system records the panellist’s responses and performs a regression analysis to calculate the odour threshold value. The odour threshold value, also called the ED50 (effective dilution to 50% response), is a statistical measure which identifies the dilution at which 50% of the panel can just detect the odour.



2.4 Sample results

Results from the odour sampling analysis are presented in Table 2. Missing values for tests 2 and 3 for Bay 13 (the oldest outdoor aerated piles) are due to condensation forming inside the sample bag during transportation. The missing value for test 2 for the biofilter is due to a leak in the sample bag that was only noticed at the time of shipping the samples.

Based on the values calculated for the flux rates, the outdoor aerated piles had the highest emission rate per unit of area and the oldest indoor pile emitted had the lowest odour emission rate per unit area. At the time of sampling, the latter seemed to have cooled compared to the other indoor pile and the outdoor piles and the top surface had appeared to have dried out, suggesting conditions less favourable to biological activity; however, no measurements of temperature or moisture are available to confirm this observation. However, several similar facilities in Ontario at which we have performed odour flux measurements, have shown average Odour flux rates in the range of 0.25 to 0.7 OU/sec/m² when they are able to keep the material dry and up to 1.3 OU/sec/m² if the moisture gets higher.

A total emission rate for the ICC composting facility of 5700 OU/second was estimated by performing a weighted average of the flux rate over the top surface of the outdoor aerated bays, the entire floor surface of the service building, the total exposed surface areas of each of the oversized piles and the top surface of the bio-filter.



Table 2: Panel test results and calculated flux fates from the different media sampled at the Nanaimo ICC facility

Source	Parameters	Units	Test 1	Test 2	Test 3	Average	Flux Rate Odour units/sec/m ²
Bay 13 Oldest Outdoor aerated pile	Odour	Odour Units (OU)	3469	n/a ¹	n/a ¹	3469	1.8
Bay 14 Newest Outdoor aerated pile	Odour	Odour Units (OU)	3182	2675	2453	2770	1.5
Bay 15 Screenings Pile	Odour	Odour Units (OU)	2453	1590	1337	1793	0.95
Bay 3 Oldest Indoor Pile	Odour	Odour Units (OU)	737	477	568	594	0.31
Bay 2 Newest Indoor Pile	Odour	Odour Units (OU)	804	1607	1239	1217	0.64
Newest Oversize pile	Odour	Odour Units (OU)	1910	1607	1607	1708	0.90
Biofilter (bags 1 and 3)	Odour	Odour Units (OU)	1043	n/a ²	1042	1043	0.55

- n/a¹ = bags could not be sampled by Pinchin Environmental due to moisture contamination found in the bags
- n/a² = loss of sample due to leak in the sample bag

3. ODOUR DISPERSION MODELLING

A dispersion model study was conducted to determine the off-site areas that may have been influenced by odour from the compost facility during times when odour complaints were recorded. The model study was conducted using the CALPUFF regulatory dispersion model. CALPUFF is a recommended model under the *Guidelines for Dispersion Modelling in British Columbia* (2008).

The CALPUFF model is linear with respect to emission rates. As such, provided the other source characteristics remain unchanged, model results for a given emission rate may be multiplied by a factor corresponding to any other emission rate. For example, if the emission rate for each source doubles but everything else remains the same, then the model results will also double.

The calendar year 2012 was selected for the model year because it counted the greatest number of odour complaints (39) against the ICC facility at the time the modeling started.

3.1 Model inputs

3.1.1 Meteorological data

Meteorological information for CALPUFF was provided using a single station ISC-type meteorological data file. This was developed from measurements for the model period from the *Harmac Pacific Met_60* station that is part of the BC MOE network of stations. As per the *Guidelines for Air Quality Dispersion Modelling in British Columbia*, the mixing heights were derived using the „plume+1“ approximation and surface meteorological data.

3.1.2 Odour source information

Odour sources were input to the model as follows:

- One area source to represent the outdoor bays.
 - The area used was that of bays 11-16.
 - Since no samples were taken for bays 11 and 12, the average of the odour flux from bays 13 and 14 were used as a proxy.
 - Bays 13 and 14 were input as sampled.
 - Bay 15 (screenings) was input as sampled
 - Bay 16 is occupied by an excavator sitting atop an undisturbed pile of very old overs. To be conservative, the odour flux rate for overs was used.
 - The odour flux rate for the entire area was a weighted average of the above flux rates.
- Seven volume sources defined as
 - One for the building was obtained by considering the average odour flux rate from bays 2 and 3 over the entire floor space of the building (excluding the lab and boardroom area at the back)
 - One for the bio-filter

- Five for the oversize piles (One source for each pile). The entire exposed surface of each pile was estimated and used to obtain the emission rates that were applied.

It should be noted that the odour testing was completed only over two days, and these two days may or may not be representative of the odour emission from the facility over the entire year. The sampling is only a snap shot of odour for that day of testing.

3.1.3 Receptor locations

Receptors locations were chosen in accordance with BCMOE model guidelines. Local elevation data were used to determine receptor elevations so that topography in the area of the facility is properly represented.

3.2 Model Results

Unprocessed model results from CALPUFF are output as time series for each point on the receptor grid. These were processed to determine the maximum short term odour concentration over the model year. Spatial plots of the results over the receptor grid were examined to determine the extent of odour that has come from the facility in comparison to complaint locations. These are represented as the 1-hour, 10-minute and 3-minute maximum odour values (Figures 1, 2 and 3). These correspond to the highest value of the model year at each receptor location when considering an averaging period of one hour, ten minutes or three minutes, respectively. These highest values generally share a common set of meteorological conditions that act to increase atmospheric stability and minimise dispersion, causing odour to persist at higher concentrations near the source and decrease less quickly with distance away from the source.

Additionally, a snapshot of the modelled odour plume for 06:00 on October 25th, 2012 is presented in Figure 4. It represents the highest odour values averaged over a 3-minute period within the hour ending at the indicated time. This is provided to show model predictions in relation to a period when a specific odour complaint was received.

1-Hour Maximum Odour Values

Figure 1 shows the contours of modelled 1-hour maximum Odour values for 2012. These represent the highest values attained at each one of the receptors during the model year. A peak of 16.8 OU is found in the immediate vicinity of the facility. Elevated odour values (>7 OU) can be noted along the SW boundary of the composting plant which coincides with the location of the Duke Point Highway going to/from the ferry terminal.

Odour values decrease rapidly with increasing distance from the facility. Odours reach values below the detectable threshold for half of the human population (1 OU) well before reaching any of the complaint locations. The odour Contours are stretched out in the NW-SE direction. This is due to the terrain that slopes away to the SW and the NE, putting ground level in those directions beneath the Odour plume and limiting those receptors' exposure to the odour.

3.2.1 10-Minute Maximum Odour Values

Figure 2 shows the contours of 10-minute maximum Odour values for 2012. This was calculated by increasing the mass emissions rate of all sources by a factor of 1.65 (Ontario MOE, 2008).

The contours in Figure 2 represent the highest values attained at each one of the receptors during the model year considering a 10 minute averaging period. A peak of 27.7 OU is found in the immediate vicinity of the facility. Elevated odour values (>11 OU) can be noted along the SW boundary of the composting plant which coincides with the location of the Duke Point Highway going to/from the ferry terminal.

Non-zero odour values appear to extend further into Cedar to the SE than for the 1 hour maxima and also show an area on Gabriola Island to the NE that is potentially influenced by plant odour. These areas of ground level odour influence away from the plant are caused by the higher elevation of the source compared to the lower lying areas nearby and over water. The model plume stays aloft as it passes over lower areas and does not impact ground until it intersects higher elevations. The model likely overestimates the integrity of the plume in this case. That is to say that the model may not adequately represent the odour plume's tendency to mix downward to receptors on the ground. It is reasonable to conclude that, in reality, this elevated plume will occasionally be mixed to the ground below and that there may be some odour influence in these areas.

For a 10-minute averaging period, odours reach values below the detectable threshold for half of the human population (1 OU) before reaching any of the complaint locations.

3.2.2 3-Minute Maximum Odour Values

Figure 3 shows the contours of 3-minute maximum Odour values for 2012. The 3-minute averaging time was calculated by multiplying the 1-hour model results by an factor of 2.313 (Ontario MOE, 2008) to account for the higher fluctuation in concentration that may occur over the shorter averaging period, This is also equivalent to increasing the 1-hour mass emissions rate of all sources by a similar factor.

The contours in Figure 3 represent the highest values attained at each one of the receptors during the model year considering a 3-minute averaging period. A peak of 38.8 OU is found in the immediate vicinity of the facility. Elevated odour values (>11 OU) are predicted along the SW boundary of the composting plant which coincides with the location of the Duke Point Highway to the ferry terminal.

At this averaging period, non-zero odour values extend far into Cedar and occupy a substantial portion of Gabriola Island to the NE. Affected areas also appear in Nanaimo to the West and at the junction of Highways 1 and 19 to the SW. Low odour values in low-lying areas and higher values on high ground are indicative of the predicted odour plume being elevated in respect to sea-level as it was for the 10 minute maximum values.

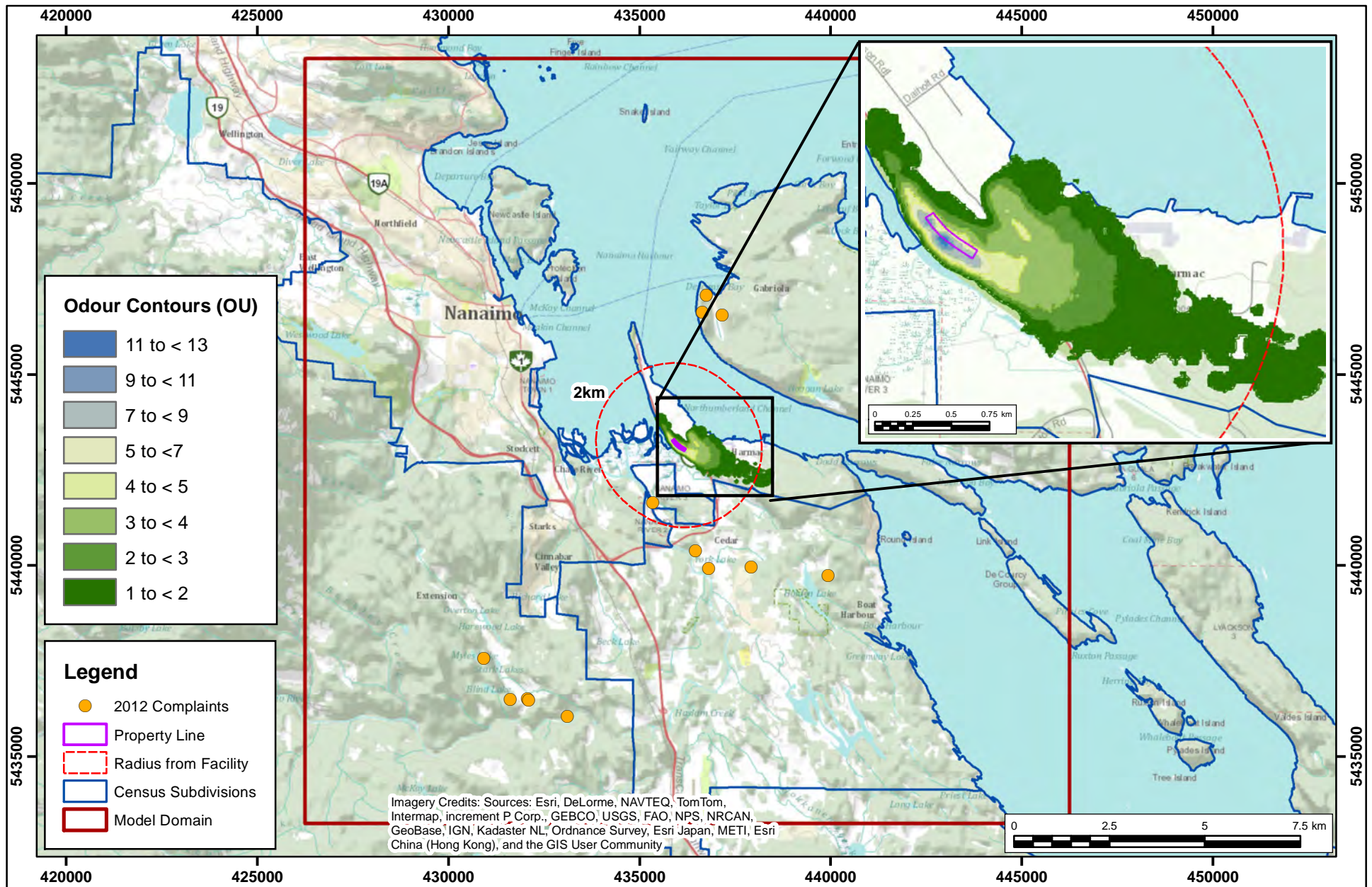
The 3 minute maximum values intersect with one complaint location: 948, Harrison way, Gabriola Island. The complaint there was made the morning of October 25th, 2012. It is important to note that predicted 3



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& SCIENTISTS

minute maximum odour values that intersect with the complaint location are only 1 OU, which is used as the minimum detection threshold for average humans (half of an average adult human population are able to detect it). Usually Complaints are only made above 3-5 OU as most people would not even notice 1 OU of compost smell unless they were specially trained or particularly sensitive.

Modelling results were reviewed for the meteorological conditions from 5am until noon, on the morning of October 25th. Based on the level of odour values that were sampled on July 16th and 17th, 2013, the largest geographic area covered by contours, greater than one odour unit, occurred at 6 am (Figure 4). Other hours that morning did have higher concentrations, however the plume area was contained around the site.



Dispersion Model Results - 1-Hour Maximum
2012 Meteorological Data Used

Map Projection: NAD 1983 UTM 10N.

ICC Nanaimo Odour - Nanaimo, BC

True North



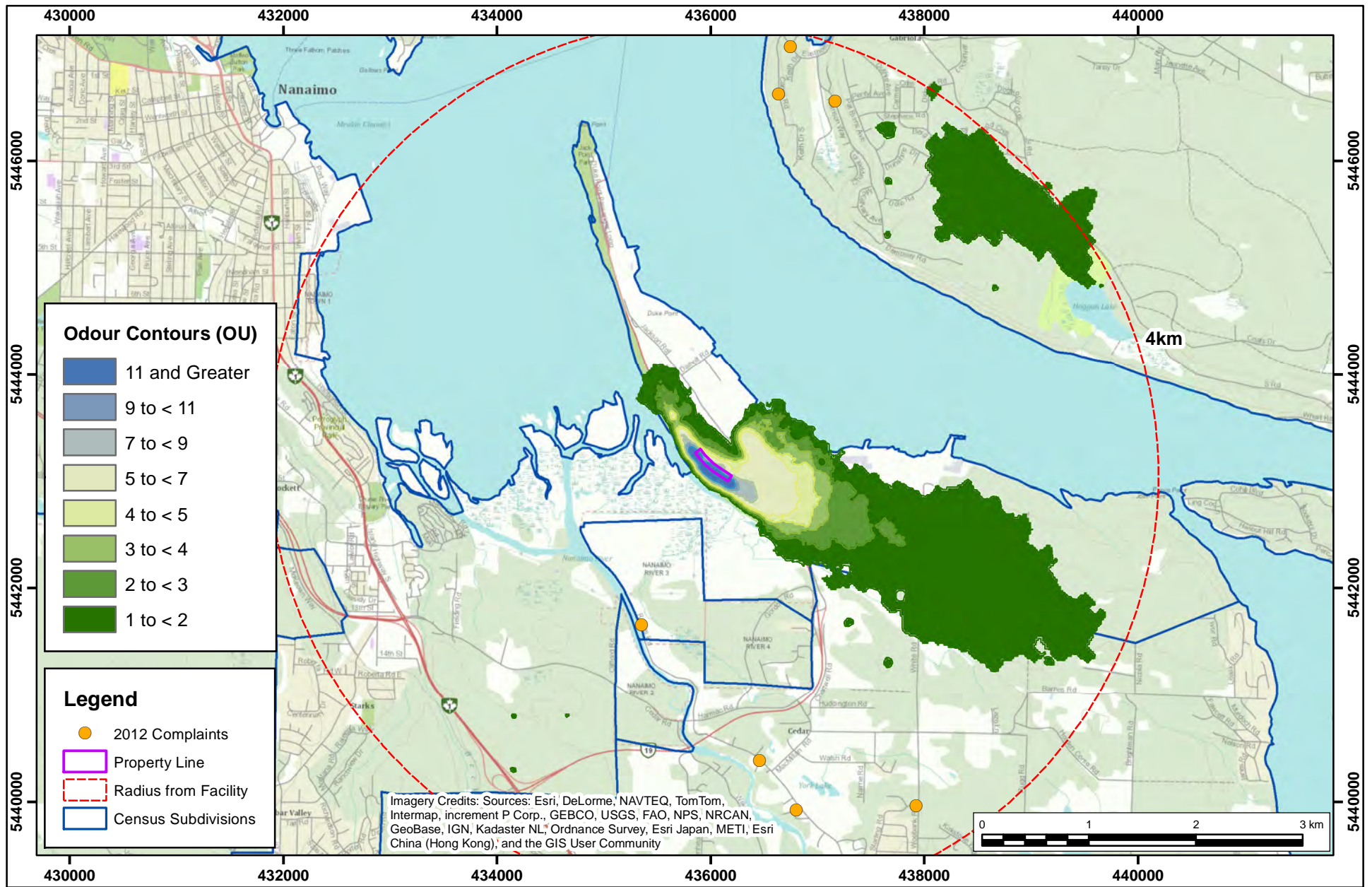
Drawn by: NBN Figure: 1

Approx. Scale: 1:140,000

Date Revised: Aug. 28, 2013

RWDI

Project #1301758



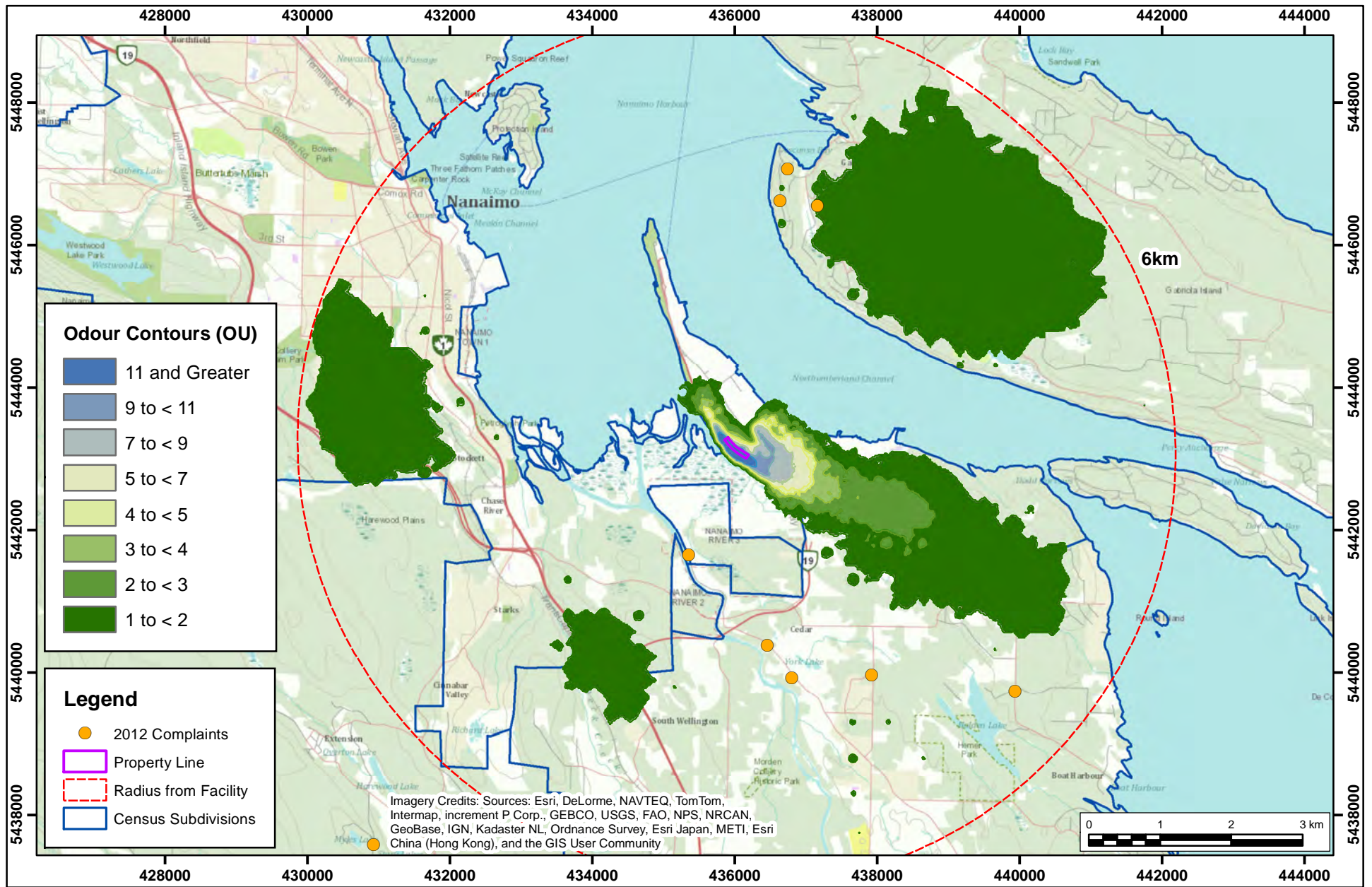
Dispersion Model Results - 10-Minutes Maximum
2012 Meteorological Data Used

Map Projection: NAD 1983 UTM 10N.



Drawn by: NBN	Figure: 2
Approx. Scale: 1:50,000	
Date Revised: Aug. 28, 2013	





Dispersion Model Results - 3-Minutes Maximum
2012 Meteorological Data Used

Map Projection: NAD 1983 UTM 10N.

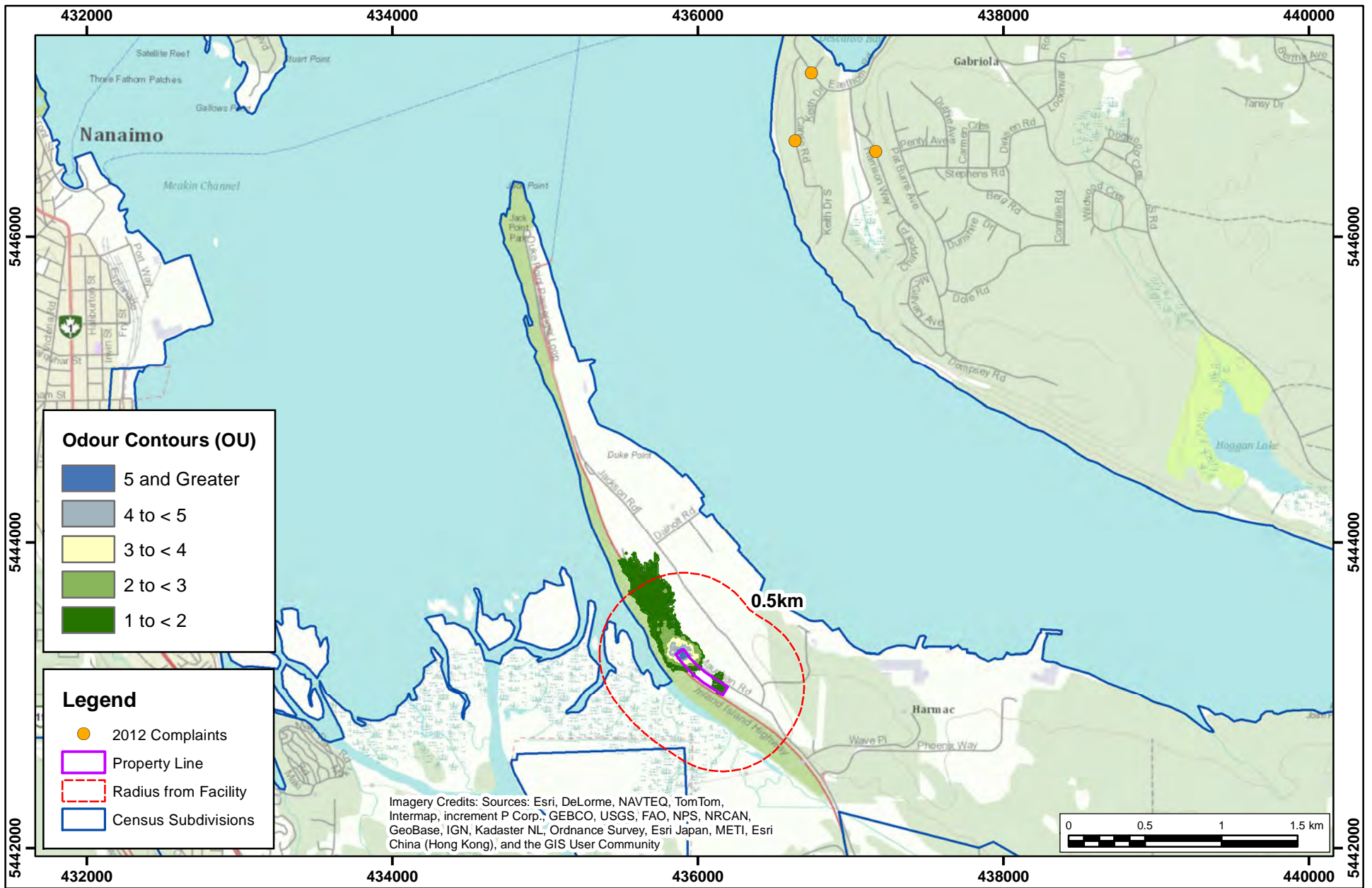


Drawn by: NBN Figure: 3

Approx. Scale: 1:75,000

Date Revised: Aug. 28, 2013





Dispersion Model Results - 3-Minute Maximum at 6:00 AM, October 25, 2012
 2012 Meteorological Data Used

Map Projection: NAD 1983 UTM 10N.



Drawn by: NBN	Figure: 4
Approx. Scale: 1:35,000	
Date Revised: Aug. 28, 2013	





4. CONCLUSIONS

Sampling and analysis showed that the strongest odour emissions were from the outdoor aerated compost piles where minimal mitigation efforts are taken to reduce their effect except for misting of pine scent timed with ferry arrival times. Significant reduction could therefore be achieved by improving practices in these piles.

Odour flux rates from the bio-filter were similar to those sampled directly from indoor composting piles. This indicates that little odour reduction is achieved in use of the bio-filter.

1-Hour Maximum odour modelling results show that little to no odour produced at the composting plant in the year 2012 reaches any of the complaint locations listed in the complaints record provided by ICC. It is possible that certain conditions that favour odour production more than those in which the currently considered set of samples were collected could lead to higher odour values spreading further afield. It was mentioned to the sampling crews that dry, warm weather following an extended period of wet rainy weather is an example of such conditions.

Maximum 3-and 10-minute averages were also estimated from the modelled maximum 1-hour averages. These showed greater areas potentially being influenced by the odours from ICC. The model shows less influence in area lying below the source release elevation. The model emissions plume maintains its elevation and model vertical mixing does not widen the plume enough to influence ground. It is likely that the model overestimates plume integrity in this area. If down mixing to the surface is considered greater than what was predicted by the model, then residents in low-lying areas neighbouring the non-negligible maximum values could have been affected by odour from ICC for short periods of time.

5. REFERENCES

British Columbia Ministry of Environment (BC MOE). 2008. *Guidelines for Air Quality Dispersion Modelling in British Columbia*.

Ontario Ministry of the Environment (Ontario MOE). 2008. *Technical Bulletin: Methodology for Modelling Assessments of Contaminants with 10-Minute Average Standards and Guidelines*. (http://www.ene.gov.on.ca/stdprodconsume/groups/lr/@ene/@resources/documents/resource/stdprod_078252.pdf) Accessed: April 15, 2013



RDN REPORT	
CAO APPROVAL	
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BOARD	✓

MEMORANDUM

TO: Board of Directors

DATE: November 20, 2013

FROM: Joe Stanhope
Municipal Finance Authority Trustee

SUBJECT: Municipal Finance Authority Update

PURPOSE:

To provide background information and an update on the activities of the Municipal Finance Authority of British Columbia (MFA).

BACKGROUND:

The MFA was created in 1970 to serve BC municipalities and regional districts to provide long-term financing, interim financing, lease financing and pooled investments. The MFA balance sheet now exceeds \$7 billion and is managed by a team of eight professional staff based in Victoria. Pooled investments reached \$2.4 billion this year.

Investors regard the MFA as the benchmark of municipal credit. MFA has the lowest borrowing costs of any municipal issuer in Canada, has excellent market access, and was the first municipal issuer to access the market post-crisis in November 2008. The MFA has a broad investor base, including institutional investors in Canada and the USA (asset managers, insurance companies, pension funds, etc.) as well as Canadian retail investors.

The MFA membership consists of 38 elected officials appointed by their regional district boards from 28 regional districts. The responsibilities of the members are the election of the Chair and the 10 member Board of Trustees, the review and authorization of requests for financing, and to approve the annual operating budget. There are four Trustees from the Greater Vancouver Regional District, one from the Capital Regional District, and five Trustees elected from the other 26 regional districts. The responsibilities of the Trustees are executive and administrative oversight (including finance and audits), human resources and investment advisory.

Recently the MFA placed \$280 million worth of 10-year bonds at an interest rate of 3.78%. The RDN's share of the Fall debenture was \$31.6 million. The MFA continues to achieve lower interest rates when compared to all other municipal participants in the bond market across Canada. This reflects our triple A credit ratings and the strength of local governments throughout BC.

The excellent credit rating of the MFA is shared by all BC local governments and hospital districts. By borrowing through the MFA, BC residents benefit from some of the lowest debt rates in North America. Only the federal government and the provinces of BC and Alberta share the AAA rating of the MFA.

The average local government debt load in BC is less than \$1,000 per capita. The debt load of each local government is closely monitored by the Ministry of Community, Sport, and Cultural Development, and the MFA. Compared to the situation of some cities in the USA, where some municipalities are facing huge debt load and/or deficits relative to the size of the community, the enormous debt level brings with it the specter of high interest rates, tax increases over 100%, and bankruptcy declarations.

As far as MFA's liquidity is concerned, MFABC has the most 'bullet' debt outstanding of any Canadian municipal issuer. This is a good thing as 'bullet' is a bond term meaning the principal is paid in full on the maturity date. In contrast, a serial bond has the principal repaid annually.

FINANCIAL IMPLICATIONS

With its statutory credit strength and good management, MFABC is recognized as the leading municipal issuer in Canada. While the MFA continues to borrow at superior rates when compared to all other municipalities in Canada, all other Canadian municipalities are priced as a spread over MFA. MFA relends to all their members at the same low rate, regardless of the size of each community they serve in BC.

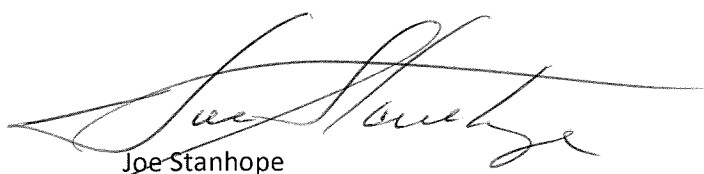
SUMMARY

The MFA was established April 2, 1970 under the Municipal Finance Authority Act to provide financing and short-term investments for regional districts and other prescribed institutions in BC. There have never been any defaults or late payments. The credit strength of the MFA is reviewed with the credit rating agencies each year.

The next MFA Financial Forum and Annual General Meeting will be held in Victoria on March 27, 2014.

RECOMMENDATION

That this report be received for information.



Joe Stanhope



MFABC

Municipal Finance Authority of BC

SECURITIES: BCMFA

Moody's	Aaa "Stable"
Fitch	AAA "Stable"
Standard & Poor's	AAA "Stable"

**Financing municipal infrastructure in the province of British Columbia since 1970
Default Free**

CLIENTS

Regional Districts, Hospital Districts, Municipalities

STRUCTURE

28 Regional Districts appoint 39 Members to the Authority

10 Trustees are elected from the Members

8 Professional employees manage the business – Balance Sheet \$7.0 billion

CREDIT STRENGTH

Debt Reserve Fund \$114 million in liquid investments for long-term debenture obligations

- 1.0% cash withheld from all loan requests
- Never been drawn against

Taxation Authority Taxable land & improvements to restore Debt Reserve Fund

- Senior-level government approval not required
- Property values exceed \$950 billion
- Never been used

Joint Liability Municipal long-term debt with MFABC is a Regional District liability

- Municipalities guarantee each other's debt in event of default
- Joint and several guarantees never been applied

Investments Sinking Fund Methodology

- Semi-annual billing of interest to match debenture coupons
- Annual billing of principal for debt retirement
- \$2.4 billion in investments (38% of gross debt)

APPROVALS

Taxpayer All long-term municipal debt in BC requires a public approval process

Regional District Long-term debt is approved by the Regional District

MFABC Due diligence and statutory reviews

- Management credit review
- Trustees and Members review loan requests
- Members authorize the sale of securities

COMPLIANCE

Debt Limits Only 25% of sustainable revenues eligible to service debt costs

Balanced Budgets Municipalities may not budget for a deficit or accumulated deficit

Province of BC Legislation requires the Provincial Inspector to verify

- Borrowings are legal and within debt limits
- Municipalities have the financial ability to service debt